

CHARITY OF RICHARD CLOUDESLEY

England & Wales · Charity number 205959

Details

Other names RICHARD CLOUDESLEY'S CHARITY

Status Registered

Legal form Other

Company number [07425897](#)

Registered 1962-09-22

Register [View on the Charity Commission register](#)

Contact

Address 200a Pentonville Road
2nd floor
London
N1 9JP

Phone 0207 832 5802

Email info@cloudesley.org.uk

Website www.cloudesley.org.uk

Activities

Objects: 28. Application of income (1) Subject as aforesaid and to clause 28(2) (below), the Trustees shall apply the income of the investments for the time being representing the investments and cash specified in Part II of the schedule hereto and one half of the residue of the yearly income of the Charity for the preservation and improvement of health and/or the relief of sickness among persons in need because of poor physical or mental health, disability, financial hardship or other disadvantage in the London Borough of Islington. (2) In exceptional circumstances, the Trustees may support persons otherwise eligible who are resident immediately outside of the said area but who, in the opinion of the Trustees, ought nevertheless for sufficient reason to be treated as if resident therein or who are located for the time being within that area. (3) The Trustees shall apply the other half of the residue of the yearly income of the Charity to make grants of such amount as the Trustees think fit towards the upkeep, repair and redevelopment of the fabric and facilities of any of the churches of the Church of England in the London Borough of Islington and the maintenance or development of the public acts of worship and other work of the church in those churches. For the purpose of this clause 28(3), "churches" includes all buildings, structures, gardens, paths and grounds within the curtilage of the principal place of worship and any other premises in the London Borough of Islington which are the responsibility of the incumbent and/or the Parochial Church Council of that church and used for worship or other work of the church (save for vicarages and other residential buildings)."

Activities: The Charity's area of benefit is the London Borough of Islington where, through programmes of pro-active grant-making, the Charity's aim is to help those who are sick and poor and to support twenty seven Church of England churches.

Classification

- **How:** Makes Grants To Organisations
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- **Area of benefit:** LONDON BOROUGH OF ISLINGTON.
- Islington

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£1,517,000	£3,384,000	£56,991,000	5
2024-06-30	£1,747,000	£3,257,000	£58,038,000	5
2023-06-30	£1,785,000	£3,135,000	£57,863,000	5
2022-06-30	£1,624,000	£2,343,000	£57,054,000	5
2021-06-30	£1,490,511	£2,664,680	£58,707,065	5

Trustees

Name	Role	Appointed
Richard Cloudesley Trustee Limited		2010-10-01

Linked charities

- CONVALESCENT HOME ACCOUNT (205959-1)
- CHURCH ACCOUNT (205959-2)

CHARITY OF RICHARD CLOUDESLEY

England & Wales - Charity number 205959

Accounts



Cloudesley

CLOUDESLEY

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

30 JUNE 2025

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Reference information

TRUSTEE – RICHARD CLOUDESLEY TRUSTEE LTD

Directors of the Trustee	Finance & Endowment Committee	Staffing Committee	Grants Committee
Ex-officio – the Mayor of Islington			
Director position unfilled			
Archdeacon of Hackney appointed			
Martin Hornbuckle	✓		✓
London Borough of Islington nominated			
Cllr Janet Burgess MBE – Vice Chair		✓	✓
Tanya Parr (resigned 4 December 2024)			✓
Fatma Abbas Sufi (appointed 19 March 2025)	✓		✓
Denise Ward		✓	✓
Cllr Flora Williamson			✓
Deanery Synod nominated			
Jennifer Kenson			✓
Ruth Hayes (appointed 19 March 2025)			✓
Lydia Mutare		✓	✓
Seun Olateju			✓
Jean Willson OBE (deceased 11 December 2024)		✓	✓
Elected			
Mary-Therese Barton	✓		
Adam Jenner – Chair	✓	✓	
Elena Mitchell	✓		
Delyth Richards	✓	✓	
Sharon White – Vice Chair	✓		✓
Co-opted members (not Directors of the Trustee)			
Olufemi Aiyebusi (appointed 21 March 2025)			✓
Olufunke Imiruaye			✓
Michael Samuels	✓		

ADMINISTRATION & ADVISORS

REGISTERED OFFICE & OPERATIONAL ADDRESS 2nd Floor
200a Pentonville Road
London
N1 9JP

BANKER CAF Bank Limited
Kings Hill
West Malling
ME19 4TA

ESTATE MANAGERS Daniel Watney LLP
165 Fleet Street
London EC4A 2DW

INVESTMENT MANAGERS Cazenove Capital
1 London Wall Place
London EC2Y 5AU

INVESTMENT MANAGERS Sarasin & Partners LLP
Juxon House
(until March 2025) 100 St Paul's Churchyard
London EC4M 8BU

LEGAL ADVICE (Structural/Charity) Bates Wells & Braithwaite London LLP
10 Queen Street Place
London EC4R 1BE

LEGAL ADVICE (Property/Estate management) Charles Russell Speechlys LLP
5 Fleet Place
London EC4M 7RD

LEGAL ADVICE (Property/Estate management) Russell Cooke LLP
5 Fleet Place
London EC4M 7RD

AUDITOR Sayer Vincent LLP
110 Golden Lane
London EC1Y 0TG

CHARITY NUMBER 205959

TRUSTEE COMPANY NUMBER 7425897

Registered with the Charity Commission in England & Wales as Charity of Richard Cloudesley, the charity uses the working name Cloudesley. Richard Cloudesley Trustee Limited is the related Trustee Company, registered in the United Kingdom.

KEY MANAGEMENT PERSONNEL

Melanie Griffiths
Catherine Sorrell
Kevin Turner
Ross Holland

Director and Company Secretary
Grants Manager
Grants Manager (resigned October 2025)
Finance Manager

Trustee's report

Introduction

The Trustee of the Charity of Richard Cloudesley, which operates under the name Cloudesley, has pleasure in presenting the report and accounts for the charity's activities in the year to 30 June 2025.

The reference and administrative information set out on pages 2 and 3 form part of this report. The financial statements comply with current statutory requirements, the trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Achievements and Performance

Grants Agreed

During the year, the charity awarded grants totalling £2,381,000. After accounting for grants written back, the net amount of grants awarded was £2,311,000. This includes £4,479 awarded for access audits and £13,017 awarded for sustainability consultancy for churches.

Church Grants

Under the charity's Scheme, half of its net income is to be used to make *'grants towards the upkeep and repair of the fabric of, and the maintenance of the services in, any churches of the Church of England in the London Borough of Islington'*.

Through its Church Grants programme, Cloudesley provides grants for eligible Church of England churches in the Islington Deanery. In 2024/25, this support totalled £1,062,208.

Main Church Grants Programme

Cloudesley's Church Grants programme for 2020 to 2025 includes a Main Church Grants Fund with the following funding priorities:

- Major works and building projects
- Preventative works and/or simple repairs
- Project development and feasibility studies
- Developing church capacity to deal with building issues and/or maintenance of services

Cloudesley also offers Urgent Repair Grants which provide funding of up to £10,000 to help churches deal quickly with urgent and unforeseen repairs.

During 2024/25, under its Main Church Grants programme and Urgent Repair Grants, the charity agreed:

- A total of 32 grants to 22 of the 27 churches in the Islington Deanery
- A total amount of £840,064

Grants included funding for:

- Tower, spire and other stonework repairs
- Roof and drainage works
- Urgent repair works
- Fire safety upgrades
- Feasibility studies and architects' fees for buildings projects

Special projects

During the year, Cloudesley also ran two special time-limited projects in partnership with the Islington Deanery and the Diocese of London.

Church Access Project

Cloudesley's three-year Church Access Project ran from July 2022 until June 2025. The project offered each eligible Islington church:

- A Cloudesley-funded access audit carried out by the Centre for Accessible Environments
- A non-competitive grant of up to £10,000 to implement access measures in their church
- Opportunities for education and learning about access issues, including via quarterly newsletters

Over the three-year project, 22 access audits were completed and 16 Church Access Project grants were agreed. In 2024/25, grants included funding for a temporary external ramp, audio-visual equipment, toilet and lighting improvements, and a hearing loop.

Sustainable Church Buildings Project

Cloudesley's second Sustainable Church Buildings Project also ended in 2024/25. Building on a similar successful project which the charity ran in 2017/18, the project ran from July 2023 to March 2025. It offered every eligible church:

- Expert technical advice including an audit review and update, and up to seven hours of bespoke support
- A non-competitive grant of up to £10,000 for sustainability and net zero carbon measures
- Large grants for particularly impactful projects

Over the course of the project:

- 24 churches received audit update notes, with ten churches having more detailed decarbonisation audits carried out
- 99 hours of consultancy support was provided
- 16 churches had 3D scans of their church buildings undertaken
- 20 churches received Small Grants of up to £10,000 for works including solar panels, secondary glazing and energy-efficient heating

For more details, please see our [end of project evaluation](#).

Other Support

During the year, Cloudesley also convened three meetings of the Islington Deanery Church Buildings Forum. The meetings brought together representatives from Islington churches to share information and learn about key buildings issues, including net zero improvements, managing large capital projects and water ingress.

Health & Welfare Grants

The charity's Scheme specifies that half of the residue of its income after costs and expenses is for '*relief in sickness for the purpose of relieving in cases of need persons who are sick, convalescent, disabled, handicapped or infirm*'. The charity seeks to address this through its Health and Welfare programmes.

During 2024/25, the charity agreed:

- A total of 51 health and welfare grants to 24 organisations totalling £1,301,800
- Of this, £181,000 was grants for individuals and £1,120,800 was grants for organisations

Grants for individuals

The charity continued to run its Cloudesley Partners fund which provides crisis/welfare grants for individuals. Through this fund, the charity agrees block grants for local voluntary organisations (Cloudesley Partners) which are working with Islington residents. The Partners then distribute this money by making grants of up to £500 to individuals who have health needs and/or who are disabled and in financial need. A grant as a contribution to administration costs of 10% is made to each of the organisations as recognition of the time involved in administering and monitoring these grants.

During 2024/25, 1,395 grants were made to individuals by the Cloudesley Partners to help residents in a variety of ways, including for emergency expenses (such as food and energy bills), white goods, and furniture and furnishings.

In 2024/25, the charity worked with 18 Cloudesley Partners, initially agreeing £142,000 for them to distribute to Islington residents. A further £39,000 of Cloudesley Partner funding was agreed during the year as top-up grants for the organisations to distribute.

The charity continued to work in partnership with Cripplegate Foundation on the Catalyst Fund. This creative grant-making scheme gives partner support organisations the ability to provide small grants to help residents meet personal goals and connect to opportunities and services. Funding of £70,000 was agreed by Cloudesley in September 2023 for seven organisations to distribute to local residents in 2024 and 2025.

During 2024/25, 108 grants were made to Islington residents under the Catalyst Fund. These were used for a range of purposes, including for gym memberships, art supplies, training courses and smartphones to enable social interaction and improve employment opportunities.

A full breakdown of organisations receiving these grants is set out in note 22 to the accounts.

Grants for organisations

The charity's Health Grants programme also provides grants to organisations that offer support to people with health needs and/or who are disabled and living in poverty in Islington. The charity addresses its 'Relief in Sickness' Object by supporting sustainable local organisations that demonstrate initiative in tackling health inequalities.

Following a review, including consultation with local voluntary and community sector organisations and other funders, in 2024/25 Cloudesley's Trustees agreed a new Health Grants programme. The 2025-29 programme aims to reduce health inequalities in Islington amongst people who are living in poverty. The programme includes a number of funding streams, details of which are set out below.

Large Grants

The new Large Grants Fund provides multi-year grants to voluntary sector organisations. The funding can be used for core running costs or towards specific projects. Organisations are identified by the charity and invited to apply. These grantees are established voluntary sector organisations with a track record of delivering positive health outcomes for local residents.

In 2024/25, the charity agreed new grants totalling £1,109,500 under this funding stream. This included extension and renewal funding for 10 organisations:

- Disability Action in Islington – Complex casework
- Help on Your Doorstep – Connect Service
- Holloway Neighbourhood Group – Improving Mental Health & Wellbeing
- Islington Centre for Refugees & Migrants – Support service
- Islington Law Centre – Three Advice Project
- Islington Mind – Talking Therapies Clinic
- Manor Gardens Welfare Trust – Health Connector
- St Luke’s Parochial Trust – Helping Hands project
- Stuart Low Trust – Core costs for Arts, Nature and Wellbeing Programme
- The Margins Project – Margins Plus

Multi-year projects covered by grants awarded in previous years and ongoing during 2024/25 were:

- Citizens Advice Islington – Outreach advice worker
- Community Language Support Services – Helping Hand to improve lives
- The Elfrida Society – LDAD Healthcare Access and Resilience Project
- Islington BAMER Advice Alliance – IBAA Co-ordinator
- Islington Bangladesh Association – Community health project
- Islington People’s Rights – KidsSupport project
- MahaDevi Yoga Centre – Therapeutic yoga for children and young people with additional or complex needs
- The Manna – Talking health inequalities among marginalised people
- The Maya Centre – 1:1 and group counselling for Black Women’s Therapy Group
- Prospex – 1:1 support for young people

Flexible Fund

The Flexible Fund is designed to respond to emerging needs and can be used in a variety of ways, including to help organisations test a different approach to tackling health inequalities, respond to a crisis or to support capacity building within funded organisations.

In 2024/25, four grants were agreed totalling £11,300 for:

- Islington People’s Rights – A new case management system and set-up costs
- Islington Somali Community – Sage, Salesforce, associated training and a laptop
- The Maya Centre – Legal advice for EDI policy development
- Urban Forest Tribe – Trauma informed training

Small Grants Fund

The Health Grants programme also includes a Small Grants Fund (up to £10,000) to support smaller organisations working with Islington residents who are on no or low income.

Although no new Small Grants were agreed in 2024/25, the 11 projects supported through funding agreed in the previous financial year continued to run. These 12-month projects all fit at least one of the following criteria:

- Projects working with young people
- Projects run by organisations that are both led by and for marginalised communities
- Projects for people with learning disabilities or autism

For more details, including case studies, please see our [Small Grants Fund 2024 Impact Report](#).

Islington Giving

In 2024/25, Cloudesley continued its support for Islington Giving, agreeing a further grant of £55,000 for 2025. In May 2025, Islington Giving celebrated its 15th anniversary. Since 2010, this coalition of funders, businesses, voluntary organisations and residents has raised over £11 million for allocating to local organisations and projects. The charity's funding for Islington Giving is used for activities which fall within Cloudesley's Health Grants remit.

Since June 2023, Trustee Sharon White has represented Cloudesley on the Board of Islington Giving and has served as Vice Chair of Islington Giving. Cloudesley's Director also attended Islington Giving Board meetings in an observer capacity and Cloudesley was represented on Islington Giving's Grants Committee by one of its Grants Managers.

Grants – information and impact

As a place-based funder, Cloudesley works closely with the Islington churches and voluntary organisations that it supports. We use a mix of monitoring visits and reports to measure the impact and effectiveness of our funding. The information gathered is used to inform the charity's future decision-making.

For further detail about Cloudesley's grant-making and its impact, please visit www.cloudesley.org.uk

Financial review

Financial performance

The charity's income came entirely from investments in its securities portfolio and property estate. Income totalled £1,517,000, a fall of 13% from the previous year due to a shift in focus in the charity's investment portfolio from income-producing assets to assets delivering a balance between income and capital growth. Expenditure of £3,384,000 was up 3.9% on the previous year because of a planned increase in grant giving.

The gain on revaluation of investments was £820,000 compared to £1,685,000 in the previous year. The gain on the securities portfolio was £334,000, representing 1.1% of its total value at the end of the previous year. The gain on the property estate was £486,000, representing 1.6% of its value at the end of the previous year.

The total return on the charity's endowment before accounting for expenditure on charitable activities was £1,596,000, representing 2.7% of its value at the end of the previous year. £2,643,000, or 4.6% of the value of the endowment at the end of the previous year, was spent on charitable activities.

Reserves

The net result of the movements detailed under 'financial performance' above was a fall in the charity's assets of 1.8% to £56,991,000, comprising the trust for investment of £28,303,000 and the unapplied total return of £28,688,000. All funds are endowment funds.

The charity follows a total return approach to investment. This allows investment income and an element of capital gains, known as the unapplied total return, to be used to fund the charity's grants and running costs. Trustees resolved to adopt total return accounting from 1 July 2019. The initial value of the charity's endowment, known as the trust for investment, was calculated as £21,600,000 on 1 July 2019, based on the earliest date a valuation could be obtained, 31 December 1998, and using estimates from the charity's investment managers at the time, Sarasin & Partners LLP, and estate managers, Daniel Watney LLP. The total value of the endowment on 1 July 2019 was £53,136,000, creating an initial trust for investment of £21,600,000 and an initial unapplied total return of £31,536,000.

The trust for investment increases annually using the consumer prices index (CPI) measure of inflation to maintain its real value over time.

Under total return accounting, the charity is permitted to allocate from the total return element of permanent endowment to unrestricted funds such sums as it thinks appropriate in furtherance of its work. In making these transfers, the charity seeks to be even-handed between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets.

The charity's investment managers, Cazenove Capital, advised in July 2024 on the probability of the charity maintaining the real value of its endowment based on the

drawdown rate and asset allocation. Based on these probabilities, the charity estimated a transfer to unrestricted funds of 3.81% from its securities portfolio and 3.19% from its property estate would balance the needs of current and future beneficiaries. Given the allocation of the securities portfolio and property estate in the endowment, this equates to an overall transfer to unrestricted funds of 3.51%. This is lower than the budgeted transfer to unrestricted funds of 4.00% and Trustees will seek to reduce the budgeted transfer to unrestricted funds over time. Updated advice on these probabilities will be sought from Cazenove Capital as part of the charity's annual budgeting cycle.

Investment policy

Cloudesley's investment policy, which covers both the securities portfolio and the property estate, was reviewed during 2024/25. The charity seeks to produce the best possible return while taking an acceptable level of risk, with trustees measuring performance after fees against inflation (the consumer prices index) plus 4%. A long-term view is taken when distributing grants to try to balance the needs of current and future beneficiaries without favouring one group over the other. Within this constraint, the charity seeks to increase the level of grants awarded in real terms as far as possible.

For historical reasons, a substantial proportion of the charity's investments, currently 50%, is represented by the property estate, mainly residential freehold properties in the London Borough of Islington. While there is some diversity of property by type of unit, trustees recognise the scale of concentration within this asset class and keep the risks of this under review. Within the securities portfolio, diversification is provided by investing in a variety of asset classes, primarily international equities, UK equities and UK fixed interest securities.

Trustees take social, environmental and ethical considerations into account as part of the investment policy. To this end, the charity's securities portfolio does not include any investments in:

1. the manufacture of tobacco
2. companies needlessly emitting excessive quantities of carbon into the atmosphere unless, following engagement, there is evidence these companies are ameliorating their carbon emissions
3. companies with more than 5% of their turnover from adult entertainment, alcohol manufacture, armaments, gambling, high-interest lending, production of oil from tar sands, or extraction of thermal coal.

Similarly, while the charity is not a social landlord, it seeks to manage its properties in an ethical and fair manner, for example making sure that all employees of contractors and sub-contractors are paid at least the Living Wage while working on its properties, dealing fairly and considerately with tenants, and considering issues of sustainability in property refurbishment and maintenance.

The charity is a signatory of the Funder Commitment on Climate Change, and to this end has committed to making sure its investment strategy aligns with its climate commitments.

The charity periodically reviews its investment managers in the interests of good governance and to this end in early 2023 appointed Cazenove to take over management of the security portfolio. This change began during 2023/24 and completed during 2024/25.

Remuneration policy

The Trustees have agreed a remuneration policy to underpin the charity's commitment to paying and treating its staff fairly. The charity gives a level of salary and other benefits to ensure that staff with an appropriate level of skills and experience can be recruited and retained so that the charity's objects can be delivered with the greatest possible impact. The Staffing Committee reviews salaries and benefits of all staff against other charitable trusts and makes recommendations to the Finance and Endowment Committee and the Board.

Risk review

The risk register is reviewed annually by the Finance & Endowment Committee and the Board.

The charity considers that its current key risks, all classified as medium, are:

- Disputes with or legal action by beneficiaries or tenants or adverse publicity arising from transfer of regulated tenancies to new owners. This risk is being addressed by regular liaison with beneficiaries and the estate managers, as well as cyclical maintenance. Specialist legal advice is available if required.
- Unsatisfactory returns on investments. This is addressed by regular monitoring of the investments, with regular contact with the investment managers and regular reviews of investment manager appointment. The charity has reviewed its overall investment strategy and has a clear investment policy in place.
- Unsatisfactory returns on rental properties. This is addressed by regular liaison with the charity's property managers, and review of their appointment. The charity's investment strategy also covers the property portfolio, which is actively managed, including consideration of disposals.
- Increasing costs. The charity has in place a clear budgetary process and appropriate controls of expenditure. There is regular communication with property managers, partner organisations and grantees.
- Major policy change(s) by government and their possible effect upon the charity's grant-making and/or effect on income from property returns. This risk is being addressed by keeping fully informed of policy changes and by comprehensive reviews of all the charity's grant-making activities.

In March 2025, the charity undertook an internal audit. The review covered the charity's financial controls and procedures and improvements have been made as a result. A spot-check on payments was also conducted by a Trustee.

The charity has written financial procedures, which were updated during the year and approved by the Board in December 2024. The charity also has a Business Continuity Plan to enable it to respond effectively to a number of possible scenarios with the minimum impact possible on its activities.

Fundraising Policy

Trustees are aware of their obligations under the Charities Act to report the charity's fundraising policy. The charity very occasionally engages with other trusts and foundations in order to raise income but does not engage in public fundraising.

Objectives and activities for the public benefit

The objects of the charity as set out in the Charity Commission Scheme of 1980 were to help those who are sick and poor within the Ancient Parish of Islington and to support the Church of England churches in the Ancient Parish and St Silas, Pentonville. In December 2016 the Charity Commission agreed the Trustees' request that the area of benefit be extended so that it is coterminous with the Islington Borough boundary.

The Trustees confirm that they have read and understood the guidance of the Charity Commission on public benefit and meet these requirements in the charity's current activities and take account of it when planning future grant-making activities.

The charity seeks to be strategic and creative in its grant-making, using its knowledge of the area of benefit to support individuals who have health and financial needs (Health Grants for individuals), local organisations working with people in this situation (Health Grants for organisations) and Islington's Church of England churches (Church Grants). As set out in the charity's Scheme, in each year, half of the charity's grant funding goes to the Health Grants programmes and the other half to the Church Grants programme available to the eligible churches.

After consultation with local partners, the following values and guiding principles have been agreed to underpin Cloudesley's work:

Community focused – we are an engaged and approachable local funder. We work in partnership with others to support Islington residents and organisations.

Inclusive – we are committed to valuing diversity, promoting equity and equal access and ensuring inclusion in all we do.

Responsive – we aim to be responsive and flexible to provide the best possible support to the organisations, churches and people we work with. We listen and adapt our approaches in line with changing community needs.

Committed – we have been rooted in Islington for over 500 years, but we are also forward looking. We plan ahead and seek to balance the needs of today with those of the future.

Following its autumn 2023 Awayday, the charity's Trustees agreed key priorities for the following two years:

Key priorities, 2023-2025	Updates
1. Complete the review of Cloudesley's charitable Objects	Following the Trustees' review of the charity's Objects, in Autumn 2024, consultation was carried out with beneficiaries and other key stakeholders on possible minor updates to our Church and Health Objects. In June 2025, Trustees applied to the Charity Commission to see if it might agree an updated charitable scheme to bring these changes into effect. At the time of writing, the Charity Commission had yet to respond.
2. Safeguard grant-making for the future through ensuring that Cloudesley is a financially sustainable organisation	Carried out an Investment Strategy Review in 2024/25, including consideration of the charity's property portfolio. Trustees have agreed a new investment strategy to underpin the charity's financial sustainability.
3. Ensure the policy and delivery of Church Grants serves the changing needs of the community and Islington church heritage	Church Grants Review being undertaken in 2025. The review has considered a wide range of information, including lessons learnt from the 2020-25 funding programme, to influence the development of the new funding programme for 2026-30.
4. Ensure Cloudesley is representative of Islington and supporting those most in need by continuing to embed diversity, equity and inclusion (DEI) throughout the organisation	<p>Specific DEI actions include:</p> <ul style="list-style-type: none"> • Targeted work to diversify Board and committee composition • 3-year Church Access Project • Embedded in Health Grants programme, supported by monitoring, evaluation and assessment <p>See DEI section below for more details.</p>
5. Create a climate and environment action plan	<p>See the Cloudesley website for our Climate Action plan</p> <p>See Funder Commitment on Climate Change section below.</p>
6. Raise the profile of Cloudesley's funding, delivery and knowledge to increase impact	<ul style="list-style-type: none"> • Participation in wide range of external events, including via London Funders and Association of Charitable Foundations • Share case studies • Further development of relationships with local organisations and churches • Agreed framework for Islington advice sector research to be undertaken in 2025.

Diversity, Equity and Inclusion

Since early 2024, the Future Cloudesley Working Group has overseen the charity's work on Diversity, Equity and Inclusion, impact and profile, and climate action.

On DEI, the charity has published the following statement of intent:

Cloudesley is committed to valuing diversity, promoting equity and equal access, and ensuring inclusion in all it does. We recognise that we need to do more but are strongly committed to combatting racism, discrimination and inequality and ensuring that we work in order to achieve this. Our decision-making is informed by the Social Model of Disability as defined by Inclusion London¹.

We recognise the power, resources and advantages that Cloudesley has as an independent, endowed charitable trust and strive to act responsibly and fairly in line with our stated values.

We seek to develop and retain a staff team and Board that reflect the Islington community within which we work. We will identify and take positive steps to remove any barriers to participation and recruitment of people who are currently underrepresented as staff or Trustees.

During 2024/25, key actions included:

- Running the final year of our three-year Church Access Project to help Islington's churches improve access in their church buildings (see Church Grants – Special Projects above for details)
- Consideration of DEI issues as part of our Health Grants Review, including detailed review of Islington data, analysis of 2019-24 funding programme and consultation with funded organisations and other stakeholders
- Using the Funders for Race Equality Alliance (FREA) audit tool for the third year running to identify the level of Health Grants funding going to the race equality sector. In the past year, 10% of funded organisations were race equity organisations, receiving just under £20k of the total health funding
- Undertaking a further DEI audit of Trustees and Committee Members in late 2024. The audit findings can be downloaded here: [Cloudesley Trustees and Committee Members' diversity, equity and inclusion audit 2024](#)

¹ As defined by Inclusion London, the Social Model of Disability states that people have impairments but that the oppression, exclusion and discrimination people with impairments face is not an inevitable consequence of having an impairment, but is caused instead by the way society is run and organised. The Social Model of Disability holds that people with impairments are 'disabled' by the barriers operating in society that exclude and discriminate against them.

- Working with the London Borough of Islington’s Black on Board programme on targeted recruitment for a new Trustee to help to diversify the Board’s composition
- As part of our Disability Confident Committed status, working with London Metropolitan University to promote a work experience opportunity
- Further work to make website and written materials accessible

In 2025/26, we expect further work on diversity, equity and inclusion to include:

- Opting into the Foundation Practice Rating scheme as part of the 2025/26 cohort. The scheme assesses foundations’ diversity, accountability and transparency based on publicly accessible information
- Taking part in the 2027 programme again. The 2027 programme seeks to increase the representation of people from working-class backgrounds in the grant-making sector through recruitment and development
- A further DEI audit of Trustees and Committee Members, with results published on the charity’s website and used to shape future recruitment plans
- Improving accessibility of key information and communications, including adding an Easy Read version of the individual crisis grants scheme to the website and considering other accessible forms of contact.

Funder Commitment on Climate Change

Along with over 130 other UK charitable foundations, Cloudesley is a signatory of the Funder Commitment on Climate Change. The commitment requires the charity to report annually on progress. In 2024/25, this included:

- Educate and learn – Staff and Trustees attended training and events, including the Association of Charitable Foundations’ forum on climate emergency where we shared a case study on the Sustainable Church Buildings Project. We shared details about energy efficiency and environmental projects with Islington churches, including via our quarterly newsletters, a net zero focused Church Buildings Forum and arranging a visit for Islington churches to a Gold EcoChurch. Cloudesley signed the new Islington Sustainability Network Charter, committing to work collaboratively with other local organisations to enhance sustainability in Islington, including through shared learning.
- Commit resources – The charity’s second £500k Sustainable Church Buildings Project ran until March 2025. See Church Grants Special Projects section above for details.
- Integrate – As part of our Church Grants programme 2020-25, churches can apply for funding of up to £65,000 for eligible sustainability and environmental improvement projects. Over the past five years, 26% of our church grants funding has been agreed for environmental church buildings projects. All our grant-making application and assessment processes are now online, with support available from staff if needed.

- Stewarding investments for a post-carbon future – During the year, our investment managers were asked to report on sustainability issues whenever they attended our committee meetings and to prepare an updated analyses of the carbon footprint of the portfolio twice a year. Our property managers report quarterly on green audit issues in relation to the charity’s property assets. As part of our Investment Strategy Review, Trustees considered the portfolio’s alignment with ESG aims, including the adoption of net zero targets, and agreed to revisit this regularly.
- Decarbonising our operations – In 2024/25, we further reduced paper usage by creating online approvals processes. Sustainability was prioritised in our search for new office premises.

In 2025/26, we expect work in this area to include:

- An initial evaluation of the Sustainable Church Buildings Programme, including sharing learning from this and a review of sustainable heating options
- During the Church Grants Review, consideration of the charity’s approach to net zero and environmental church buildings projects when developing the Church Grants programme 2026-30
- Revisiting improvements to the ESG credentials of the charity’s property estate
- Consideration of sustainability and environmental issues as part of a review of banking services
- Consider whether to carry out an eco-audit of the charity’s operations

Other plans for the future

As well as actions mentioned above, Trustees have agreed that other work for 2025/26 will include:

- Consideration of the Charity Commission’s response to our request for an updated scheme and, if agreed, the implications of this for Cloudesley’s Church and Health Grants programmes
- Concluding the review of the Church Grants programme in late 2025 and launching a revised programme in early 2026
- An autumn Awayday at which Trustees, Committee Members and staff will consider strategic priorities for the coming period

Structure, governance and management

Cloudesley is a registered charity and is constituted under a Charity Commission Scheme dated 2 July 1980. On 15 November 2010, Richard Cloudesley Trustee Limited became Trustee of the charity, and now all the Trustees are directors of the Trustee Company. The directors are referred to as Trustees in line with their ongoing roles.

The charity was formed as the result of a gift of land (a 'Stoney Field' of 14 acres) from the will of Richard Cloudesley dated 1517. In his will it was stipulated that the proceeds from the rental of the land were to be used to bestow good deeds of charity and to fund masses at St Mary's Church for his and his wife's souls. During the Reformation, the proportion of the bequest allocated to fund masses was taken by the Crown and, in subsequent years, the charitable trusts have been amended several times and are now contained within the 1980 Scheme referred to above.

Today, Cloudesley is a significant grant-making charity in the borough of Islington. Half of the charity's grant-making focuses on its Health and Welfare programmes that support people with health and financial needs in the borough, while the other half supports the Church of England churches in the borough.

The charity's Board has up to 15 Trustees as follows:

- Four Deanery Synod Nominees
- Four London Borough of Islington Nominees
- Five Elected Trustees – selected through an open selection process by the Trustees as a whole
- An Archdeacon's Trustee appointed by the Archdeacon of Hackney
- An Ex-officio Trustee - the Mayor of Islington

The charity also appoints co-opted committee members who each bring specific skills and experiences to help with the governance of the charity. As at 30 June 2025, there were three co-opted committee members, one on the Finance and Endowment Committee and two on the Grants Committee.

All Trustees and committee members have undergone an induction to understand the Objects of the charity and the methods by which it meets those Objects. Other training and support is offered to Trustees and committee members, as required.

Delyth Richards continued as Chair of the charity until the Board meeting on 5 June 2025, after which Adam Jenner became Chair. Janet Burgess, Adam Jenner and Denise Ward continued to serve as Vice Chairs until the Board meeting on 5 June 2025, after which Janet Burgess and Sharon White became the charity's Vice Chairs.

During 2024/25, the charity's administration was undertaken by a small staff team: a Director, two Grants Managers, a Finance Manager, and an Operations and Database Officer.

Trustees worked with the staff through the Board and three standing Committees: the Finance and Endowment Committee (co-chaired by Adam Jenner and Ellie Mitchell in 2024/25, co-chaired by Ellie Mitchell and Martin Hornbuckle from 1 July 2025), the Grants Committee (chaired by Denise Ward in 2024/25, chaired by Sharon White from 1 July 2025) and Staffing Committee (chair – Delyth Richards). Both the Finance and Endowment Committee and the Grants Committee met formally four times during the year and the

Board met three times. The Staffing Committee met in early 2025 to discuss pay levels for all staff for the following financial year.

In 2024/25, the charity also had a number of temporary working groups:

- Objects Review Working Group – chaired by Delyth Richards
- Investment Strategy Working Group – chaired by Adam Jenner
- Future Cloudesley Working Group - chaired by Sharon White
- Health Grants Review Group – chaired by Denise Ward
- Church Grants Review Group – chaired by Denise Ward

In the year all Trustees gave freely of their time and no remuneration was paid to Trustees.

The charity continues to ensure that it is fully compliant with the General Data Protection Regulations which were published in May 2018.

Statement of the responsibilities of the Trustee Company

The Directors of the Trustee Company are responsible for preparing the report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Directors of the Trustee Company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice: Accounting and Reporting by Charities);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the Charity will continue to operate.

The Directors of the Trustee Company are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors of the Trustee Company are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee's annual report has been approved by the Directors of the Trustee Company on 3 December 2025 and signed on their behalf by

Adam Jenner, Chair

Independent auditor's report to the Trustee of the Charity of Richard Cloudesley (known as Cloudesley)

Opinion

We have audited the financial statements of Cloudesley (the 'charity') for the year ended 30 June 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2025 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
- 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 Cloudesley'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 other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance

conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 Trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of the Trustee

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

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has 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 regulations made under section 154 of that Act.

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.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance & Endowment Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's Trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

11 December 2025

Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Cloudesley

Statement of financial activities

For the year ended 30 June 2025

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2025 Total £'000	Unrestricted £'000	Restricted £	Endowment £'000	2024 Total £'000
Income from:									
Investments	2	-	-	541	541	-	-	798	798
Properties		-	-	975	975	-	-	948	948
Other income		-	1	-	1	-	1	-	1
Total income		-	1	1,516	1,517	-	1	1,746	1,747
Expenditure on:									
Cost of raising funds									
Investment management costs		-	-	193	193	-	-	168	168
Property related costs		-	-	548	548	-	-	593	593
Charitable activities									
Churches		1,202	-	-	1,202	1,334	-	-	1,334
Health and welfare		1,440	1	-	1,441	1,161	1	-	1,162
Total expenditure	3	2,642	1	741	3,384	2,495	1	761	3,257
Net income/(expenditure) before net gains/(losses) on investments and total return transfer between funds	4	(2,642)	-	775	(1,867)	(2,495)	-	985	(1,510)
Net gains on investments	10	-	-	334	334	-	-	2,225	2,225
Gains/(losses) on revaluation of properties	11	-	-	486	486	-	-	(540)	(540)
Total return transfer between funds		2,642	-	(2,642)	-	2,495	-	(2,495)	-
Net movement in funds		-	-	(1,047)	(1,047)	-	-	175	175
Reconciliation of funds:									
Total funds brought forward		-	-	58,038	58,038	-	-	57,863	57,863
Total funds carried forward		-	-	56,991	56,991	-	-	58,038	58,038

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Cloudesley

Balance sheet

As at 30 June 2025

			2025	2024
	Note	£'000	£'000	£'000
Fixed assets:				
Tangible assets	9		–	–
Endowment fund investments	10		29,435	29,836
Investment properties	11		29,940	29,597
			<u>59,375</u>	<u>59,433</u>
Current assets:				
Debtors	12	102		125
Cash at bank and in hand		590		873
		<u>692</u>		<u>998</u>
Liabilities:				
Creditors: amounts falling due within one year	13	2,401		2,043
			<u>(1,709)</u>	<u>(1,045)</u>
Net current liabilities				
			<u>57,666</u>	<u>58,388</u>
Total assets less current liabilities				
Creditors: amounts falling due after one year	14		675	350
			<u>56,991</u>	<u>58,038</u>
Total net assets				
Permanent endowment funds				
Trust for investment:				
Churches		13,987		13,501
Health and Welfare		14,316		13,818
		<u>28,303</u>		<u>27,319</u>
Unapplied total return:				
Churches		14,271		15,171
Health and Welfare		14,417		15,548
		<u>28,688</u>		<u>30,719</u>
			<u>56,991</u>	<u>58,038</u>
Total endowment funds				
	16		<u>56,991</u>	<u>58,038</u>

Approved by the trustees on 3 December 2025 and signed on their behalf by

Adam Jenner
Chair

Cloudesley

Statement of cash flows

For the year ended 30 June 2025

	Note	2025 £'000	£'000	2024 £'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	17		(2,677)		(2,988)
Cash flows from investing activities:					
Investment Income		1,516		1,746	
Proceeds of leasehold extension and property disposals		143		1,593	
(Increase)/decrease in cash held in investment portfolio		599		(892)	
Proceeds from sale of investments		11,505		31,739	
Purchase of investments		(11,369)		(30,800)	
Net cash provided by investing activities			2,394		3,386
Change in cash and cash equivalents in the year			(283)		398
Cash and cash equivalents at the beginning of the year			873		475
Cash and cash equivalents at the end of the year			590		873

1 Accounting policies

a) Statutory information

Cloudesley is a registered charity. The registered office is 2nd Floor, 200a Pentonville Road, London, N1 9JP.

b) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with the FRS 102 (Charities SORP FRS 102), and the Charities Act 2011.

The accounts 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 the Charities SORP FRS 102 issued on 16 July 2014 rather than the Charities SORP effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Interest and rental income receivable

Interest on funds held on deposit is included on an accruals basis. Rental income is included when receivable.

1 Accounting policies (continued)

f) Fund accounting

Endowment funds and restricted funds are to be used for the specific purposes laid down by the donor.

Unrestricted funds are other incoming resources received or generated for the charitable purposes.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,000 as at 31 December 1998, with this being the earliest date at which a valuation could be obtained. Under total return accounting, the charity is permitted to allocate from the total return element of permanent endowment to unrestricted funds such sums as it thinks appropriate in furtherance of its work. In making these transfers, the charity will seek to be even-handed between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets. The trust for investment is increased annually using the consumer prices index (CPI) measure of inflation to maintain its real value over time

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

● Property	15%
● Investment management	5%
● Health and welfare	40%
● Churches	40%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rate in use are as follows:

● Computer Equipment	3 years
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1 Accounting policies (continued)

k) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value is stated in the notes to the accounts.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains on investments' in the statement of financial activities.

Where the charity has identified specific amounts to be drawn down within the next twelve months, these are classified as current assets on the balance sheet.

m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account. □

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The pension cost charge represents contributions payable under the terms of a defined contribution pension scheme established by the charity. The charity has no liability under the scheme other than for the payment of those contributions.

q) Grants payable

Grants payable are made to third parties in accordance with the charity's governing scheme. These grants are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient. Provision for grants is made once the intention to make a grant has been communicated to the recipient, although there may be uncertainty about either the timing of the grant or the amount payable. Where a grant is payable in instalments, any instalments falling due more than twelve months after the balance sheet date are classified as a creditor due after more than one year. Many of the grants awarded are in respect of building projects which can take considerable periods of time to complete. Although experience has shown that in many cases such grants will not be paid within twelve months of the balance sheet date, they are classified as current liabilities since they are not payable in instalments.

Notes to the financial statements

For the year ended 30 June 2025

2 Investment income

	Churches £'000	Health and Welfare £'000	2025 Total £'000	Churches £'000	Health and Welfare £'000	2024 Total £'000
Main portfolio	263	263	526	388	388	776
Exclusive medical funds	-	15	15	-	22	22
	263	278	541	388	410	798

See note 16 for more detail on investments held as exclusive medical funds.

3a Analysis of expenditure

Year ended 30 June 2025

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 20 & 21) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2025 Total £'000
Cost of raising funds:							
Investment management costs	10	174	-	-	6	3	193
Property related costs	25	497	-	-	18	8	548
Charitable activities							
Churches	93	-	1,037	2	48	22	1,202
Health and welfare	93	-	1,274	5	48	21	1,441
	221	671	2,311	7	120	54	3,384
Support costs	56	-	-	64	(120)	-	-
Governance costs	35	-	-	19	-	(54)	-
Total expenditure	312	671	2,311	90	-	-	3,384

3b Year ended 30 June 2024

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 20 & 21) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2024 Total £'000
Cost of raising funds:							
Investment management costs	10	149	-	-	6	3	168
Property related costs	26	540	-	-	18	9	593
Charitable activities							
Churches	91	-	1,172	1	47	23	1,334
Health and welfare	90	-	998	4	47	23	1,162
	217	689	2,170	5	118	58	3,257
Support costs	53	-	-	65	(118)	-	-
Governance costs	36	-	-	22	-	(58)	-
Total expenditure	306	689	2,170	92	-	-	3,257

4 Net income/(expenditure) for the year

This is stated after charging:

	2025 £'000	2024 £'000
Operating lease rentals – property	27	23
Auditor's remuneration – audit fees	11	10

Notes to the financial statements

For the year ended 30 June 2025

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £'000	2024 £'000
Salaries and wages	268	260
Social security costs	23	25
Employer's contribution to defined contribution pension schemes	21	21
	312	306
	312	306

The number of staff paid over £60,000 were as follows:

	2025	2024
£80,001 to £90,000	1	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £267,000(2024: £266,000). Four members of staff employed during the year are considered to be key management personnel (2024: four).

During the year the charity reimbursed £22 of expenses incurred by one trustee (2024: £5) and paid £1,782 (2024: £3,145) to enable trustees to attend awaydays, training courses and conferences which were directly relevant to their office. The charity trustees were not paid and did not receive any benefits from the charity (2024: nil). No charity trustee received payment for professional or other services supplied to the charity (2024: nil).

6 Staff numbers

The average full-time equivalent number of employees was:

	2025 No.	2024 No.
Charitable activities	3.6	3.9
Support and administration	0.8	0.7
	4.4	4.6
	4.4	4.6

The average headcount was 5.0 (2024: 5.0).

7 Related party transactions

It is a condition of appointment of 14 of the 15 directors of the Trustee that they have knowledge of Islington and its voluntary sector. It is therefore inevitable that directors may be, and are, officeholders, service users, worshippers or beneficiaries of and at the entities the charity funds. The potential for conflict in practice is addressed by declaration of interests and withdrawal from meetings where appropriate.

Given the procedures and the breadth of support the charity offers to all qualifying entities in its area of benefit, the Trustee does not consider that there is a single recipient body of whom it could be said that the awarded grant could have been influenced by interests other than those of the charity.

Accordingly the Trustee takes the view that no awarded grants (or other transactions) fall within the definition of related party transactions.

Although no awarded grants (or other financial transactions) fall within the definition of related party transactions, in the interests of complete transparency the Trustee would like to make clear that the following directors – or immediate family members – held key positions in organisations to which grants were made during the year. However, the individuals played no part in these decisions and absented themselves at meetings when they were discussed.

Director (or immediate family member)	Position	Organisation	Grants awarded 2025 £'000	Grants awarded 2024 £'000
Ruth Hayes	Treasurer	St George & All Saints Church, Tufnell Park	75	205
Martin Hornbuckle, family member	Trustee	St Augustine's Church, Highbury	70	50
Jean Willson	President	Centre 404	-	17

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Computer equipment £'000
Cost	
At the start of the year	3
Disposals in year	-
At the end of the year	3
Depreciation	
At the start of the year	3
On disposals	-
At the end of the year	3
Net book value	
At the end of the year	-
At the start of the year	-

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 30 June 2025

10 Endowment fund investments

	Main portfolio £'000	Exclusive medical funds £'000	2025 £'000	2024 £'000
Fair value at the start of the year	27,839	632	28,471	27,185
Additions at cost	11,049	320	11,369	30,800
Disposal proceeds	(11,182)	(323)	(11,505)	(31,739)
Net gain on investments	325	9	334	2,225
Fair value at the end of the year	28,031	638	28,669	28,471
Cash held by investment broker pending reinvestment	744	22	766	1,365
	28,775	660	29,435	29,836
Investments comprise:			2025 £'000	2024 £'000
UK Common Investment Funds			28,669	28,471
Cash			766	1,365
			29,435	29,836

See note 16 for more detail on investments held as exclusive medical funds.

11 Investment properties

	Freehold Properties		2025 £'000	2024 £'000
	Interest in long leaseholds £'000	Rental properties £'000		
Fair value at the start of the year	837	28,760	29,597	31,730
Proceeds of leasehold extension and disposals in year	(143)	-	(143)	(1,593)
Gain/(loss) on revaluation during the year	81	405	486	(540)
Fair value at the end of the year	775	29,165	29,940	29,597

The property valuation as at 30 June 2025 was carried out by independent valuers Daniel Watney LLP. A 'Red Book' valuation, carried out in line with guidance issued by the Royal Institute of Chartered Surveyors, is undertaken every five years and was last carried out as at 30 June 2023 by Savills (UK) Ltd.

12 Debtors

	2025 £'000	2024 £'000
Rent receivable	62	89
Other debtors	8	2
Prepayments	23	22
Accrued income	9	12
	102	125

Notes to the financial statements

For the year ended 30 June 2025

13 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Church grants	1,520	1,340
Health and welfare grants	632	546
Trade creditors	14	6
Taxation and social security	5	7
Other creditors	-	3
Accruals	203	116
Deferred income	27	25
	<u>2,401</u>	<u>2,043</u>

Deferred income comprises rent and insurance recharges paid by tenants/leaseholders in advance.

Balance at the beginning of the year	25	38
Amount released to income in the year	(25)	(38)
Amount deferred in the year	27	25
	<u>27</u>	<u>25</u>
Balance at the end of the year	<u>27</u>	<u>25</u>

14 Creditors: amounts falling due after one year

	2025 £'000	2024 £'000
Health and welfare grants	<u>675</u>	<u>350</u>

15 Analysis of net assets between funds

Net assets at both 30 June 2025 and 30 June 2024 consisted entirely of endowment funds.

Notes to the financial statements

For the year ended 30 June 2025

16 Movement in funds

Year ended 30 June 2025

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	13,501	–	–	486	13,987
Health and welfare	13,818	–	–	498	14,316
	27,319	–	–	984	28,303
Unapplied total return					
Churches	15,171	1,156	(368)	(1,688)	14,271
Health and welfare	15,548	1,180	(373)	(1,938)	14,417
	30,719	2,336	(741)	(3,626)	28,688
Total endowment funds	58,038	2,336	(741)	(2,642)	56,991
Restricted funds:					
Wellbeing event	–	1	(1)	–	–
General funds					
Churches	–	–	(1,202)	1,202	–
Health and welfare	–	–	(1,440)	1,440	–
Total unrestricted funds	–	–	(2,642)	2,642	–
Total funds	58,038	2,337	(3,384)	–	56,991

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

Year ended 30 June 2024

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	13,236	–	–	265	13,501
Health and welfare	13,548	–	–	270	13,818
	26,784	–	–	535	27,319
Unapplied total return					
Churches	15,476	1,943	(649)	(1,599)	15,171
Health and welfare	15,603	2,028	(652)	(1,431)	15,548
	31,079	3,971	(1,301)	(3,030)	30,719
Total endowment funds	57,863	3,971	(1,301)	(2,495)	58,038
Restricted funds:					
Wellbeing event	–	1	(1)	–	–
General funds					
Churches	–	–	(1,334)	1,334	–
Health and welfare	–	–	(1,161)	1,161	–
Total unrestricted funds	–	–	(2,495)	2,495	–
Total funds	57,863	3,972	(3,797)	–	58,038

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

Notes to the financial statements

For the year ended 30 June 2025

16 Movement in funds (continued)

Allocation of income between the churches and health and welfare unrestricted funds is set out in the statement of financial activities. Expenditure on charitable activities is allocated directly to the activity involved. Property related costs and gains/losses on revaluation of properties are allocated equally between the two charitable activities. The allocation of investment management costs and net gains/losses on investments takes into account the exclusive medical funds referred to below.

Exclusive medical funds

The charity has assumed over the years funds from the following sources:

- Brand's Gift Charity
- Dame Sarah Temple Foundation
- Finsbury Dispensary Relief in Sickness
- Islington Relief in Need
- Islington Relief in Sickness
- Richard Cloudesley Charity Convalescent Homes Fund

All of these funds have been aggregated and are held and applicable in the health and welfare fund.

The exclusive medical funds are the subject of a permanent appropriation of the charity's investment (but not property) portfolio. The current rate of appropriation is 2.8114% (2024: 2.7935%). This varies depending on capital contributions to or withdrawals from the investment portfolio. This rate of appropriation is also applied to the allocation of investment management charges and gains/losses on investments.

Purposes of restricted funds

Wellbeing event: This funding was received from Cripplegate Foundation as a contribution towards a wellbeing events held in February 2025 and, in the prior year, in March 2024. The events were to support staff of organisations funded by Cloudesley in response to widespread concerns around burnout and the mental wellbeing of staff in the voluntary sector.

17 Reconciliation of net income to net cash flow from operating activities

	2025 £'000	2024 £'000
Net (expenditure)/income for the reporting period as per the statement of financial activities	(1,047)	175
Gains on investments	(334)	(2,225)
(Gains)/losses on property assets	(486)	540
Investment income	(1,516)	(1,746)
Decrease/(increase)in debtors	23	(14)
Increase in creditors	683	282
Net cash used in operating activities	(2,677)	(2,988)

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2025 £'000	2024 £
Less than 1 year	20	6

19 Capital commitments

On 30 June 2025 the charity had no capital commitments (2024: £nil).

Notes to the financial statements

For the year ended 30 June 2025

20 Grants to churches

	2025 £'000	2024 £'000
Church grants awarded in the year		
<i>Main grants</i>		
All Saints, Caledonian Road	3	5
Christ Church, Highbury	24	15
The Church on the Corner	19	3
Emmanuel Church, Hornsey Road	11	–
Kings Cross Church	–	22
Our Most Holy Redeemer, Clerkenwell	12	21
St Andrew, Whitehall Park	5	72
St Andrew's, Thornhill Square	137	126
St Augustine, Highbury New Park	60	50
St Clement, King Square	50	5
St George & All Saints Church, Tufnell Park	65	130
St James, Clerkenwell	40	16
St John, Upper Holloway	137	74
St Jude & St Paul, Mildmay Grove	12	21
St Luke, West Holloway	31	27
St Mark's, Tollington	7	30
St Mary, Hornsey Rise	125	13
St Mary Magdalene	–	140
St Mary's Islington	–	25
St Saviour's, Hanley Road	25	–
St Silas, Pentonville	35	70
St Stephen, Canonbury	41	41
St Thomas, Finsbury Park	–	7
Total main church grants awarded in the year	839	913
Grants written back	(42)	(92)
Total main church grants in the year	797	821
<i>Access project audits and grants</i>		
Christ Church, Highbury	10	–
The Church on the Corner	–	2
Emmanuel Church, Hornsey Road	10	2
Kings Cross Church	–	10
Our Most Holy Redeemer, Clerkenwell	–	10
St Andrew, Whitehall Park	10	–
St Augustine, Highbury New Park	–	3
St George & All Saints Church, Tufnell Park	–	10
St James, Clerkenwell	10	–
St James, Prebend Street	2	–
St John, Upper Holloway	10	3
St Mark Clerkenwell	10	–
St Mark's, Tollington	–	10
St Mary Magdalene	–	2
St Saviour's, Hanley Road	–	12
St Silas, Pentonville	10	2
St Stephen, Canonbury	2	–
St Thomas, Finsbury Park	–	2
Total church access project audits and grants awarded in the year	74	68

Notes to the financial statements

For the year ended 30 June 2025

20 Grants to churches (continued)	2025 £'000	2024 £'000
<i>Sustainability project audits and grants</i>		
Christ Church, Highbury	-	10
The Church on the Corner	-	10
Emmanuel Church, Hornsey Road	10	-
Our Most Holy Redeemer, Clerkenwell	10	-
St Andrew, Whitehall Park	10	-
St Andrew's, Thornhill Square	10	-
St Augustine, Highbury New Park	10	-
St Clement, King Square	10	65
St George & All Saints Church, Tufnell Park	10	65
St James, Clerkenwell	10	-
St John, Upper Holloway	-	10
St Jude & St Paul, Mildmay Grove	10	-
St Luke, West Holloway	-	10
St Mark's, Tollington	-	7
St Mary, Hornsey Rise	10	-
St Mary's Islington	10	-
St Saviour's, Hanley Road	10	-
St Silas, Pentonville	7	-
St Stephen, Canonbury	10	85
St Thomas, Finsbury Park	15	-
Sustainability audits	14	21
Total church sustainability project audits and grants awarded in the year	166	283
Total church grants awarded in the year	1,079	1,264
Grants written back	(42)	(92)
Total church grants in the year	1,037	1,172
21 Grants for health and welfare needs		
Health and welfare grants made to organisations		
<i>Large grants</i>		
Citizens Advice Islington	-	52
Community Language Support Services	-	52
Disability Action in Islington	70	-
The Elfrida Society	-	105
Help on Your Doorstep	124	-
Holloway Neighbourhood Group	105	-
Islington BAMER Advice Alliance	-	26
Islington Bangladesh Association	-	53
Islington Centre for Refugees and Migrants	105	-
Islington Giving	55	-
Islington Law Centre	195	-
Islington Mind	70	-
Islington People's Rights	-	53
MahaDevi Yoga Centre	-	53
Manor Gardens Welfare Trust	70	-
The Manna	-	105
The Margins Project	105	-
The Maya Centre	-	105
Prospex	-	53
St Luke's Parochial Trust	105	-
Stuart Low Trust	105	-
Total large grants awarded in the year	1,109	657

Notes to the financial statements

For the year ended 30 June 2025

21 Grants for health and welfare needs (continued)	2025 £'000	2024 £'000
<i>Flexible grants</i>		
Islington People's Rights	5	–
Islington Somali Community	2	–
The Maya Centre	3	–
Minority Matters	–	3
Urban Forest Tribe CIC	2	–
Total flexible grants awarded in the year	12	3
<i>Small grants</i>		
Angel Shed Theatre	–	8
Artbox London	–	10
Islington Somali Community	–	10
Jannaty Women's Social Society	–	10
Memory Gardens	–	9
Mildmay Community Partnership	–	10
Minority Matters	–	10
One True Voice	–	10
Scarabeus Aerial Theatre	–	10
Urban Forest Tribe CIC	–	7
YES Outdoors	–	10
Total small grants awarded in the year	–	104
Total health and welfare grants to organisations in the year	1,121	764
Health and welfare grants made to individuals		
<i>Grants to individuals via Cloudesley Partners</i>		
Age UK Islington	13	9
Centre 404	–	17
Citizens Advice Islington	3	6
Community Language Support Services	4	4
Disability Action in Islington	7	5
Help on Your Doorstep	20	22
Islington BAMER Advice Alliance	11	3
Islington Centre for Refugees and Migrants	20	20
Islington Law Centre	10	10
Islington Mind	27	24
Islington People's Rights	14	27
London Borough of Islington	4	4
Manor Gardens Welfare Trust	8	10
The Manna	5	5
The Margins Project	2	3
Octopus Community Network (via St Luke's Parochial Trust)	–	5
Peter Bedford Housing Association	6	8
Solace Women's Aid	10	9
St Luke's Parochial Trust	8	8
St Mungo's	9	9
Total grants via Cloudesley Partners awarded in the year	181	208
Grants written back	(28)	(21)
Total grants via Cloudesley Partners in the year	153	187

Notes to the financial statements

For the year ended 30 June 2025

21 Grants for health and welfare needs (continued)

	2025 £'000	2024 £'000
<i>Grants to individuals via Catalyst Programme</i>		
Age UK Islington	-	10
Help on Your Doorstep	-	10
Islington Centre for Refugees and Migrants	-	10
Manor Gardens Welfare Trust	-	10
Peter Bedford Housing Association	-	10
Solace Women's Aid	-	10
St Mungo's	-	10
Total grants via Catalyst Programme awarded in the year	-	70
Grants written back	-	(23)
Total grants via Catalyst Programme in the year	-	47
Total health and welfare grants awarded to individuals in the year	181	278
Total grants written back	(28)	(44)
Total health and welfare grants to individuals in the year	153	234
Total health and welfare grants in the year	1,274	998

22 Ultimate controlling party

The charity's ultimate parent undertaking and controlling party is Richard Cloudesley Trustee Ltd, a company limited by guarantee (number: 7425897). Consolidated accounts are not prepared as the parent is dormant. Dormant accounts are filed with Companies House. There were no financial transactions between Cloudesley and Richard Cloudesley Trustee Ltd during the year.

CHARITY OF RICHARD CLOUDESLEY

England & Wales - Charity number 205959

Accounts



Annual Report and Accounts 2023/24

TRUSTEE – RICHARD CLOUDESLEY TRUSTEE LTD

Directors of the Trustee	Finance & Endowment Committee	Staffing Committee	Grants Committee
Ex-officio – the Mayor of Islington			
Director position unfilled			
Archdeacon of Hackney appointed			
Revd Andy Rider (resigned 11 June 2024)			✓
Martin Hornbuckle (appointed 12 June 2024)	✓		✓
London Borough of Islington nominated			
CLlr Janet Burgess MBE – Vice Chair			✓
Tanya Parr (resigned 4 December 2024)			✓
Denise Ward – Vice Chair		✓	✓
CLlr Flora Williamson			✓
Deanery Synod nominated			
Jennifer Kenson			✓
Lydia Mutare			✓
Seun Olateju			✓
Jean Willson OBE		✓	✓
Elected			
Mary-Therese Barton	✓		
Adam Jenner – Vice Chair	✓		
Elena Mitchell	✓		
Delyth Richards – Chair	✓	✓	
Sharon White	✓		✓
Co-opted members (not Directors of the Trustee)			
Olufunke Imiruaye			✓
Michael Samuels	✓		

ADMINISTRATION & ADVISORS

REGISTERED OFFICE & OPERATIONAL ADDRESS	Office 1.1 Resource for London 356 Holloway Road London N7 6PA		
BANKER	CAF Bank Limited Kings Hill West Malling ME19 4TA	ESTATE MANAGERS	Daniel Watney LLP 165 Fleet Street London EC4A 2DW
INVESTMENT MANAGERS	Cazenove Capital 1 London Wall Place London EC2Y 5AU	INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
LEGAL ADVICE (Structural/Charity)	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE	LEGAL ADVICE (Property/Estate management)	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
AUDITOR	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG		
CHARITY NUMBER	205959	TRUSTEE COMPANY NUMBER	7425897

Registered with the Charity Commission as Charity of Richard Cloudesley, the charity uses the working name Cloudesley. Richard Cloudesley Trustee Limited is the related Trustee Company.

KEY MANAGEMENT PERSONNEL

Melanie Griffiths	Director and Company Secretary
Catherine Sorrell	Grants Manager
Kevin Turner	Grants Manager
Ross Holland	Finance Manager

Introduction

The Trustee of the Charity of Richard Cloudesley, which operates under the name Cloudesley, has pleasure in presenting the report and accounts for the charity's activities in the year to 30 June 2024.

The reference and administrative information set out on pages 2 and 3 form part of this report. The financial statements comply with current statutory requirements, the trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Achievements and Performance

Grants Agreed

During the year, the charity awarded grants totalling £2,269,000. After accounting for grants written back, the net amount of grants awarded was £2,133,000. In addition, the charity agreed funding of £16,000 for access audits and £21,000 for sustainability audits for churches.

Church Grants

Under the charity's Scheme, half of its net income is to be used to make *'grants towards the upkeep and repair of the fabric of, and the maintenance of the services in, any churches of the Church of England in the London Borough of Islington'*.

Through its Church Grants programme, Cloudesley provides grants for eligible Church of England churches in the Islington Deanery. In 2023/24, this support totalled £1,225,002.

Main Church Grants Programme

Cloudesley's Church Grants programme for 2020 to 2025 includes a Main Church Grants Fund with the following funding priorities:

- Major works and building projects
- Preventative works and/or simple repairs
- Project development and feasibility studies
- Developing church capacity to deal with building issues and/or maintenance of services.

Cloudesley also offers Urgent Repair Grants which provide funding of up to £10,000 to help churches deal quickly with urgent and unforeseen repairs.

During 2023/24, under its Main Church Grants programme and Urgent Repair Grants, the charity agreed a total of 33 grants to 21 of the 27 churches in the Islington Deanery. The total amount agreed was £913,002. Grants included funding for:

- Roof repairs, and repairs to stonework and steps
- Drainage works
- Kitchen and toilet refurbishment and repairs
- The installation of LED lighting, secondary glazing and energy-efficient heating
- Audio-visual equipment
- Architects' fees, a fire safety review and feasibility study

Special projects

During the year, Cloudesley also ran two special time-limited projects in partnership with the Islington Deanery and the Diocese of London.

Church Access Project

The three-year Church Access Project, which launched in July 2022, offers each eligible Islington church:

- A Cloudesley-funded access audit carried out by the Centre for Accessible Environments
- A non-competitive grant of up to £10,000 to implement access measures in their church
- Opportunities for education and learning about access issues

In 2023/24, a further eight churches applied for their access audits to be undertaken. Church Access Project grants were agreed for five churches, including for sound systems and improving access to buildings.

Sustainable Church Buildings Project

In July 2023, Cloudesley launched its second Sustainable Church Buildings Project. Building on a similar successful project which the charity ran in 2017/18, the project offers every eligible church:

- Expert technical advice including an audit review and update, and up to seven hours of bespoke support
- A non-competitive grant of up to £10,000 for sustainability and net zero carbon measures. In 2023/24, five small grants were awarded for work such as installation of solar panels and LED lighting

In addition, three large grants were agreed as part of the project to help St Clement's, St George's Tufnell Park and St Stephen's Canonbury take forward particularly impactful works.

Other Support

During 2023/24, the charity arranged three meetings of the Islington Deanery Church Buildings Forum. The meetings brought together representatives from Islington churches to share information and learn about key buildings issues, including accessibility, fundraising and maintenance.

Health & Welfare Grants

The charity's Scheme specifies that half of the residue of its income after costs and expenses is for *'relief in sickness for the purpose of relieving in cases of need persons who are sick, convalescent, disabled, handicapped or infirm'*. The charity seeks to address this through its Health and Welfare programmes.

During 2023/24, the charity agreed a total of 66 health and welfare grants to 35 organisations totalling £1,042,110, of which £278,500 was grants for individuals and £763,610 was grants for organisations.

Grants for individuals

The charity continued to run its Cloudesley Partners fund which provides crisis/welfare grants for individuals. Through this fund, the charity agrees block grants for local voluntary organisations (Cloudesley Partners) which are working with Islington residents. The Partners then distribute this money by making grants of up to £500 to individuals who have health needs and/or who are disabled and in financial need. A grant as a contribution to administration costs of 10% is made to each of the organisations as recognition of the time involved in administering and monitoring these grants.

During 2023/24, 1,436 grants were made to individuals by the Cloudesley Partners to help residents in a variety of ways, including for emergency expenses (such as food and energy bills), white goods, furniture and furnishings, and Debt Relief Orders.

In 2023/24, the charity worked with 20 Cloudesley Partners, initially agreeing £146,000 for them to distribute to Islington residents. Because of the particularly high level of need in the year, a further £62,500 of Cloudesley Partner funding was agreed during the year as top-up grants for the organisations to distribute.

The charity continued to work in partnership with Cripplegate Foundation on the Catalyst Fund. This is a creative grant-making scheme that gives partner support organisations the ability to provide small grants to help residents meet personal goals and connect to opportunities and services. In September 2023, funding of £70,000 was agreed by Cloudesley for seven organisations to distribute to local residents in 2024 and 2025.

During 2023/24, 133 grants were made to Islington residents under the Catalyst Fund. These were used for a range of purposes, including for training courses, driving lessons, art supplies, to help with business start-up, and for laptops to enable social interaction and improve employment opportunities.

A full breakdown of organisations receiving these grants is set out in note 22 to the accounts. Further information on both the Cloudesley Partners scheme and the Catalyst Fund are on the charity's website.

Grants for organisations

The charity's Health Grants programme also provides grants to organisations that offer support to people with health needs and/or who are disabled and living in poverty in the London Borough of Islington. The charity addresses its 'Relief in Sickness' Object by supporting sustainable organisations that demonstrate initiative in tackling health issues.

Cloudesley's Health Grants to Organisations programme 2019-24 aims to reduce health inequalities in Islington by improving health outcomes amongst people who are living in poverty and experiencing multiple disadvantages. The programme includes a number of funding streams, details of which are set out below.

Principal Grants Fund

The Principal Grants Fund provides larger, multi-year grants for core or project costs to organisations that have been identified by the charity and invited to apply. These grantees are established voluntary sector organisations with a track record of delivering positive health outcomes for local residents. In 2023/24, the charity agreed new grants totalling £656,250 under this funding stream. This included funding from the Principal Grants Fund for the first time for eight organisations:

Citizens Advice Islington – Outreach advice worker

Community Language Support Services – Helping hand to improve lives

The Elfrida Society – LDAD Healthcare Access and Resilience Project

Islington BAMER Advice Alliance – IBAA Co-ordinator

Islington Bangladesh Association – Community health project

Islington People's Rights – KidsSupport project

MahaDevi Yoga Centre – Therapeutic yoga for children and young people with additional or complex needs

Prospex – One to one support for young people

Three further years of extension funding was also agreed for:

The Maya Centre – Counselling, psychoeducation workshops and Emotional Emancipation Circles for Black women

The Manna – Tackling health inequalities among marginalised people

Multi-year projects covered by grants awarded in previous years and ongoing during 2023/24 were:

Centre 404 – Support to people with learning disabilities and their families

Disability Action in Islington – A Complex Caseworker to work with service users with multiple interlinked support needs relating to their disability or health condition

Holloway Neighbourhood Group – Mental health and wellbeing projects for local residents

Islington Centre for Refugees and Migrants – Practical support to access health services and tackle multiple disadvantages

Islington Mind – To run a talking therapies service for residents from multiple disadvantaged groups currently underserved by mainstream provision

Manor Gardens Welfare Trust – To employ a Health Connector, a trained advocate, to support Islington's diverse communities to seek help for aspects of the multiple disadvantages they face

The Margins – Margins Plus Project, providing a drop-in centre for the homeless and people in crisis

Solace Women's Aid – Counselling service for survivors of sexual violence

St Luke's Parochial Trust – Improving the health and wellbeing of vulnerable older people

Stuart Low Trust – Addressing health inequalities through a socially therapeutic arts and nature programme.

Small Grants

During 2023/24, Small Grants of up to £10,000 were agreed for 11 organisations totalling £104,360. For more details, see 'Diversity, Equity and Inclusion' below.

Grants Support Fund

The charity's Grants Support Fund offers additional support to organisations funded by Cloudesley to help enhance their impact and achieve sustainability. During the year, a grant of £3,000 was agreed for Minority Matters Ltd (a Small Grants Fund recipient) towards the cost of a fundraising consultant.

Strategic Grants

- Islington Giving

Cloudesley continued its support for Islington Giving during the year. Since it was set up in 2010, this coalition of funders, businesses, voluntary organisations and residents has raised over £10 million for allocating to local organisations and projects. The charity's Strategic Grant for Islington Giving is used for activities which fall within Cloudesley's Health Grants remit.

Since June 2023, Trustee Sharon White has represented Cloudesley on the Board of Islington Giving and has served as Vice Chair of Islington Giving. Cloudesley's Director also attended Islington Giving Board meetings in an observer capacity and Cloudesley was represented on Islington Giving's Grants Committee by one of its Grants Managers.

- Advice and advocacy projects

The charity also provides multi-year Strategic Grant funding to both Islington Law Centre and Help on your Doorstep towards advice and advocacy services.

Financial review

Financial performance

The charity's income came entirely from investments in its securities portfolio and property estate. Income totalled £1,747,000, a fall of 2.0% from the previous year, when the charity received a one-off donation of £69,000 from Islington Community Contact. Expenditure of £3,257,000 was up 3.7% on the previous year because of a planned increase in grant giving of £225,000.

The gain on revaluation of investments was £1,685,000 compared to £2,159,000 in the previous year. The gain on the securities portfolio was £2,225,000, representing 8.0% of its total value at the end of the previous year. The loss on revaluation of the property estate was £540,000, representing 1.7% of its value at the end of the previous year. A property sale realised £1,567,000 of net proceeds for the charity to fund current and future planned increases in grant giving.

The total return on the charity's endowment before accounting for expenditure on charitable activities was £2,671,000, representing 4.6% of its value at the end of the previous year. £2,495,000, or 4.3% of the value of the endowment at the end of the previous year, was spent on charitable activities.

Reserves

The net result of the movements detailed under 'financial performance' above was a rise in the charity's assets of 3.2% to £58,038,000. All funds are endowment funds.

The charity follows a total return approach to investment. This allows investment income and an element of capital gains, known as the unapplied total return, to be used to fund the charity's grants and running costs. The initial value of the charity's endowment, known as the trust for investment, remains protected and retains its value by increasing annually in line with inflation. As at the end of the year, the trust for investment amounted to £27,614,000 and the unapplied total return amounted to £30,424,000.

Investment policy

The investment policy covers both the securities portfolio and the property estate. The charity seeks to produce the best possible return while taking an acceptable level of risk, with trustees measuring performance after fees against inflation (the consumer prices index) plus 4%. A long-term view is taken when distributing grants to try to balance the needs of current and future beneficiaries without favouring one group over the other. Within this constraint, the charity seeks to increase the level of grants awarded in real terms as far as possible.

For historical reasons, a substantial proportion of the charity's investments, currently 53%, is represented by the property estate, mainly residential freehold properties in the London Borough of Islington. The charity disposed of its only commercial property (The Crown public house) during the year. While there is some diversity of property by type of unit, trustees recognise the scale of concentration within this asset class and keep the risks of this under review. Within the securities portfolio, diversification is provided by investing in a variety of asset classes, primarily international equities, UK equities and UK fixed interest securities.

Trustees take social, environmental and ethical considerations into account as part of the investment policy. To this end, the charity's securities portfolio does not include any investments in:

1. the manufacture of tobacco
2. companies needlessly emitting excessive quantities of carbon into the atmosphere unless, following engagement, there is evidence these companies are ameliorating their carbon emissions
3. companies with more than 5% of their turnover from adult entertainment, alcohol manufacture, armaments, gambling, high-interest lending, production of oil from tar sands, or extraction of thermal coal.

Similarly, while the charity is not a social landlord, it seeks to manage its properties in an ethical and fair manner, for example making sure that all employees of contractors and sub-contractors are paid at least the Living Wage while working on its properties, dealing fairly and considerately with tenants, and considering issues of sustainability in property refurbishment and maintenance.

The charity is a signatory of the Funder Commitment on Climate Change, and to this end has committed to making sure its investment strategy aligns with its climate commitments.

The charity periodically reviews its investment managers in the interests of good governance and to this end in early 2023 appointed Cazenove to take over management of the security portfolio. This change began during 2023/24 and completed during 2024/25.

Remuneration policy

The Trustees have agreed a remuneration policy to underpin the charity's commitment to paying and treating its staff fairly. The charity gives a level of salary and other benefits to ensure that staff with an appropriate level of skills and experience can be recruited and retained so that the charity's objects can be delivered with the greatest possible impact. The Staffing Committee reviews salaries and benefits of all staff against other charitable trusts and makes recommendations to the Finance and Endowment Committee and the Board.

Risk review

The risk register is reviewed annually by the Finance & Endowment Committee and the Board.

The charity considers that its current key risks are:

- Skills gap/shortage on Board. This was retained as a medium risk in the risk register produced in late 2023 because of the regular ongoing cycle of Trustees' periods of office. The charity has in place a number of measures which will significantly assist in the management of this risk.
- Unsatisfactory income and/or capital growth on investments. This risk is being addressed by regular monitoring of the performance of the actively managed discretionary portfolio in comparison to the agreed long-term investment strategy, as well as the charity's total return accounting.
- Unsatisfactory income and/or capital growth from investment properties. This risk is being addressed by regular liaison with the estate managers, appropriate investment in refurbishment and maintenance projects and the charity's adoption of total return accounting.
- Possible major policy changes by government and their potential effect on the charity's grant making and/or effect on income from property returns. This risk is being addressed by keeping fully informed of policy changes and by comprehensive reviews of all the charity's grant-making activities.

In March 2024, one of the co-chairs of the Finance and Endowment Committee and members of the staff team undertook an internal audit. The review covered the charity's financial controls and procedures and further improvements have been made to the charity's IT security as a result. A spot-check on payments was also conducted by a Trustee.

The charity has written financial procedures, which were last updated and approved by the Board in December 2022. The charity also has a Business Continuity Plan to enable it to

respond effectively to a number of possible scenarios with the minimum impact possible on its activities.

Fundraising Policy

The trustees are aware of their obligations under the Charities Act to report the charity's fundraising policy. The charity very occasionally engages with other trusts and foundations in order to raise income but does not engage in public fundraising.

Objectives and activities for the public benefit

The objects of the charity as set out in the Charity Commission Scheme of 1980 were to help those who are sick and poor within the Ancient Parish of Islington and to support the Church of England churches in the Ancient Parish and St Silas, Pentonville. In December 2016 the Charity Commission agreed the Trustees' request that the area of benefit be extended so that it is coterminous with the Islington Borough boundary.

The Trustees confirm that they have read and understood the guidance of the Charity Commission on public benefit and meet these requirements in the charity's current activities and take account of it when planning future grant-making activities.

The charity seeks to be strategic and creative in its grant-making, using its knowledge of the area of benefit to support individuals who have health and financial needs (Health and Welfare grants for individuals), local organisations working with people in this situation (Health and Welfare grants for organisations) and Islington's Church of England churches (Church Grants). As set out in the charity's Scheme, in each year, half of the charity's grant funding goes to the Health and Welfare Grants programmes and the other half to the Church Grants programme available to the eligible churches.

Following consultation with local partners, during the year, the charity adopted a revised set of values and guiding principles to underpin its work:

Community focused – we are an engaged and approachable local funder. We work in partnership with others to support Islington residents and organisations.

Inclusive – we are committed to valuing diversity, promoting equity and equal access and ensuring inclusion in all we do.

Responsive – we aim to be responsive and flexible to provide the best possible support to the organisations, churches and people we work with. We listen and adapt our approaches in line with changing community needs.

Committed – we have been rooted in Islington for over 500 years, but we are also forward looking. We plan ahead and seek to balance the needs of today with those of the future.

At its autumn 2023 Awayday, the charity identified key priorities for the following two years:

1. Complete the review of Cloudesley's charitable Objects
2. Safeguard grant-making for the future through ensuring that Cloudesley is a financially sustainable organisation
3. Ensure the policy and delivery of church grants serves the changing needs of the community and Islington church heritage
4. Ensure Cloudesley is representative of Islington and supporting those most in need by continuing to embed diversity, equity and inclusion throughout the organisation
5. Create a climate and environment action plan
6. Raise the profile of Cloudesley's funding, delivery and knowledge to increase impact

Updates on key aspects of the charity's progress against these priorities are included below, along with future plans.

Diversity, Equity and Inclusion

From 2020 to late 2023, Cloudesley ran a Stronger Foundations Working Group. The working group focused mainly on three areas for development – diversity, equity and inclusion (DEI); impact and learning; and investments. From early 2024, the group was replaced by a new Future Cloudesley Working Group to oversee the charity's work on DEI, impact and profile, and climate action.

On DEI, the charity has published the following statement of intent:

Cloudesley is committed to valuing diversity, promoting equity and equal access, and ensuring inclusion in all it does. We recognise that we need to do more but are strongly committed to combatting racism, discrimination and inequality and ensuring that we work in order to achieve this. Our decision-making is informed by the Social Model of Disability as defined by Inclusion London¹.

We recognise the power, resources and advantages that Cloudesley has as an independent, endowed charitable trust and strive to act responsibly and fairly in line with our stated values.

We seek to develop and retain a staff team and Board that reflect the Islington community within which we work. We will identify and take positive steps to remove

¹ As defined by Inclusion London, the Social Model of Disability states that people have impairments but that the oppression, exclusion and discrimination people with impairments face is not an inevitable consequence of having an impairment, but is caused instead by the way society is run and organised. The Social Model of Disability holds that people with impairments are 'disabled' by the barriers operating in society that exclude and discriminate against them.

any barriers to participation and recruitment of people who are currently underrepresented as staff or Trustees.

During 2023/24, key actions included:

- Continuing our three-year Church Access Project to help Islington's Church of England churches improve access in their church buildings (see above for more details). Along with the access audits and funding available through this project, we arranged a meeting of the Islington Deanery Buildings Forum focused on access issues and organised a visit to a Westminster church which had undertaken significant access improvements.
- Increasing the proportion of our funding reaching Black and minoritised communities. During the year, our Small Grants Fund prioritised projects:
 - Working with young people
 - Run by organisations led by and for marginalised communities
 - For people with learning disabilities or autism

New multi-year grants funding was also agreed for organisations working with local minoritised communities, young people and people with disabilities – see Principal Grants Fund section above.

Using the Funders for Race Equality Alliance's audit tool, analysis of our Health Grants funding showed an increase in funding reaching Black and minoritised communities from nine grants totalling £58,200 (5%) in 2022/23 to 11 grants totalling £286,250 in 2023/24. This increase is largely because we intentionally progressed organisations which had previously received funding through the Small Grants Fund to become part of our multi-year Principal Grants Fund, making a longer term commitment to these organisations.

- Launching a new accessible website, with accessibility testing carried out by a specialist disability-led organisation.
- Undertaking a DEI audit of Trustees and Committee Members in late 2023. The audit findings can be downloaded here: [Cloudesley Trustees and Committee Members' diversity, equity and inclusion audit 2023](#)
- As part of our Disability Confident Committed status, working with London Metropolitan University to develop a work experience opportunity for a local student

Funder Commitment on Climate Change

Along with over 100 other UK charitable foundations, Cloudesley is a signatory of the Funder Commitment on Climate Change. The commitment requires the charity to report annually on progress. During the year, this included:

- Educate and learn – Staff and Trustees attended training and events, including in relation to the charity’s investments and investment properties, and how Trustees can respond to the climate crisis. Our quarterly church newsletters shared details of funding and resources to help with energy efficiency and environmental projects.
- Commit resources – In July 2023, the charity launched its second £500k Sustainable Church Buildings Project. See Church Grants section above for details.
- Integrate – As part of Cloudesley’s Church Grants programme 2020-25, churches can apply for funding of up to £65,000 for eligible sustainability and environmental improvement projects. All our grant-making application and assessment processes are now online, with support available from the staff team as required.
- Stewarding investments for a post-carbon future – During the year, our investment managers were asked to report on sustainability issues whenever they attend our committee meetings and to prepare an updated analyses of the carbon footprint of the portfolio twice a year. Our property managers report quarterly on green audit issues in relation to the charity’s property assets. We also asked them to consider energy efficiency when developing proposals for the refurbishment of one of our residential properties.
- Decarbonising our operations – We continued to hold some committee and working group meetings online. Committee and Board papers are now provided in digital format only. Catering at our events is vegetarian.

Plans for the future

During 2024/25, the charity’s two special church projects, the Church Access Project and Sustainable Church Buildings Project, are due to complete. The charity’s Grants Managers will work closely with the eligible churches to ensure that as far as possible they all benefit from the non-competitive Small Grants funding and other support available through these projects.

Further work on diversity, equity and inclusion will include:

- The final year of the three-year Church Access Project
- Taking forward actions relating to Disability Confident Committed employer status, including offering a work experience opportunity to a local student
- More improvements to our communications materials to make them accessible to a wider audience

Plans for 2024/25 also include:

- Following Trustees’ review of the charity’s Objects, in Autumn 2024, consultation will be undertaken with beneficiaries and other key stakeholders on possible updates to our Church and Health Objects. Subject to the responses received, Trustees will then

decide whether to apply to the Charity Commission to see if it might agree an updated charitable scheme to bring these changes into effect

- The charity expects to conclude the review of its Health Grants programme in 2024/25. A review of its Church Grants programme is due to be undertaken in 2025/26
- The charity will continue to consider how it can best respond to the growing climate emergency and its commitment as a signatory of the Funder Commitment on Climate Change
- A strategic review of how the charity's endowment is invested, currently underway, is expected to be concluded. The review aims to achieve the most appropriate balance of risk and return to support current and future grant giving.

Structure, governance and management

Cloudesley is a registered charity and is constituted under a Charity Commission Scheme dated 2 July 1980. On 15 November 2010, Richard Cloudesley Trustee Limited became Trustee of the charity, and now all the Trustees are directors of the Trustee Company. The directors are referred to as Trustees in line with their ongoing roles.

The charity was formed as the result of a gift of land (a 'Stoney Field' of 14 acres) from the will of Richard Cloudesley dated 1517. In his will it was stipulated that the proceeds from the rental of the land were to be used to bestow good deeds of charity and to fund masses at St Mary's Church for his and his wife's souls. During the Reformation, the proportion of the bequest allocated to fund masses was taken by the Crown and, in subsequent years, the charitable trusts have been amended several times and are now contained within the 1980 Scheme referred to above.

Today, Cloudesley is a significant grant-making charity in the borough of Islington. Half of the charity's grant-making focuses on its Health and Welfare programmes that support people with health and financial needs in the borough, while the other half supports the Church of England churches in the borough.

The charity's Board has up to 15 Trustees as follows:

- Four Deanery Synod Nominees
- Four London Borough of Islington Nominees
- Five Elected Trustees – selected through an open selection process by the Trustees as a whole
- An Archdeacon's Trustee appointed by the Archdeacon of Hackney
- An Ex-officio Trustee - the Mayor of Islington

The charity also appoints co-opted committee members who each bring specific skills and experiences to help with the governance of the charity. As at 30 June 2024, there were two co-opted committee members, one each on the Finance and Endowment Committee and the Grants Committee.

All Trustees and committee members have undergone an induction to understand the Objects of the charity and the methods by which it meets those Objects. Other training and support is offered to Trustees and committee members, as required.

Delyth Richards continued as Chair of the charity throughout the year. Janet Burgess, Adam Jenner and Denise Ward continued to serve as Vice Chairs throughout 2023/24.

The charity's administration is undertaken by a small staff team: a Director, two Grants Managers, a Finance Manager, and an Operations and Database Officer (previously Administrator).

During the financial year Trustees worked with the staff through the Board and three standing Committees: the Finance and Endowment Committee (co-chairs Adam Jenner and Ellie Mitchell), the Grants Committee (chair – Denise Ward) and Staffing Committee (chair – Delyth Richards). Both the Finance and Endowment Committee and the Grants Committee met formally four times during the year and the Board met three times. The Staffing Committee met in early 2024 to discuss pay levels for all staff for the following financial year.

In 2023/24, the charity also had a number of temporary working groups:

- Objects Review Working Group – chaired by Delyth Richards
- Health Grants Review Group – chaired by Denise Ward
- Investment Strategy Working Group – chaired by Adam Jenner

In early 2024, our Stronger Foundations Working Group was replaced by a new Future Cloudesley Working Group, both of which were chaired by Sharon White.

In the year all Trustees gave freely of their time and no remuneration was paid to Trustees.

The charity continues to ensure that it is fully compliant with the General Data Protection Regulations which were published in May 2018.

Statement of the responsibilities of the Trustee Company

The Directors of the Trustee Company are responsible for preparing the report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Directors of the Trustee Company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice: Accounting and Reporting by Charities);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the Charity will continue to operate.

The Directors of the Trustee Company are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors of the Trustee Company are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP were re-appointed as the Charity's auditor during the year and have expressed their willingness to act in that capacity.

Approved by the Trustee

Delyth Richards, Chair
4 December 2024

Independent auditor's report to the Trustee of the Charity of Richard Cloudesley (known as Cloudesley)

Opinion

We have audited the financial statements of Cloudesley (the 'charity') for the year ended 30 June 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2024 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
- 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 Cloudesley'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 other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance

conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 Trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of the Trustee

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

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has 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 regulations made under section 154 of that Act.

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.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance & Endowment Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's Trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

12 December 2024

Sayer Vincent LLP, Statutory Auditor

Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities

For the year ended 30 June 2024

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 Total £'000	Unrestricted £'000	Restricted £	Endowment £'000	2023 Total £'000
Income from:									
Investments	2	-	-	798	798	-	-	741	741
Properties		-	-	948	948	-	-	975	975
Other income		-	1	-	1	-	69	-	69
Total income		-	1	1,746	1,747	-	69	1,716	1,785
Expenditure on:									
Cost of raising funds									
Investment management costs		-	-	168	168	-	-	171	171
Property related costs		-	-	593	593	-	-	711	711
Charitable activities									
Churches		1,334	-	-	1,334	1,021	-	-	1,021
Health and welfare		1,161	1	-	1,162	1,163	69	-	1,232
Total expenditure	3	2,495	1	761	3,257	2,184	69	882	3,135
Net income/(expenditure) before net gains/(losses) on investments and total return transfer between funds	4	(2,495)	-	985	(1,510)	(2,184)	-	834	(1,350)
Net gains on investments	10	-	-	2,225	2,225	-	-	1,122	1,122
(Losses)/gains on revaluation of properties	11	-	-	(540)	(540)	-	-	1,037	1,037
Total return transfer between funds		2,495	-	(2,495)	-	2,184	-	(2,184)	-
Net movement in funds		-	-	175	175	-	-	809	809
Reconciliation of funds:									
Total funds brought forward		-	-	57,863	57,863	-	-	57,054	57,054
Total funds carried forward		-	-	58,038	58,038	-	-	57,863	57,863

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Cloudesley

Balance sheet

As at 30 June 2024

			2024		2023
	Note	£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	9		–		–
Endowment fund investments	10		29,836		27,658
Investment properties	11		29,597		31,730
			<u>59,433</u>		<u>59,388</u>
Current assets:					
Debtors	12	125		111	
Cash at bank and in hand		873		475	
		<u>998</u>		<u>586</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	2,043		1,830	
Net current liabilities			<u>(1,045)</u>		<u>(1,244)</u>
Total assets less current liabilities			<u>58,388</u>		<u>58,144</u>
Creditors: amounts falling due after one year	14		350		281
Total net assets	15		<u><u>58,038</u></u>		<u><u>57,863</u></u>
Permanent endowment funds					
Trust for investment:					
Churches		13,501		13,236	
Health and Welfare		13,818		13,548	
			<u>27,319</u>		<u>26,784</u>
Unapplied total return:					
Churches		15,171		15,476	
Health and Welfare		15,548		15,603	
			<u>30,719</u>		<u>31,079</u>
Total endowment funds	16		<u><u>58,038</u></u>		<u><u>57,863</u></u>

Approved by the trustees on 4 December 2024 and signed on their behalf by

Delyth Richards
Chair

Statement of cash flows

For the year ended 30 June 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Net cash used in operating activities	17	(2,988)	(2,767)
Cash flows from investing activities:			
Investment Income		1,746	1,716
Proceeds of leasehold extension and property disposals		1,593	16
(Increase)/decrease in cash held in investment portfolio		(892)	1,034
Proceeds from sale of investments		31,739	12,728
Purchase of investments		(30,800)	(12,714)
Net cash provided by investing activities		3,386	2,780
Change in cash and cash equivalents in the year		398	13
Cash and cash equivalents at the beginning of the year		475	462
Cash and cash equivalents at the end of the year	18	873	475

1 Accounting policies

a) Statutory information

Cloudesley is a registered charity. The registered office is Office 1.1, Resource for London, 356 Holloway Road, London, N7 6PA.

b) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with the FRS 102 (Charities SORP FRS 102), and the Charities Act 2011.

The accounts 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 the Charities SORP FRS 102 issued on 16 July 2014 rather than the Charities SORP effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Interest and rental income receivable

Interest on funds held on deposit is included on an accruals basis. Rental income is included when receivable.

f) Fund accounting

Endowment funds and restricted funds are to be used for the specific purposes laid down by the donor.

Unrestricted funds are other incoming resources received or generated for the charitable purposes.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,000 as at 31 December 1998, with this being the earliest date at which a valuation could be obtained. Under total return accounting, the charity is permitted to allocate from the total return element of permanent endowment to unrestricted funds such sums as it thinks appropriate in furtherance of its work. In making these transfers, the charity will seek to be even-handed between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets. The trust for investment is increased annually using the consumer prices index (CPI) measure of inflation to maintain its real value over time.

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

● Property	15%
● Investment management	5%
● Health and welfare	40%
● Churches	40%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rate in use are as follows:

● Computer Equipment	3 years
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k) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value is stated in the notes to the accounts.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains on investments' in the statement of financial activities.

Where the charity has identified specific amounts to be drawn down within the next twelve months, these are classified as current assets on the balance sheet.

m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1 Accounting policies (continued)

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.□

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The pension cost charge represents contributions payable under the terms of a defined contribution pension scheme established by the charity. The charity has no liability under the scheme other than for the payment of those contributions.

q) Grants payable

Grants payable are made to third parties in accordance with the charity's governing scheme. These grants are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient. Provision for grants is made once the intention to make a grant has been communicated to the recipient, although there may be uncertainty about either the timing of the grant or the amount payable. Where a grant is payable in instalments, any instalments falling due more than twelve months after the balance sheet date are classified as a creditor due after more than one year. Many of the grants awarded are in respect of building projects which can take considerable periods of time to complete. Although experience has shown that in many case such grants will not be paid within twelve months of the balance sheet date, they are classified as current liabilities since they are not payable in instalments.

Notes to the financial statements

For the year ended 30 June 2024

2 Investment income

	Churches £'000	Health and Welfare £'000	2024 Total £'000	Churches £'000	Health and Welfare £'000	2023 Total £'000
Main portfolio	388	388	776	360	360	720
Exclusive medical funds	-	22	22	-	21	21
	<u>388</u>	<u>410</u>	<u>798</u>	<u>360</u>	<u>381</u>	<u>741</u>

See note 16 for more detail on investments held as exclusive medical funds.

3a Analysis of expenditure

Year ended 30 June 2024

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 20 & 21) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2024 Total £'000
Cost of raising funds:							
Investment management costs	10	149	-	-	6	3	168
Property related costs	26	540	-	-	18	9	593
Charitable activities							
Churches	91	-	1,172	1	47	23	1,334
Health and welfare	90	-	998	4	47	23	1,162
	<u>217</u>	<u>689</u>	<u>2,170</u>	<u>5</u>	<u>118</u>	<u>58</u>	<u>3,257</u>
Support costs	53	-	-	65	(118)	-	-
Governance costs	36	-	-	22	-	(58)	-
Total expenditure	306	689	2,170	92	-	-	3,257

3b Year ended 30 June 2023

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 20 & 21) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2023 Total £'000
Cost of raising funds:							
Investment management costs	9	153	-	-	7	2	171
Property related costs	14	672	-	-	19	6	711
Charitable activities							
Churches	86	-	866	3	51	15	1,021
Health and welfare	86	-	1,079	1	51	15	1,232
	<u>195</u>	<u>825</u>	<u>1,945</u>	<u>4</u>	<u>128</u>	<u>38</u>	<u>3,135</u>
Support costs	55	-	-	73	(128)	-	-
Governance costs	24	-	-	14	-	(38)	-
Total expenditure	274	825	1,945	91	-	-	3,135

4 Net income/(expenditure) for the year

This is stated after charging:

	2024 £'000	2023 £'000
Depreciation	-	1
Operating lease rentals – property	23	21
Auditor's remuneration – audit fees	10	9
	<u>33</u>	<u>31</u>

Notes to the financial statements

For the year ended 30 June 2024

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £'000	2023 £'000
Salaries and wages	260	233
Social security costs	25	22
Employer's contribution to defined contribution pension schemes	21	19
	306	274
	306	274

The number of staff paid over £60,000 were as follows:

	2024	2023
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £266,000 (2023: £237,000). Four members of staff employed during the year are considered to be key management personnel (2023: four).

During the year the charity reimbursed £5 of expenses incurred by one trustee (2023: nil) and paid £3,145 (2023: £339) to enable trustees to attend awaydays, training courses and conferences which were directly relevant to their office. The charity trustees were not paid and did not receive any benefits from the charity (2023: nil). No charity trustee received payment for professional or other services supplied to the charity (2023: nil).

6 Staff numbers

The average full-time equivalent number of employees was:

	2024 No.	2023 No.
Charitable activities	3.9	3.9
Support and administration	0.7	0.5
	4.6	4.4
	4.6	4.4

The average headcount was 5.0 (2023: 5.0).

7 Related party transactions

It is a condition of appointment of 14 of the 15 directors of the Trustee that they have knowledge of Islington and its voluntary sector. It is therefore inevitable that directors may be, and are, officeholders, service users, worshippers or beneficiaries of and at the entities the charity funds. The potential for conflict in practice is addressed by declaration of interests and withdrawal from meetings where appropriate.

Given the procedures and the breadth of support the charity offers to all qualifying entities in its area of benefit, the Trustee does not consider that there is a single recipient body of whom it could be said that the awarded grant could have been influenced by interests other than those of the charity.

Accordingly the Trustee takes the view that no awarded grants (or other transactions) fall within the definition of related party transactions.

Although no awarded grants (or other financial transactions) fall within the definition of related party transactions, in the interests of complete transparency the Trustee would like to make clear that the following directors – or immediate family members – held key positions in organisations to which grants were made during the year. However, the individuals played no part in these decisions and absented themselves at meetings when they were discussed.

Director (or immediate family member)	Position	Organisation	Grants awarded 2024 £'000	Grants awarded 2023 £'000
Martin Hornbuckle, family member	Trustee	St Augustine's Church, Highbury	50	65
Jean Willson	President	Centre 404	17	20

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Computer equipment £'000
Cost	
At the start of the year	5
Disposals in year	(2)
At the end of the year	3
Depreciation	
At the start of the year	5
On disposals	(2)
At the end of the year	3
Net book value	
At the end of the year	-
At the start of the year	-

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 30 June 2024

10 Endowment fund investments

	Main portfolio £'000	Exclusive medical funds £'000	2024 £'000	2023 £'000
Fair value at the start of the year	26,589	596	27,185	26,077
Additions at cost	29,940	860	30,800	12,714
Disposal proceeds	(30,852)	(887)	(31,739)	(12,728)
Net gain on investments	2,162	63	2,225	1,122
Fair value at the end of the year	27,839	632	28,471	27,185
Cash held by investment broker pending reinvestment	1,327	38	1,365	473
	29,166	670	29,836	27,658
Investments comprise:			2024 £'000	2023 £'000
UK Common Investment Funds			28,471	27,185
Cash			1,365	473
			29,836	27,658

See note 16 for more detail on investments held as exclusive medical funds.

11 Investment properties

	Freehold Properties		2024 £'000	2023 £'000
	Interest in long leaseholds £'000	Rental and commercial properties £'000		
Fair value at the start of the year	1,315	30,415	31,730	30,709
Proceeds of leasehold extension and disposals in year	(26)	(1,567)	(1,593)	(16)
Gain/(loss) on revaluation during the year	(452)	(88)	(540)	1,037
Fair value at the end of the year	837	28,760	29,597	31,730

The property valuation as at 30 June 2024 was carried out by independent valuers Daniel Watney LLP. A 'Red Book' valuation, carried out in line with guidance issued by the Royal Institute of Chartered Surveyors, is undertaken every five years and was last carried out as at 30 June 2023 by Savills (UK) Ltd.

12 Debtors

	2024 £'000	2023 £'000
Rent receivable	89	54
Other debtors	2	10
Prepayments	22	15
Accrued income	12	32
	125	111

Notes to the financial statements

For the year ended 30 June 2024

13 Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Church grants	1,340	1,031
Health and welfare grants	546	606
Trade creditors	6	14
Taxation and social security	7	7
Other creditors	3	3
Accruals	116	131
Deferred income	25	38
	<u>2,043</u>	<u>1,830</u>

Deferred income comprises rent and insurance recharges paid by tenants/leaseholders in advance.

Balance at the beginning of the year	38	34
Amount released to income in the year	(38)	(34)
Amount deferred in the year	25	38

Balance at the end of the year

25 38

14 Creditors: amounts falling due after one year

	2024 £'000	2023 £'000
Health and welfare grants	<u>350</u>	<u>281</u>

15 Analysis of net assets between funds

Net assets at both 30 June 2024 and 30 June 2023 consisted entirely of endowment funds.

Notes to the financial statements

For the year ended 30 June 2024

16 Movement in funds

Year ended 30 June 2024

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	13,236	–	–	265	13,501
Health and welfare	13,548	–	–	270	13,818
	<u>26,784</u>	<u>–</u>	<u>–</u>	<u>535</u>	<u>27,319</u>
Unapplied total return					
Churches	15,476	1,943	(649)	(1,599)	15,171
Health and welfare	15,603	2,028	(652)	(1,431)	15,548
	<u>31,079</u>	<u>3,971</u>	<u>(1,301)</u>	<u>(3,030)</u>	<u>30,719</u>
Total endowment funds	<u>57,863</u>	<u>3,971</u>	<u>(1,301)</u>	<u>(2,495)</u>	<u>58,038</u>
Restricted funds:					
Wellbeing event	–	1	(1)	–	–
General funds					
Churches	–	–	(1,334)	1,334	–
Health and welfare	–	–	(1,161)	1,161	–
Total unrestricted funds	<u>–</u>	<u>–</u>	<u>(2,495)</u>	<u>2,495</u>	<u>–</u>
Total funds	<u>57,863</u>	<u>3,972</u>	<u>(3,797)</u>	<u>–</u>	<u>58,038</u>

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

Year ended 30 June 2023

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	12,267	–	–	969	13,236
Health and welfare	12,556	–	–	992	13,548
	<u>24,823</u>	<u>–</u>	<u>–</u>	<u>1,961</u>	<u>26,784</u>
Unapplied total return					
Churches	15,993	1,911	(438)	(1,990)	15,476
Health and welfare	16,238	1,964	(442)	(2,157)	15,603
	<u>32,231</u>	<u>3,875</u>	<u>(880)</u>	<u>(4,147)</u>	<u>31,079</u>
Total endowment funds	<u>57,054</u>	<u>3,875</u>	<u>(880)</u>	<u>(2,186)</u>	<u>57,863</u>
Restricted funds:					
Older/disabled people	–	69	(69)	–	–
General funds					
Churches	–	–	(1,022)	1,022	–
Health and welfare	–	–	(1,164)	1,164	–
Total unrestricted funds	<u>–</u>	<u>–</u>	<u>(2,186)</u>	<u>2,186</u>	<u>–</u>
Total funds	<u>57,054</u>	<u>3,944</u>	<u>(3,135)</u>	<u>–</u>	<u>57,863</u>

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

16 Movement in funds (continued)

Allocation of income between the churches and health and welfare unrestricted funds is set out in the statement of financial activities. Expenditure on charitable activities is allocated directly to the activity involved. Property related costs and gains/losses on revaluation of properties are allocated equally between the two charitable activities. The allocation of investment management costs and net gains/losses on investments takes into account the exclusive medical funds referred to below.

Exclusive medical funds

The charity has assumed over the years funds from the following sources:

- Brand's Gift Charity
- Dame Sarah Temple Foundation
- Finsbury Dispensary Relief in Sickness
- Islington Relief in Need
- Islington Relief in Sickness
- Richard Cloudesley Charity Convalescent Homes Fund

All of these funds have been aggregated and are held and applicable in the health and welfare fund.

The exclusive medical funds are the subject of a permanent appropriation of the charity's investment (but not property) portfolio. The current rate of appropriation is 2.7935% (2023: 2.8573%). This varies depending on capital contributions to or withdrawals from the investment portfolio. This rate of appropriation is also applied to the allocation of investment management charges and gains/losses on investments.

Purposes of restricted funds

Wellbeing event: This funding was received from Cripplegate Foundation as a contribution towards a wellbeing event held in March 2024. The event was to support staff of organisations funded by Cloudesley in response to widespread concerns around burnout and the mental wellbeing of staff in the voluntary sector.

Older/disabled people: This funding was received in the prior year from a now dormant charity, Islington Community Contact, for supporting organisations working with older people and disabled people in Islington. The funding was awarded to thirteen organisations and was fully allocated by Cloudesley.

17 Reconciliation of net income to net cash flow from operating activities

	2024 £'000	2023 £'000
Net income for the reporting period as per the statement of financial activities	175	809
Gains on investments	(2,225)	(1,122)
Losses/(gains) on property assets	540	(1,037)
Depreciation	-	1
Investment income	(1,746)	(1,716)
(Increase)/decrease in debtors	(14)	5
Increase in creditors	282	293
Net cash used in operating activities	(2,988)	(2,767)

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	2024 £'000	2023 £
Less than 1 year	6	6

19 Capital commitments

At 30 June 2024 the charity was contractually committed to expenditure of nil (2023: £71,000) on maintenance works to its properties.

Notes to the financial statements

For the year ended 30 June 2024

20 Grants to churches

	2024 £'000	2023 £'000
Church grants awarded in the year		
<i>Main grants</i>		
All Saints, Caledonian Road	5	–
Christ Church, Highbury	15	95
The Church on the Corner	3	33
Emmanuel Church, Hornsey Road	–	19
Hope Church Islington – St Mary Magdalene	–	26
Kings Cross Church	22	12
Our Most Holy Redeemer, Clerkenwell	21	–
St Andrew, Whitehall Park	72	20
St Andrew's, Thornhill Square	126	73
St Augustine, Highbury New Park	50	65
St Clement, King Square	5	40
St George & All Saints Church, Tufnell Park	130	91
St James, Clerkenwell	16	8
St John, Upper Holloway	74	60
St Jude & St Paul, Mildmay Grove	21	21
St Luke, West Holloway	27	33
St Mark Clerkenwell	–	2
St Mark's, Tollington	30	6
St Mary, Hornsey Rise	13	27
St Mary Magdalene	140	–
St Mary's Islington	25	–
St Saviour's, Hanley Road	–	105
St Silas, Pentonville	70	25
St Stephen, Canonbury	41	67
St Thomas, Finsbury Park	7	11
Total main church grants awarded in the year	913	839
Grants written back	(92)	(5)
Total main church grants in the year	821	834
<i>Access project audits and grants</i>		
Christ Church, Highbury	–	3
The Church on the Corner	2	–
Emmanuel Church, Hornsey Road	2	–
Kings Cross Church	10	3
Our Most Holy Redeemer, Clerkenwell	10	3
St Andrew, Whitehall Park	–	3
St Andrew's, Thornhill Square	–	3
St Augustine, Highbury New Park	3	–
St George & All Saints Church, Tufnell Park	10	2
St John, Upper Holloway	3	–
St Jude & St Paul, Mildmay Grove	–	2
St Luke, West Holloway	–	3
St Mark Clerkenwell	–	2
St Mark's, Tollington	10	3
St Mary, Hornsey Rise	–	2
St Mary Magdalene	2	–
St Mary's Islington	–	3
St Saviour's, Hanley Road	12	–
St Silas, Pentonville	2	–
St Thomas, Finsbury Park	2	–
Total church access project audits and grants awarded in the year	68	32

Notes to the financial statements

For the year ended 30 June 2024

20 Grants to churches (continued)

Sustainability project audits and grants

Christ Church, Highbury	10	-
The Church on the Corner	10	-
St Clement, King Square	65	-
St George & All Saints Church, Tufnell Park	65	-
St John, Upper Holloway	10	-
St Luke, West Holloway	10	-
St Mark's, Tollington	7	-
St Stephen, Canonbury	85	-
Sustainability audits	21	-

Total church sustainability project audits and grants awarded in the year

283	-
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Total church grants awarded in the year

1,264	871
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Grants written back

(92)	(5)
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Total church grants in the year

1,172	866
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21 Grants for health and welfare needs

Health and welfare grants made to organisations

2024	2023
£'000	£'000

Principal grants

Centre 404	-	8
Citizens Advice Islington	52	-
Community Language Support Services	52	-
Disability Action in Islington	-	12
The Elfrida Society	105	-
Holloway Neighbourhood Group	-	75
Islington BAMER Advice Alliance	26	-
Islington Bangladesh Association	53	-
Islington Centre for Refugees and Migrants	-	75
Islington Mind	-	12
Islington People's Rights	53	-
MahaDevi Yoga Centre	53	-
Manor Gardens Welfare Trust	-	12
The Manna	105	8
The Margins Project	-	75
The Maya Centre	105	8
Prospex	53	-
St Luke's Parochial Trust	-	75
Solace Women's Aid	-	4
Stuart Low Trust	-	75

Total principal grants awarded in the year

657	439
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Strategic grants

Help on Your Doorstep	-	83
Islington Giving	-	110
Islington Law Centre	-	130

Total strategic grants awarded in the year

-	323
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Older & disabled people grants

Age UK Islington	-	9
South Islington Stroke Club	-	2
St Luke's Parochial Trust	-	9

Total older & disabled people grants awarded in the year

-	20
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In 2023, a further £49k from the older & disabled people fund was used to contribute towards relevant small grants (next page).

Notes to the financial statements

For the year ended 30 June 2024

21 Grants for health and welfare needs (continued)

Small grants

Angel Community Canalboat Trust	-	5
Angel Shed Theatre	8	6
Artbox London	10	6
Bubble & Speak CIC	-	4
Community Language Support Services	-	10
The Elfrida Society	-	10
Families in Harmony	-	9
The Garden Classroom	-	10
HealthProm	-	9
Islington Bangladesh Association	-	8
Islington Somali Community	10	10
Jannaty Women's Social Society	10	-
MahaDevi Yoga Centre	-	10
Memory Gardens	9	9
Mildmay Community Partnership	10	-
Minority Matters	10	7
Mixed Martial Arts for Reform and Progression	-	7
One True Voice	10	-
Prospex	-	10
Read Easy Islington	-	4
Scarabeus Aerial Theatre	10	10
Urban Forest Tribe CIC	7	6
YES Outdoors	10	-
Total small grants awarded in the year	104	150

In 2023, £49k of the small grants above was a contribution from the older & disabled people fund (previous page).

Development and support grants

Islington Centre for Refugees and Migrants	-	1
Minority Matters	3	-
Total development and support grants awarded in the year	3	1

Total health and welfare grants to organisations awarded in the year

764 933

Grants written back

- (2)

Total health and welfare grants to organisations in the year

764 931

21 Grants for health and welfare needs (continued)

Health and welfare grants made to individuals	2024 £'000	2023 £'000
<i>Grants to individuals via Cloudesley Partners</i>		
Age UK Islington	9	20
Centre 404	17	12
Citizens Advice Islington	6	6
Community Language Support Services	4	4
Disability Action in Islington	5	8
Help on Your Doorstep	22	15
Islington BAMER Advice Alliance	3	3
Islington Centre for Refugees and Migrants	20	20
Islington Law Centre	10	10
Islington Mind	24	18
Islington People's Rights	27	12
London Borough of Islington	4	5
Manor Gardens Welfare Trust	10	7
The Manna	5	5
The Margins Project	3	2
Octopus Community Network (via St Luke's Parochial Trust)	5	–
Peter Bedford Housing Association	8	8
Solace Women's Aid	9	8
St Luke's Parochial Trust	8	8
St Mungo's	9	8
Total grants via Cloudesley Partners awarded in the year	208	179
Grants written back	(21)	(14)
Total grants via Cloudesley Partners in the year	187	165
<i>Grants to individuals via Catalyst Programme</i>		
Age UK Islington	10	–
Help on Your Doorstep	10	–
Islington Centre for Refugees and Migrants	10	–
Manor Gardens Welfare Trust	10	–
Peter Bedford Housing Association	10	–
Solace Women's Aid	10	–
St Mungo's	10	–
Total grants via Catalyst Programme awarded in the year	70	–
Grants written back	(23)	(17)
Total grants via Catalyst Programme in the year	47	(17)
Total health and welfare grants awarded to individuals in the year	278	179
Total grants written back	(44)	(31)
Total health and welfare grants to individuals in the year	234	148
Total health and welfare grants in the year	998	1,079

22 Ultimate controlling party

The charity's ultimate parent undertaking and controlling party is Richard Cloudesley Trustee Ltd, a company limited by guarantee (number: 7425897). Consolidated accounts are not prepared as the parent is dormant. Dormant accounts are filed with Companies House. There were no financial transactions between Cloudesley and Richard Cloudesley Trustee Ltd during the year.

CHARITY OF RICHARD CLOUDESLEY

England & Wales - Charity number 205959

Accounts



Annual Report and Accounts 2022/23

TRUSTEE – RICHARD CLOUDESLEY TRUSTEE LTD

Directors of the Trustee	Finance & Endowment Committee	Staffing Committee	Grants Committee
Ex-officio – the Mayor of Islington			
Director position unfilled			
Archdeacon of Hackney appointed			
Revd Andy Rider			✓
London Borough of Islington nominated			
Cllr Janet Burgess MBE – Vice Chair			✓
Tanya Parr			✓
Denise Ward – Vice Chair		✓	✓
Cllr Flora Williamson			✓
Deanery Synod nominated			
Jennifer Kenson (appointed 7 June 2023)			✓
Lydia Mutare			✓
Seun Olateju			✓
Susan Sorensen (resigned 6 June 2023)			✓
Jean Willson OBE		✓	✓
Elected			
Mary-Therese Barton	✓		
Margaret Elliott (resigned 6 June 2023)	✓		✓
Adam Jenner – Vice Chair from 6 June 2023	✓		
Elena Mitchell (appointed 7 June 2023)	✓		
Delyth Richards – Chair	✓	✓	
Sharon White	✓		✓
Co-opted members (not Directors of the Trustee)			
Olufunke Imiruaye			✓
Jennifer Kenson (until 7 June 2023)			✓
Elena Mitchell (until 7 June 2023)	✓		
Peter Roscrow (resigned 29 May 2023)	✓		
Michael Samuels (appointed 7 June 2023)	✓		

Cloudesley

Administration & Advisors

For the year ended 30 June 2023

ADMINISTRATION & ADVISORS

REGISTERED OFFICE & OPERATIONAL ADDRESS	Office 1.1 Resource for London 356 Holloway Road London N7 6PA		
BANKER	CAF Bank Limited Kings Hill West Malling ME19 4TA	ESTATE MANAGERS	Daniel Watney LLP 165 Fleet Street London EC4A 2DW
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU	LEGAL ADVICE (Structural/Charity)	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
AUDITOR	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL	LEGAL ADVICE (Property/Estate management)	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
CHARITY NUMBER	205959	TRUSTEE COMPANY NUMBER	7425897

Registered with the Charity Commission as Charity of Richard Cloudesley, the charity uses the working name Cloudesley. Richard Cloudesley Trustee Limited is the related Trustee Company.

KEY MANAGEMENT PERSONNEL

Melanie Griffiths	Director and Company Secretary
Catherine Sorrell	Grants Manager
Kevin Turner	Grants Manager
Ross Holland	Finance Manager

Introduction

The Trustee of the Charity of Richard Cloudesley, which operates under the name Cloudesley, has pleasure in presenting the report and accounts for the charity's activities in the year to 30 June 2023.

The reference and administrative information set out on pages 2 and 3 form part of this report. The financial statements comply with current statutory requirements, the trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Achievements and Performance

Grants Agreed

During the year, the charity awarded grants totalling £1,951,000. After accounting for grants written back, the net amount of grants awarded was £1,913,000. In addition, the charity awarded funding of £32,000 for access audits for churches.

Church Grants

Through its Church Grants programme, Cloudesley provides support for eligible Church of England churches in the Islington Deanery.

Under the charity's Scheme, half of the charity's net income is to be used to make '*grants towards the upkeep and repair of the fabric of, and the maintenance of the services in, any churches of the Church of England in the London Borough of Islington*'.

Main Church Grants Programme

Cloudesley's Church Grants programme for 2020 to 2025 includes a Main Church Grants Fund and an Urgent Repairs Grants Fund.

The following funding priorities apply to the Main Church Grants Fund:

- Major works and building projects
- Preventative works and/or simple repairs
- Project development and feasibility studies
- Developing church capacity to deal with building issues and/or maintenance of services.

The Urgent Repairs Grants Fund provides grants of up to £10,000 intended to deal with urgent and unforeseen repairs quickly resulting in an immediate improvement to the fabric of the church building(s).

During 2022/23, under its Main Church Grants programme and urgent repairs grants, the charity agreed a total of 34 grants to 21 of the 27 churches in the Islington Deanery. The total amount agreed was £839,000. The grants were made towards a wide variety of projects including:

- Repairs to stonework and pinnacles
- Roof repairs and maintenance works
- Organ repairs
- The installation of energy efficient lighting
- An electric heating system
- Building surveys and fundraising costs.

Church Access Project

In July 2022, Cloudesley launched a three-year Church Access Project, in partnership with the Islington Deanery and the Diocese of London. The project offers each eligible Islington church:

- A Cloudesley-funded access audit carried out by the Centre for Accessible Environments
- A non-competitive grant of up to £10,000 to implement access measures in their church
- Opportunities for education and learning about access issues

During the year, access audits were undertaken for 12 churches. The charity also commissioned Inclusion London to run two disability equality training sessions for Islington churches.

Other Support

The charity arranged three meetings of the Islington Deanery Church Buildings Forum, bringing church representatives together to learn and share information on key buildings issues.

Health & Welfare Grants

The charity's Scheme specifies that half of the residue of its income after costs and expenses is for *'relief in sickness for the purpose of relieving in cases of need persons who are sick,*

convalescent, disabled, handicapped or infirm', and the charity seeks to address this through its Health and Welfare programmes.

During 2022/23, the charity agreed a total of 48 health and welfare grants to 26 organisations totalling £1,112,000, of which £179,000 was grants for individuals and £933,000 was grants for organisations.

Grants for individuals

Against the backdrop of the cost of living crisis, the charity continued to operate its Cloudesley Partners fund which provides crisis/welfare grants for individuals. Through this fund, the charity gives block grants to local voluntary organisations (Cloudesley Partners) which are working with Islington residents. The Partners then distribute this money by making grants of up to £500 to individuals who have health needs and/or who are disabled and in financial hardship. A grant as a contribution to administration costs of 10% is made to each of the organisations as recognition of the time involved in administering and monitoring these grants.

In the previous financial year, the charity had agreed grants totalling £155,000 for 19 organisations to distribute during the 2022 calendar year. 1,373 grants (954 in 2021) were made to individuals by the Cloudesley Partners to help residents in a wide variety of ways, including for emergency expenses (such as food, clothing, accommodation and travel costs), white goods (for example, cookers and washing machines), furniture and furnishings, medical reports, legal documents and fees, disability equipment and Debt Relief Orders.

The charity has continued to work with 20 Cloudesley Partners, agreeing a further £179,000 for them to distribute to Islington residents during the 2023 calendar year. This includes £3,000 as a pilot grant for Islington BAMER Advice Alliance, which was added as a new partner to address gaps in provision.

The charity continued to work in partnership with Cripplegate Foundation on the Catalyst Fund. This is a creative grant-making scheme that gives partner support organisations the ability to provide small grants to help residents meet personal goals and connect to opportunities and services. In September 2021, funding of £80,000 was agreed by Cloudesley, divided equally across eight organisations and split evenly between the 2022 and 2023 calendar years.

During the 2022 calendar year, 279 grants were made to Islington residents under the Catalyst Fund. These were used for a wide variety of purposes, including for training to improve employment opportunities and to fund activities which both increase skills and provide opportunities for social interaction, for example, driving lessons, a camera and bicycles.

A full breakdown of organisations receiving these grants is set out in note 22 to the accounts. Further information on both the Cloudesley Partners scheme and the Catalyst Fund are on the charity's website.

Grants for organisations

The charity's Health Grants programme also provides grants to organisations that offer support to people with health needs and/or who are disabled and living in poverty in the London Borough of Islington. The charity addresses its 'Sickness Object' by supporting sustainable organisations that demonstrate initiative in tackling health issues.

The Board has agreed a Health Grants to Organisations programme for 2019 to 2024 which aims to reduce health inequalities in Islington by improving health outcomes amongst people who are living in poverty and experiencing multiple disadvantages. The programme includes a number of funding streams – Principal Grants Fund, a Development Fund and Grants Support Fund. In addition, the charity continues to provide a number of Strategic Grants.

Principal Grants Fund

The Principal Grants Fund provides a small number of larger, multi-year grants for core or project costs to organisations that have been identified by the charity and invited to apply. These grantees are established voluntary sector organisations with a track record of delivering positive health outcomes for local residents.

Multi-year projects covered by grants awarded in previous years and ongoing during the current financial year were:

Centre 404 – Support to people with learning disabilities and their families

The Manna – Supporting vulnerable adults affected by homelessness, addiction, poor health and poverty

The Maya Centre – Counselling service for women who have experienced trauma and abuse

Solace Women's Aid – Support service to survivors of childhood and adult sexual violence (including refuges)

Islington Mind – To run a talking therapies service for 75 residents per year from multiple disadvantaged groups currently underserved by mainstream provision

Manor Gardens Welfare Trust – To employ a Health Connector, a trained advocate, to support Islington's diverse communities to seek help for aspects of the multiple disadvantages they face

Disability Action in Islington – A Complex Caseworker to work with service users with multiple interlinked support needs relating to their disability or health condition

A further two years' funding totalling £375,000 was approved during the year to the following:

Holloway Neighbourhood Group – Mental health and wellbeing projects for local residents

Islington Centre for Refugees and Migrants – Practical support to access health services and tackle multiple disadvantages

The Margins – Margins Plus Project, providing a drop-in centre for the homeless and people in crisis

St Luke's Parochial Trust – Improving the health and wellbeing of vulnerable older people

Stuart Low Trust – Addressing health inequalities through a socially therapeutic arts and nature programme.

All 12 organisations funded under the Principal Grants Fund also received top-up grants in recognition of the additional costs and needs due to sharply rising energy bills and the cost of living crisis.

Development Fund

The Development Fund aims to provide local organisations with the flexibility and initial funding to develop specific projects, to test a new approach in tackling health inequalities or address an identified gap in local service provision. During 2022/23, the charity continued to support two organisations through this Fund:

Healthwatch Islington – Towards a new approach to the Digital Champions initiative, which provides opportunities to learn the skills required to survive in the digital economy

Islington People's Rights – Towards a new approach to providing welfare benefits in partnership with Manor Gardens

Grants Support Fund

The charity's Grants Support Fund offers additional support to organisations funded by Cloudesley to help enhance their impact and achieve sustainability. During the year, funding of £1,560 from the Grants Support Fund was agreed for Islington Centre for Refugees and Migrants towards its monitoring and evaluation system.

Strategic Grant to Islington Giving

Islington Giving is a coalition of funders, businesses, voluntary organisations and residents giving time or money to support local people in need. Since it was set up in 2010, Islington Giving has raised £10 million.

Until her resignation in June 2023, Trustee Margaret Elliott continued to represent Cloudesley on the Board of Islington Giving and also continued to serve as Vice Chair of Islington Giving. Cloudesley Trustee Sharon White took on these roles from 7 June. Cloudesley's Director attended Islington Giving meetings in an observer capacity and Cloudesley was also represented on Islington Giving's Grants Committee by one of the charity's Grants Managers.

During the year, Islington Giving ran another round of its Young Grant Makers programme, a participatory grants programme for young people, and set up its first participatory programme for older people, the Golden Grant Makers. It continued its micro-grants programme with local housing associations, and funded work supporting families, older people, volunteering and young people. In winter 2022/23, it launched a successful crisis funding appeal raising much-needed funds for local residents to help them respond to rising energy prices and other costs.

Cloudesley provides Strategic Grant support to Islington Giving towards activities which fall within Cloudesley's Health Grants remit. In September 2022, the charity agreed a further £110,000 for Islington Giving, £55,000 a year for both 2023 and 2024.

Other Strategic Grants

The charity also provides Strategic Grant funding to both Islington Law Centre (ILC) and Help on your Doorstep (HOYD) towards advice and outreach services for vulnerable people in financial need. A further two years of funding was agreed for each organisation in September 2022.

Islington Community Contact

During the year, Cloudesley received £69,000 from the dormant charity Islington Community Contact (ICC). The funding was transferred to Cloudesley as an organisation with similar

objects to ICC for allocating to work with older people and/or disabled people. Cloudesley allocated the funding as one-off grants to the following:

- Age UK Islington – towards work with older people in Islington
- St Luke's Parochial Trust – towards work with older people in Islington
- South Islington Stroke Club

The balance of funding was used to support additional projects through the Small Grants Fund 2022/23 which worked with older people and/or disabled people in Islington.

Cost of living crisis

Whilst the ongoing impacts of the pandemic continued to be felt during the year, sharply rising energy and other costs presented further challenges. Cloudesley responded by providing top-up grants for both its Health and Church Programmes, increasing ongoing grant amounts and adding extra funds to its individual grants budget.

Financial review

Financial performance

The charity's income came almost entirely from investments in its securities portfolio and property estate. Income totalled £1,785,000, a rise of 10% from the previous year as rental income held up well and the charity received a one-off donation of £69,000 from the now-dormant charity Islington Community Contact.

Expenditure of £3,135,000 was up 34% on the previous year. This was because of a planned increase in grant giving of £405,000 and catching up with a programme of refurbishment and maintenance of the charity's property estate which had slowed during the pandemic.

The gain on revaluation of investments was £2,159,000 compared to a loss of £934,000 in the previous year. The gain on the securities portfolio was £1,122,000, representing 4% of its total value at the end of the previous year, with £900,000 having been withdrawn during the year to fund the planned increase in grant giving. The gain on revaluation of the property estate was £1,037,000, representing 3% of its value at the end of the previous year.

The total return on the charity's endowment before accounting for expenditure on charitable activities was £2,993,000, representing 5.3% of its value at the end of the

previous year. £2,053,000, or 3.5% of the value of the endowment at the end of the previous year, was spent on charitable activities.

Reserves

The net result of the movements detailed under 'financial performance' above was a rise in the charity's assets of 1.4% to £57,863,000. All funds are endowment funds.

The charity follows a total return approach to investment. This allows investment income and an element of capital gains, known as the unapplied total return, to be used to fund the charity's grants and running costs. The initial value of the charity's endowment, known as the trust for investment, remains protected and retains its value by increasing annually in line with inflation. As at the end of the year, the trust for investment amounted to £26,784,000 and the unapplied total return amounted to £31,079,000.

Investment policy

The investment policy covers both the securities portfolio and the property estate. The charity seeks to produce the best possible return while taking an acceptable level of risk, with trustees measuring performance after fees against inflation (the consumer prices index) plus 4%. A long-term view is taken when distributing grants to try to balance the needs of current and future beneficiaries without favouring one group over the other. Within this constraint, the charity seeks to increase the level of grants awarded in real terms as far as possible.

For historical reasons, a substantial proportion of the charity's investments, currently 53%, is represented by the property estate, mainly residential freehold properties in the London Borough of Islington. While there is some diversity of property by type of unit as well as one commercial lease, trustees recognise the scale of concentration within this asset class and keep the risks of this under review. Within the securities portfolio, diversification is provided by investing in a variety of asset classes, primarily international equities, UK equities and UK fixed interest securities.

Trustees take social, environmental and ethical considerations into account as part of the investment policy. To this end, the charity's securities portfolio does not include any investments in:

1. the manufacture of tobacco
2. companies needlessly emitting excessive quantities of carbon into the atmosphere unless, following engagement, there is evidence these companies are ameliorating their carbon emissions

3. companies with more than 5% of their turnover from adult entertainment, alcohol manufacture, armaments, gambling, high-interest lending, production of oil from tar sands, or extraction of thermal coal.

Similarly, while the charity is not a social landlord, it seeks to manage its properties in an ethical and fair manner, for example making sure that all employees of contractors and sub-contractors are paid at least the Living Wage while working on its properties, dealing fairly and considerately with tenants, and considering issues of sustainability in property refurbishment and maintenance.

The charity is a signatory of the Funder Commitment on Climate Change, and to this end has committed to making sure its investment strategy aligns with its climate commitments.

The charity periodically reviews its investment managers in the interests of good governance and to this end decided during the year to appoint Cazenove Capital to take over management of the securities portfolio. The appointment will take effect after this report has been approved.

Remuneration policy

The Trustees have agreed a remuneration policy to underpin the charity's commitment to paying and treating its staff fairly. The charity gives a level of salary and other benefits to ensure that staff with an appropriate level of skills and experience can be recruited and retained so that the charity's objects can be delivered with the greatest possible impact. The Staffing Committee reviews salaries and benefits of all staff against other charitable trusts and makes recommendations to the Finance and Endowment Committee and the Board.

Risk review

The risk register is reviewed annually by the Finance & Endowment Committee and the Board.

The charity considers that its current key risks are:

- Skills gap/shortage on Board. This was identified as a medium risk because two long-standing Trustees and one longstanding member of the Finance and Endowment and Committee (FEC) ended their terms with Cloudesley in the first six months of 2023. The charity put in place measures to mitigate this risk, including targeted recruitment in the year for a new FEC co-opted member.
- Unsatisfactory income and/or capital growth on investments. This risk is being addressed by regular monitoring of the performance of the actively managed discretionary portfolio in comparison to the agreed long-term investment strategy.
- Unsatisfactory income and/or capital growth from investment properties. This risk is being addressed by regular liaison with the estate managers and appropriate investment in refurbishment and maintenance projects.

- Possible major policy changes by government and their potential effect on the charity's grant making and/or effect on income from property returns. This risk is being addressed by keeping fully informed of policy changes and by comprehensive reviews of all the charity's grant making activities.

In March 2023, the co-chair of the Finance and Endowment Committee, the Director and the Finance Manager undertook an internal audit. The review covered the charity's financial controls and procedures and improvements have been made to the charity's IT security and data protection as a result. A spot check on payments was also conducted by one of the Vice Chairs.

The charity has written financial procedures, which were last updated and approved by the Board in December 2022. The charity also has a Business Continuity Plan to enable it to respond effectively to a number of possible scenarios with the minimum impact possible on its activities.

Fundraising Policy

The trustees are aware of their obligations under the Charities Act to report the charity's fundraising policy. The charity very occasionally engages with other trusts and foundations in order to raise income but does not engage in public fundraising. While income was received in the year from another charity, Islington Community Contact, this was not actively sought out. Islington Community Contact approached Cloudesley and therefore no fundraising was undertaken.

Objectives and activities for the public benefit

The objects of the charity as set out in the Charity Commission Scheme of 1980 were to help those who are sick and poor within the Ancient Parish of Islington and to support the Church of England churches in the Ancient Parish and St Silas, Pentonville. In December 2016 the Charity Commission agreed the Trustees' request that the area of benefit be extended so that it is coterminous with the Islington Borough boundary.

The Trustees confirm that they have read and understood the guidance of the Charity Commission on public benefit and meet these requirements in the charity's current activities and take account of it when planning future grant-making activities.

The charity seeks to be strategic and creative in its grant-making, using its knowledge of the area of benefit to support individuals who have health and financial needs (Health and Welfare grants for individuals), local organisations working with people in this situation (Health and Welfare grants for organisations) and Islington's Church of England churches (Church Grants). As set out in the charity's Scheme, in each year, half of the charity's grant funding goes to the Health and Welfare Grants programmes and the other half to the Church

Grants programme available to the eligible churches, each of which is itself a registered or excepted charity.

In line with the Governance Code's leadership principle, the charity has adopted the following set of values and guiding principles to underpin its work:

Cloudesley seeks to be an approachable, focused, responsive, fair and accountable organisation

It aims to be a relational rather than transactional funder, recognising that developing relationships and trust with those organisations and churches that it supports is mutually beneficial

Cloudesley will be transparent and open about its decision-making and processes, unless it is impossible or not appropriate

As an engaged place-based funder, Cloudesley is keen to:

- Make the most of all of its resources, providing other types of support where possible, such as, sharing information, facilitating networking, learning from its funding and sharing this learning where appropriate
- Work in partnership with others to co-ordinate and improve impact.

Cloudesley is a member of the Institute for Voluntary Action Research's Flexible Funders initiative for open and trusting grant making practice.

At its autumn 2021 Awayday, the charity identified the following three key priorities for the next 18-months:

- i. Diversity, equity and inclusion – see below
- ii. Scoping a review of the charity's Scheme/Objects – an Objects Review Working Group continued to meet during 2022/23. Initial legal advice was sought about approaching the Charity Commission about possible minor changes to the charity's Objects
- iii. Reviewing a previous aim to spend 3% of the value of the charity's endowment on grants each year – following an initial review carried out in late 2021, the grants budget for 2022/23 was set accordingly.

Diversity, Equity and Inclusion

Between 2018 and 2020, the Association of Charitable Foundations ran a Stronger Foundations Project which identified 40 'pillars of stronger foundation practice'. During 2022/23, Cloudesley's own Stronger Foundations Working Group continued to meet to review these best practice recommendations. The Working Group has focused mainly on three areas for development – diversity, equity and inclusion (DEI); impact and learning; and investments.

The charity has adopted and published the following statement of intent:

Cloudesley is committed to valuing diversity, promoting equity and equal access, and ensuring inclusion in all it does. We recognise that we need to do more but are strongly committed to combatting racism, discrimination and inequality and ensuring that we work in order to achieve this.

We recognise the power, resources and advantages that Cloudesley has as an independent, endowed charitable trust and strive to act responsibly and fairly in line with our stated values.

We seek to develop and retain a staff team and Board that reflect the Islington community within which we work. We will identify and take positive steps to remove any barriers to participation and recruitment of people who are currently underrepresented as staff or Trustees.

During 2022/23, key actions included:

- Launching a three-year Church Access Project to help Islington's Church of England churches improve access in their church buildings (see above for more details)
- Development of a new Access Bursary to assist with additional access costs for people experiencing barriers in applying for a Cloudesley grant
- Further to an assessment of the impact of the 2021/22 Small Grants Fund, the charity launched a 2022/23 Small Grants Fund focused on work targeting:
 - Young people
 - Projects that are both led by and for marginalised communities
 - People with learning disabilities or neurodiversity

Through the Fund, Trustees agreed grants of £150,000 for 19 local projects

- Analysis and development work to extend the reach of Cloudesley's individual grants funding. This included adding Islington BAMER Advice Alliance as a new Cloudesley

Partner, and arranging a presentation for Cloudesley Partners from Forum+, an organisation which works to promote LGBTQ+ equality in Islington and Camden

- Improving the accessibility of communications, including specific work on the charity's website to ensure its content is accessible
- Training and learning for staff and Trustees, including a Board session on disability inclusion and the importance of user experience in decision-making
- Undertaking a DEI and skills audit of Trustees and Committee Members in late 2022, and using the findings to inform Trustee appointments in 2023
- Becoming a Disability Confident Committed Employer

Funder Commitment on Climate Change

In December 2019 the charity joined with several other UK charitable foundations in signing up to a Funder Commitment on Climate Change. The commitment recognises that the growing climate emergency is a serious risk to the pursuit of all foundations' charitable aims and commits its signatories to a number of actions. The commitment requires the charity to report annually on progress. During the year, this included:

- Educate and learn – staff and Trustees attended a range of webinars and events, including on the impact of climate change on health, and how Trustees can respond to the climate crisis. The charity's two Grants Managers completed Carbon Literacy training. For beneficiary churches, the charity ran a focused session on heating resilience plans and sustainable heating options. Our quarterly church newsletters have shared details of funding and resources to help with energy efficiency and environmental projects.
- Commit resources – The charity developed a second sustainability project for the Islington churches which is running for 18-months from July 2023.
- Integrate – As part of Cloudesley's Church Grants programme 2020-25, churches can apply for funding of up to £65,000 for eligible sustainability and environmental improvement projects that fall within scope of the Church Object. All our grant-making application and assessment processes are now online, with support available from the staff team as required.
- Stewarding investments for a post-carbon future – During the year, our investment managers were asked to report on sustainability issues whenever they attend our committee meetings and to prepare an updated analyses of the carbon footprint of the portfolio twice a year. In early 2023, the tendering process for investment managers included specific questions about their approach to environmental issues.

Our property managers report quarterly on green audit issues in relation to the charity's property assets.

- Decarbonising our operations – we are continuing to hold some committee and working group meetings online. Committee and Board papers are now provided in digital format only. Catering at our events is vegetarian. As a 'worked example', we commissioned our property managers to consider energy efficiency improvements as part of the refurbishment of one of the charity's residential properties.

Plans for the future

In July 2023, the charity launched a new 18-month Sustainable Church Buildings Project, in partnership with the Islington Deanery and the Diocese of London. The project has been set up to help Islington churches to work towards their net zero carbon targets by 2030. The project offers each eligible church:

- A review of the Cloudesley-funded environmental audit undertaken as part of the charity's first Sustainable Church Buildings Project in 2017/18, along with a package of bespoke technical support
- A non-competitive grant of up to £10,000 for all eligible churches to take forward buildings measures to help meet their net zero carbon targets
- A smaller number of larger grants for the most impactful projects

Further work on diversity, equity and inclusion will include:

- The second year of the three-year Church Access Project
- Launching a new accessible website
- Taking forward actions relating to Disability Confident Committed employer status

As well as the activities outlined above, plans for 2023/24 include the following:

- Further to a review of the charity's Objects, Trustees plan to approach the Charity Commission and, subject to the Commission's response, undertaken consultation with beneficiaries about possible minor changes to the Church and Health Objects
- The impact of the cost of living crisis continues to be felt on the charity's grant recipients (both Church and Health). The grants budgets for 2023/24 has been set accordingly, with top-up grants available for our individual grants scheme (Cloudesley Partners crisis welfare grants) and the Church Grants programme

- Further work with Daniel Watney LLP on a major maintenance and redecoration programme for the charity's estate
- Working closely with the charity's new investment managers, Cazenove, to ensure the smooth transfer of funds and setting up of new mandate
- The charity will continue to consider how it can best respond to the growing climate emergency by considering other opportunities to implement its commitment as a signatory to the Association of Charitable Foundation's Funder Commitment on Climate Change.

Over the coming years, it is hoped that the charity will continue to meet the framework of the wishes set out in Richard Cloudesley's will, by working strategically and creatively in the area of benefit.

Structure, governance and management

Cloudesley is a registered charity and is constituted under a Charity Commission Scheme dated 2 July 1980. On 15 November 2010, Richard Cloudesley Trustee Limited became Trustee of the charity, and now all the Trustees are directors of the Trustee Company. The directors are referred to as Trustees in line with their ongoing roles.

The charity was formed as the result of a gift of land (a 'Stoney Field' of 14 acres) from the will of Richard Cloudesley dated 1517. In his will it was stipulated that the proceeds from the rental of the land were to be used to bestow good deeds of charity and to fund masses at St Mary's Church for his and his wife's souls. During the Reformation, the proportion of the bequest allocated to fund masses was taken by the Crown and, in subsequent years, the charitable trusts have been amended several times and are now contained within the 1980 Scheme referred to above.

Today, Cloudesley is a significant grant-making charity in the borough of Islington. Half of the charity's grant-making focuses on its Health and Welfare programmes that support people with health and financial needs in the borough, while the other half supports the Church of England churches in the borough.

The charity's Board has up to 15 Trustees as follows:

- Four Synod Nominees nominated by the Church of England Islington Deanery Synod
- Four London Borough of Islington Nominees
- Five Elected Trustees – selected through an open selection process by the Trustees as a whole
- An Archdeacon's Trustee appointed by the Archdeacon of Hackney
- An Ex-officio Trustee - the Mayor of Islington

The charity also appoints co-opted committee members who each bring specific skills and experiences to help with the governance of the charity. As at 30 June 2023, there were two co-opted committee members, one each on the Finance and Endowment Committee and the Grants Committee.

All Trustees and committee members have undergone an induction to understand the Objects of the charity and the methods by which it meets those Objects. Other training and support is offered to Trustees and committee members, as required.

Delyth Richards continued as Chair of the charity throughout the year. Denise Ward and Janet Burgess continued to serve as Vice Chairs throughout 2022/23 and Adam Jenner was appointed as a third Vice Chair from 7 June 2023

The charity's administration is undertaken by a small staff team: a Director, two Grants Managers, a Finance Manager, and an Administrator.

During the financial year Trustees worked with the staff through the Board and three standing Committees: the Finance and Endowment Committee (co-chairs Adam Jenner and Mary-Therese Barton until 6 June 2023, Adam Jenner and Ellie Mitchell from 7 June 2023), the Grants Committee (chair – Denise Ward) and Staffing Committee (chair – Delyth Richards). The Finance and Endowment Committee met formally five times during the year, the Grants Committee met formally four times and the Board met three times. The Staffing Committee met in early 2023 to discuss pay levels for all staff for the following financial year.

During 2022/23 the charity continued to operate a Stronger Foundations Working Group, chaired by Sharon White, and an Objects Review Working Group, chaired by Delyth Richards.

In the year all Trustees gave freely of their time and no remuneration was paid to Trustees. During the year the charity paid £339 (2022 - £2,569) to enable trustees to attend training courses and conferences which were directly relevant to their office.

The charity continues to ensure that it is fully compliant with the General Data Protection Regulations which were published in May 2018.

Statement of the responsibilities of the Trustee Company

The Directors of the Trustee Company are responsible for preparing the report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Directors of the Trustee Company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice: Accounting and Reporting by Charities);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the Charity will continue to operate.

The Directors of the Trustee Company are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors of the Trustee Company are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Cloudesley

Trustee's annual report

For the year ended 30 June 2023

Auditor

Sayer Vincent LLP were re-appointed as the Charity's auditor during the year and have expressed their willingness to act in that capacity.

Approved by the Trustee

Delyth Richards, Chair

6 December 2023

Independent auditor's report to the Trustee of the Charity of Richard Cloudesley (known as Cloudesley)

Opinion

We have audited the financial statements of Cloudesley (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 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
- 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 Cloudesley'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 other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 Trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of the Trustee

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

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has 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 regulations made under section 154 of that Act.

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.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance & Endowment Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and

Independent auditor's report

To the Trustee of the

Charity of Richard Cloudesley (known as Cloudesley)

tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's Trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Date 19 December 2023

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities

For the year ended 30 June 2023

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000	Unrestricted £'000	Endowment £'000	2022 Total £'000
Income from:								
Investments	2	-	-	741	741	-	740	740
Properties		-	-	975	975	-	884	884
Other income		-	69	-	69	-	-	-
Total income		-	69	1,716	1,785	-	1,624	1,624
Expenditure on:								
Cost of raising funds								
Investment management costs		-	-	171	171	-	175	175
Property related costs		-	-	711	711	-	360	360
Charitable activities								
Churches		1,021	-	-	1,021	900	-	900
Health and welfare		1,163	69	-	1,232	908	-	908
Total expenditure	3	2,184	69	882	3,135	1,808	535	2,343
Net income/(expenditure) before net gains/(losses) on investments and total return transfer between funds	4	(2,184)	-	834	(1,350)	(1,808)	1,089	(719)
Net gains/(losses) on investments	10	-	-	1,122	1,122	-	(1,742)	(1,742)
Gains on revaluation of properties	11	-	-	1,037	1,037	-	808	808
Total return transfer between funds		2,184	-	(2,184)	-	1,808	(1,808)	-
Net movement in funds		-	-	809	809	-	(1,653)	(1,653)
Reconciliation of funds:								
Total funds brought forward		-	-	57,054	57,054	-	58,707	58,707
Total funds carried forward		-	-	57,863	57,863	-	57,054	57,054

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Cloudesley

Balance sheet

As at 30 June 2023

			2023		2022
	Note	£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	9		–		1
Endowment fund investments	10		27,658		27,584
Investment properties	11		31,730		30,709
			<u>59,388</u>		<u>58,294</u>
Current assets:					
Debtors	12	111		116	
Cash at bank and in hand		475		462	
		<u>586</u>		<u>578</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	1,830		1,578	
Net current liabilities			<u>(1,244)</u>		<u>(1,000)</u>
Total assets less current liabilities			<u>58,144</u>		<u>57,294</u>
Creditors: amounts falling due after one year	14		281		240
Total net assets	15		<u><u>57,863</u></u>		<u><u>57,054</u></u>
Permanent endowment funds					
Trust for investment:					
Churches		13,236		12,267	
Health and Welfare		13,548		12,556	
			<u>26,784</u>		<u>24,823</u>
Unapplied total return:					
Churches		15,476		15,993	
Health and Welfare		15,603		16,238	
			<u>31,079</u>		<u>32,231</u>
Total endowment funds	16		<u><u>57,863</u></u>		<u><u>57,054</u></u>

Approved by the trustees on 6 December 2023 and signed on their behalf by

Delyth Richards
Chair

Statement of cash flows

For the year ended 30 June 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities			
Net cash used in operating activities	17	(2,767)	(2,142)
Cash flows from investing activities:			
Investment Income		1,716	1,624
Proceeds of leasehold extension and property disposals		16	-
Increase/(decrease) in cash held in investment portfolio		1,034	(1,036)
Proceeds from sale of investments		12,728	9,793
Purchase of investments		(12,714)	(8,623)
Net cash provided by investing activities		<u>2,780</u>	<u>1,758</u>
Change in cash and cash equivalents in the year		13	(384)
Cash and cash equivalents at the beginning of the year		<u>462</u>	<u>846</u>
Cash and cash equivalents at the end of the year	18	<u><u>475</u></u>	<u><u>462</u></u>

1 Accounting policies

a) Statutory information

Cloudesley is a registered charity. The registered office is Office 1.1, Resource for London, 356 Holloway Road, London, N7 6PA.

b) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with the FRS 102 (Charities SORP FRS 102), and the Charities Act 2011.

The accounts 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 the Charities SORP FRS 102 issued on 16 July 2014 rather than the Charities SORP effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Interest and rental income receivable

Interest on funds held on deposit is included on an accruals basis. Rental income is included when receivable.

f) Fund accounting

Endowment funds and restricted funds are to be used for the specific purposes laid down by the donor.

Unrestricted funds are other incoming resources received or generated for the charitable purposes.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,000 as at 31 December 1998, with this being the earliest date at which a valuation could be obtained. Under total return accounting, the charity is permitted to allocate from the total return element of permanent endowment to unrestricted funds such sums as it thinks appropriate in furtherance of its work. In making these transfers, the charity will seek to be even-handed between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets. The trust for investment is increased annually using the consumer prices index (CPI) measure of inflation to maintain its real value over time.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

h) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

● Property	15%
● Investment management	5%
● Health and welfare	40%
● Churches	40%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rate in use are as follows:

● Computer Equipment	3 years
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k) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value is stated in the notes to the accounts.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

Where the charity has identified specific amounts to be drawn down within the next twelve months, these are classified as current assets on the balance sheet.

m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The pension cost charge represents contributions payable under the terms of a defined contribution pension scheme established by the charity. The charity has no liability under the scheme other than for the payment of those contributions.

q) Grants payable

Grants payable are made to third parties in accordance with the charity's governing scheme. These grants are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient. Provision for grants is made once the intention to make a grant has been communicated to the recipient, although there may be uncertainty about either the timing of the grant or the amount payable. Where a grant is payable in instalments, any instalments falling due more than twelve months after the balance sheet date are classified as a creditor due after more than one year. Many of the grants awarded are in respect of building projects which can take considerable periods of time to complete. Although experience has shown that in many cases such grants will not be paid within twelve months of the balance sheet date, they are classified as current liabilities since they are not payable in instalments.

Notes to the financial statements

For the year ended 30 June 2023

2 Investment income

	Churches £'000	Health and Welfare £'000	2023 Total £'000	Churches £'000	Health and Welfare £'000	2022 Total £'000
Main portfolio	360	360	720	360	360	720
Exclusive medical funds	-	21	21	-	20	20
	<u>360</u>	<u>381</u>	<u>741</u>	<u>360</u>	<u>380</u>	<u>740</u>

See note 16 for more detail on investments held as exclusive medical funds.

3a Analysis of expenditure

Year ended 30 June 2023

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 21 & 22) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2023 Total £'000
Cost of raising funds:							
Investment management costs	9	153	-	-	7	2	171
Property related costs	14	672	-	-	19	6	711
Charitable activities							
Churches	86	-	866	3	51	15	1,021
Health and welfare	86	-	1,079	1	51	15	1,232
	<u>195</u>	<u>825</u>	<u>1,945</u>	<u>4</u>	<u>128</u>	<u>38</u>	<u>3,135</u>
Support costs	55	-	-	73	(128)	-	-
Governance costs	24	-	-	14	-	(38)	-
Total expenditure	274	825	1,945	91	-	-	3,135

3b Year ended 30 June 2022

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 21 & 22) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2022 Total £'000
Cost of raising funds:							
Investment management costs	7	160	-	-	6	2	175
Property related costs	12	326	-	-	16	6	360
Charitable activities							
Churches	64	-	777	-	46	13	900
Health and welfare	85	-	763	1	46	13	908
	<u>168</u>	<u>486</u>	<u>1,540</u>	<u>1</u>	<u>114</u>	<u>34</u>	<u>2,343</u>
Support costs	55	-	-	59	(114)	-	-
Governance costs	22	-	-	12	-	(34)	-
Total expenditure	245	486	1,540	72	-	-	2,343

4 Net income/(expenditure) for the year

This is stated after charging:

	2023 £'000	2022 £'000
Depreciation	1	2
Operating lease rentals – property	21	20
Auditor's remuneration – audit fees	9	8
	<u>31</u>	<u>30</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £'000	2022 £'000
Salaries and wages	233	210
Social security costs	22	18
Employer's contribution to defined contribution pension schemes	19	17
	274	245
	274	245

One member of staff was paid a salary of between £70,001 and £80,000 during the year (2022: one). No other members of staff were paid over £60,000.

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £237,000 (2022: £213,000). Four members of staff employed during the year are considered to be key management personnel (2022: four).

During the year the charity paid £339 (2022: £2,569) to enable trustees to attend training courses and conferences which were directly relevant to their office. The charity trustees were not paid and did not receive any benefits from the charity (2022: nil). No charity trustee received payment for professional or other services supplied to the charity (2022: nil).

6 Staff numbers

The average full-time equivalent number of employees was:

	2023 No.	2022 No.
Charitable activities	3.9	3.8
Support and administration	0.5	0.6
	4.4	4.4
	4.4	4.4

The average headcount was 5.0 (2022: 5.1).

7 Related party transactions

It is a condition of appointment of 14 of the 15 directors of the Trustee that they have knowledge of Islington and its voluntary sector. It is therefore inevitable that directors may be, and are, officeholders, service users, worshippers or beneficiaries of and at the entities the charity funds. The potential for conflict in practice is addressed by declaration of interests and withdrawal from meetings where appropriate.

Given the procedures and the breadth of support the charity offers to all qualifying entities in its area of benefit, the Trustee does not consider that there is a single recipient body of whom it could be said that the awarded grant could have been influenced by interests other than those of the charity.

Accordingly the Trustee takes the view that no awarded grants (or other transactions) fall within the definition of related party transactions.

Although no awarded grants (or other financial transactions) fall within the definition of related party transactions, in the interests of complete transparency the Trustee would like to make clear that the following directors – or immediate family members – held key positions in organisations to which grants were made during the year. However, the individuals played no part in these decisions and absented themselves at meetings when they were discussed.

Director (or immediate family member)	Position	Organisation	Grants awarded 2023 £'000	Grants awarded 2022 £'000
Jennifer Kenson	Employee	Healthwatch Islington	–	50
Susan Sorensen	Treasurer	Angel Community Canalboat Trust	5	–
Jean Willson	President	Centre 404	20	72

Notes to the financial statements

For the year ended 30 June 2023

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

Computer
equipment
£'000

Cost

At the start of the year

9

Disposals in year

(4)

At the end of the year

5

Depreciation

At the start of the year

8

On disposals

(4)

Charge for the year

1

At the end of the year

5

Net book value

At the end of the year

-

At the start of the year

1

All of the above assets are used for charitable purposes.

10 Endowment fund investments

	Main portfolio £'000	Exclusive medical funds £'000	2023 £'000	2022 £'000
Fair value at the start of the year	25,513	564	26,077	28,989
Additions at cost	12,351	363	12,714	8,623
Disposal proceeds	(12,364)	(364)	(12,728)	(9,793)
Net (loss)/ gain on investments	1,089	33	1,122	(1,742)
Fair value at the end of the year	26,589	596	27,185	26,077
Cash held by investment broker pending reinvestment	459	14	473	1,507
	27,048	610	27,658	27,584
Historic cost at the end of the year	25,754	746	26,500	25,484
Investments comprise:			2023 £'000	2022 £'000
UK Common Investment Funds			27,185	26,077
Cash			473	1,507
			27,658	27,584

See note 16 for more detail on investments held as exclusive medical funds.

Notes to the financial statements

For the year ended 30 June 2023

11 Investment properties

	Freehold Properties		2023 £'000	2022 £'000
	Interest in long leaseholds	Rental and commercial properties		
Fair value at the start of the year	829	29,880	30,709	29,901
Proceeds of leasehold extension and disposals in year	(16)	–	(16)	–
Gain/(loss) on revaluation during the year	502	535	1,037	808
Fair value at the end of the year	1,315	30,415	31,730	30,709

A 'Red Book' valuation, carried out in line with guidance issued by the Royal Institute of Chartered Surveyors, is undertaken every five years and was carried out as at 30 June 2023 by Savills (UK) Ltd. The property valuation as at 30 June 2022 was not a 'Red Book' valuation and was carried out by independent valuers Daniel Watney LLP.

12 Debtors

	2023 £'000	2022 £'000
Rent receivable	54	87
Other debtors	40	10
Prepayments	17	19
	111	116

13 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Church grants	1,031	961
Health and welfare grants	606	475
Trade creditors	14	7
Taxation and social security	7	5
Accruals and other creditors	172	130
	1,830	1,578

14 Creditors: amounts falling due after one year

	2023 £'000	2022 £'000
Health and welfare grants	281	240

15 Analysis of net assets between funds

Net assets at both 30 June 2023 and 30 June 2022 consisted entirely of endowment funds.

Notes to the financial statements

For the year ended 30 June 2023

16 Movement in funds

Year ended 30 June 2023

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	12,267	–	–	969	13,236
Health and welfare	12,556	–	–	992	13,548
	<u>24,823</u>	<u>–</u>	<u>–</u>	<u>1,961</u>	<u>26,784</u>
Unapplied total return					
Churches	15,993	1,911	(438)	(1,990)	15,476
Health and welfare	16,238	1,964	(442)	(2,157)	15,603
	<u>32,231</u>	<u>3,875</u>	<u>(880)</u>	<u>(4,147)</u>	<u>31,079</u>
Total endowment funds	<u>57,054</u>	<u>3,875</u>	<u>(880)</u>	<u>(2,186)</u>	<u>57,863</u>
Restricted funds:					
Islington Community Contact	–	69	(69)	–	–
General funds					
Churches	–	–	(1,022)	1,022	–
Health and welfare	–	–	(1,164)	1,164	–
Total unrestricted funds	<u>–</u>	<u>–</u>	<u>(2,186)</u>	<u>2,186</u>	<u>–</u>
Total funds	<u>57,054</u>	<u>3,944</u>	<u>(3,135)</u>	<u>–</u>	<u>57,863</u>

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

Year ended 30 June 2022

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	11,213	–	–	1,054	12,267
Health and welfare	11,477	–	–	1,079	12,556
	<u>22,690</u>	<u>–</u>	<u>–</u>	<u>2,133</u>	<u>24,823</u>
Unapplied total return					
Churches	17,853	1,206	(1,112)	(1,954)	15,993
Health and welfare	18,164	1,226	(1,165)	(1,987)	16,238
	<u>36,017</u>	<u>2,432</u>	<u>(2,277)</u>	<u>(3,941)</u>	<u>32,231</u>
Total endowment funds	<u>58,707</u>	<u>2,432</u>	<u>(2,277)</u>	<u>(1,808)</u>	<u>57,054</u>
General funds					
Churches	–	–	(900)	900	–
Health and welfare	–	–	(908)	908	–
Total unrestricted funds	<u>–</u>	<u>–</u>	<u>(1,808)</u>	<u>1,808</u>	<u>–</u>
Total funds	<u>58,707</u>	<u>2,432</u>	<u>(4,085)</u>	<u>–</u>	<u>57,054</u>

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

16 Movement in funds (continued)

Allocation of income between the churches and health and welfare unrestricted funds is set out in the statement of financial activities. Expenditure on charitable activities is allocated directly to the activity involved. Property related costs and gains/losses on revaluation of properties are allocated equally between the two charitable activities. The allocation of investment management costs and net gains/losses on investments takes into account the exclusive medical funds referred to below.

Exclusive medical funds

The charity has assumed over the years funds from the following sources:

- Brand's Gift Charity
- Dame Sarah Temple Foundation
- Finsbury Dispensary Relief in Sickness
- Islington Relief in Need
- Islington Relief in Sickness
- Richard Cloudesley Charity Convalescent Homes Fund

All of these funds have been aggregated and are held and applicable in the health and welfare fund.

The exclusive medical funds are the subject of a permanent appropriation of the charity's investment (but not property) portfolio. The current rate of appropriation is 2.8573% (2022: 2.7912%). This varies depending on capital contributions to or withdrawals from the investment portfolio. This rate of appropriation is also applied to the allocation of investment management charges and gains/losses on investments.

Purposes of restricted funds

Older/disabled people: This funding was received from a now dormant charity, Islington Community Contact, for supporting organisations working with older people and disabled people in Islington. The funding was awarded to thirteen organisations and was fully allocated by Cloudesley during the year.

17 Reconciliation of net income/expenditure to net cash flow from operating activities

	2023 £'000	2022 £'000
Net income/(expenditure) for the reporting period as per the statement of financial activities	809	(1,653)
(Gains)/losses on investments	(1,122)	1,742
(Gains)/losses on property assets	(1,037)	(808)
Depreciation	1	2
Investment income	(1,716)	(1,624)
Decrease/(increase) in debtors	5	(14)
Increase in creditors	293	213
Net cash used in operating activities	(2,767)	(2,142)

18 Analysis of cash and cash equivalents

	At 1 July 2022 £'000	Cash flows £'000	At 30 June 2023 £
Cash at bank and in hand	462	13	475
Total cash and cash equivalents	462	13	475

Notes to the financial statements

For the year ended 30 June 2023

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2023 £'000	2022 £
Less than 1 year	<u>6</u>	<u>5</u>

20 Capital commitments

At 30 June 2023 the charity was contractually committed to expenditure of £71,000 (2022 – nil) on maintenance works to its properties.

21 Grants to churches

	2023 £'000	2022 £'000
Church grants awarded in the year		
<i>Main grants</i>		
Christ Church, Highbury	95	23
Emmanuel Church, Hornsey Road	19	4
Hope Church Islington – St Mary Magdalene	26	37
Kings Cross Church	12	73
Our Most Holy Redeemer, Clerkenwell	–	63
St Andrew, Whitehall Park	20	62
St Andrew's, Thornhill Square	73	10
St Augustine, Highbury New Park	65	80
St Clement, King Square	40	54
St George & All Saints Church, Tufnell Park	91	50
St James, Clerkenwell	8	45
St John, Upper Holloway	60	–
St Jude & St Paul, Mildmay Grove	21	47
St Luke, West Holloway	33	29
St Mark Clerkenwell	2	30
St Mark's, Tollington	6	57
St Mary, Hornsey Rise	27	14
St Mary's Islington	–	50
St Saviour's, Hanley Road	105	54
St Silas, Pentonville	25	58
St Stephen, Canonbury	67	–
St Thomas, Finsbury Park	11	8
The Church on the Corner	33	–
Total main church grants awarded in the year	<u>839</u>	<u>848</u>
Grants written back	(5)	(71)
Total main church grants in the year	<u>834</u>	<u>777</u>

Notes to the financial statements

For the year ended 30 June 2023

21 Grants to churches (continued)

Access project audits and grants

Christ Church, Highbury	3	-
Kings Cross Church	3	-
Our Most Holy Redeemer, Clerkenwell	3	-
St Andrew, Whitehall Park	3	-
St Andrew's, Thornhill Square	3	-
St George & All Saints Church, Tufnell Park	2	-
St Jude & St Paul, Mildmay Grove	2	-
St Luke, West Holloway	3	-
St Mark Clerkenwell	2	-
St Mark's, Tollington	3	-
St Mary, Hornsey Rise	2	-
St Mary's Islington	3	-
Total church access project audits and grants awarded in the year	32	-

Total church grants awarded in the year

871 848

Grants written back

(5) (71)

Total church grants in the year

866 777

22 Grants for health and welfare needs

	2023	2022
	£'000	£'000
Health and welfare grants made to organisations		
<i>Strategic grants</i>		
Help on Your Doorstep	83	-
Islington Giving	110	-
Islington Law Centre	130	-
Total strategic grants awarded in the year	323	-

Small grants

Angel Community Canalboat Trust	5	-
Angel Shed Theatre	6	-
Artbox London	6	-
Bubble & Speak CIC	4	-
Community Language Support Services	10	-
The Elfrida Society	10	-
Families in Harmony	9	-
The Garden Classroom	10	-
HealthProm	9	-
Islington Bangladesh Association	8	-
Islington Somali Community	10	-
MahaDevi Yoga Centre	10	-
Memory Gardens	9	-
Minority Matters	7	-
Mixed Martial Arts for Reform and Progression	7	-
Prospex	10	-
Read Easy Islington	4	-
Scarabeus Aerial Theatre	10	-
Urban Forest Tribe CIC	6	-
Total small grants awarded in the year	150	-

£49k of the small grants above was a contribution from the older & disabled people fund (page 41).

Notes to the financial statements

For the year ended 30 June 2023

22 Grants for health and welfare needs (continued)

Principal grants

Centre 404	8	60
Disability Action in Islington	12	90
Holloway Neighbourhood Group	75	-
Islington Centre for Refugees and Migrants	75	-
Islington Mind	12	90
Manor Gardens Welfare Trust	12	90
The Manna	8	60
The Margins Project	75	-
The Maya Centre	8	60
St Luke's Parochial Trust	75	-
Solace Women's Aid	4	30
Stuart Low Trust	75	-
Total principal grants awarded in the year	439	480

Development and support grants

ALAG/Autism Hub Islington	-	2
Healthwatch Islington	-	50
Islington Centre for Refugees and Migrants	1	3
Islington People's Rights	-	30
Life Chances in partnership with AFLAH	-	2
One True Voice	-	2
Stuart Low Trust	-	3
Total development and support grants awarded in the year	1	92

Older & disabled people grants

Age UK Islington	9	-
South Islington Stroke Club	2	-
St Luke's Parochial Trust	9	-
Total older & disabled people grants awarded in the year	20	-

A further £49k from the older & disabled people fund was used to contribute towards relevant small grants (page 40).

Total health and welfare grants to organisations awarded in the year	933	572
Grants written back	(2)	-
Total health and welfare grants to organisations in the year	931	572

Notes to the financial statements

For the year ended 30 June 2023

22 Grants for health and welfare needs (continued)

Health and welfare grants made to individuals	2023 £'000	2022 £'000
<i>Grants to individuals via Cloudesley Partners</i>		
Age UK Islington	20	5
Centre 404	12	12
Citizens Advice Islington	6	5
Community Language Support Services	4	3
Disability Action in Islington	8	5
Help on Your Doorstep	15	18
Islington BAMER Advice Alliance	3	-
Islington Centre for Refugees and Migrants	20	17
Islington Law Centre	10	8
Islington Mind	18	20
Islington People's Rights	12	12
London Borough of Islington	5	5
Manor Gardens Welfare Trust	7	5
Octopus Community Network (via St Luke's Parochial Trust)	-	5
Peter Bedford Housing Association	8	6
Solace Women's Aid	8	5
St Luke's Parochial Trust	8	9
St Mungo's	8	8
The Manna	5	5
The Margins Project	2	2
Total grants via Cloudesley Partners awarded in the year	179	155
Grants written back	(14)	(23)
Total grants via Cloudesley Partners in the year	165	132
<i>Grants to individuals via Catalyst Programme</i>		
Age UK Islington	-	10
Help on Your Doorstep	-	10
Humankind	-	10
Islington Centre for Refugees and Migrants	-	10
Manor Gardens Welfare Trust	-	10
Peter Bedford Housing Association	-	10
Solace Women's Aid	-	10
St Mungo's	-	10
Total grants via Catalyst Programme awarded in the year	-	80
Grants written back	(17)	(21)
Total grants via Catalyst Programme in the year	(17)	59
Total health and welfare grants awarded to individuals in the year	179	235
Total grants written back	(31)	(44)
Total health and welfare grants to individuals in the year	148	191
Total health and welfare grants in the year	1,079	763

23 Ultimate controlling party

The charity's ultimate parent undertaking and controlling party is Richard Cloudesley Trustee Ltd, a company limited by guarantee (number: 7425897). Consolidated accounts are not prepared as the parent is dormant. Dormant accounts are filed with Companies House. There were no financial transactions between Cloudesley and Richard Cloudesley Trustee Ltd during the year.

CHARITY OF RICHARD CLOUDESLEY

England & Wales - Charity number 205959

Accounts



Cloudesley

Support in Islington for 500 years



**Annual Report
and Accounts
2021/22**

TRUSTEE – RICHARD CLOUDESLEY TRUSTEE LTD

Directors of the Trustee	Finance & Endowment Committee	Staffing Committee	Grants Committee
Ex-officio – the Mayor of Islington			
Director position unfilled			
Archdeacon of Hackney appointed			
Revd Ben Bell (resigned 13 September 2021)			✓
Revd Andy Rider (appointed 9 December 2021)			✓
London Borough of Islington nominated			
Cllr Janet Burgess MBE – Vice Chair			✓
Tanya Parr			✓
Denise Ward – Vice Chair		✓	✓
Cllr Flora Williamson			✓
Deanery Synod nominated			
Lydia Mutare (appointed 16 June 2022)			✓
Seun Olateju			✓
Susan Sorensen			✓
Jean Willson OBE		✓	✓
Elected			
Mary-Therese Barton	✓		
Margaret Elliott	✓		✓
Adam Jenner	✓		
Delyth Richards – Chair	✓	✓	
Sharon White			✓

Co-opted members (not Directors of the Trustee)	Finance & Endowment Committee	Staffing Committee	Grants Committee
Funke Imiruaye (appointed 21 March 2022)			✓
Jeni Kenson (appointed 21 March 2022)			✓
Ellie Mitchell (appointed 21 March 2022)	✓		
Peter Roscrow	✓		

ADMINISTRATION & ADVISORS

REGISTERED OFFICE & OPERATIONAL ADDRESS	Office 1.1 Resource for London 356 Holloway Road London N7 6PA		
BANKER	CAF Bank Limited Kings Hill West Malling ME19 4TA	ESTATE MANAGERS	Daniel Watney LLP 165 Fleet Street London EC4A 2DW
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU		
LEGAL ADVICE (Structural/Charity)	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE	LEGAL ADVICE (Property/Estate management)	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
AUDITOR	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL		
CHARITY NUMBER	205959	TRUSTEE COMPANY NUMBER	7425897

Registered with the Charity Commission as Charity of Richard Cloudesley, the charity uses the working name Cloudesley. Richard Cloudesley Trustee Limited is the related Trustee Company.

KEY MANAGEMENT PERSONNEL

Melanie Griffiths	Director and Company Secretary
Catherine Sorrell	Grants Manager (from 12 July 2021)
Kevin Turner	Grants Manager (from 12 July 2021)
Phillip Everett	Finance Manager (until 11 January 2022)
Ross Holland	Finance Manager (from 7 December 2021)

Introduction

The Trustee of the Charity of Richard Cloudesley, which operates under the name Cloudesley, has pleasure in presenting the report and accounts for the charity's activities in the year to 30 June 2022.

The reference and administrative information set out on pages 2 and 3 form part of this report. The financial statements comply with current statutory requirements, the trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Achievements and Performance

Grants Agreed

During the year, the charity awarded grants totalling £1,655,000. After accounting for grants written back, the net amount of grants awarded was £1,540,000.

Church Grants

Through its Church Grants programme, Cloudesley provides support for eligible Church of England churches in the Islington Deanery.

Under the charity's Scheme, half of the charity's net income is to be used to make '*grants towards the upkeep and repair of the fabric of, and the maintenance of the services in, any churches of the Church of England in the London Borough of Islington*'.

Main Church Grants Programme

Cloudesley's Church Grants programme for 2020 to 2025 includes a Main Church Grants Fund and an Urgent Repairs Grants Fund.

The following funding priorities apply to the Main Church Grants Fund:

- Major works and building projects
- Preventative works and/or simple repairs
- Project development and feasibility studies
- Developing church capacity to deal with building issues and/or maintenance of services.

The Urgent Repairs Grants Fund provides grants of up to £10,000 intended to deal with urgent and unforeseen repairs quickly resulting in an immediate improvement to the fabric of the church building(s).

During 2021/22, under its Main Church Grants programme and urgent repairs grants, the charity agreed a total of 33 grants to 20 of the 27 churches in the Islington Deanery. The total amount agreed was £848,000. The grants were made towards a wide variety of projects including:

- a) Repairs to church towers and spires
- b) Redecoration and maintenance works
- c) New audio-visual and sound systems
- d) The installation of energy efficient lighting
- e) Building surveys and preparatory work
- f) Updates to entrances.

Other Support

The charity also arranged two meetings of the Islington Deanery Church Buildings Forum, bringing church representatives together to learn and share information on key buildings issues.

Health & Welfare Grants

The charity's Scheme specifies that half of the residue of its income after costs and expenses is for *'relief in sickness for the purpose of relieving in cases of need persons who are sick, convalescent, disabled, handicapped or infirm'*, and the charity seeks to address this through its Health and Welfare programmes.

Over the years, the charity has taken on a number of small funds, known as Exclusive Medical Funds, from the Richard Cloudesley Charity Convalescent Homes Fund, Islington Relief in Need, Islington Relief in Sickness, Finsbury Dispensary Relief in Sickness, Dame Sarah Temple Foundation and Brand's Gift Charity. The income generated from these invested funds is only applicable towards the charity's Health and Welfare Grants programmes.

During 2021/22, the charity agreed a total of 48 health and welfare grants to 26 organisations totalling £807,000, of which £235,000 was grants for individuals and £572,000 was grants for organisations.

Grants for individuals

The charity continued to operate its Cloudesley Partners fund which provides crisis/welfare grants for individuals. Through this fund, the charity gives block grants to local voluntary organisations (Cloudesley Partners) which are working with Islington residents. The Partners then distribute this money by making grants of up to £500 to individuals who have health needs and/or who are disabled and in financial hardship. A grant as a contribution to administration costs of 10% is made to each of the organisations as recognition of the time involved in administering and monitoring these grants.

In the previous financial year, the charity had agreed grants totalling £143,000 for 15 organisations to distribute during the 2021 calendar year. 954 grants were made to individuals by the Cloudesley Partners to help residents in a wide variety of ways, including for emergency expenses (such as food, clothing, accommodation and travel costs), white goods (for example, cookers and washing machines), furniture and furnishings, medical reports, legal documents and fees, disability equipment and Debt Relief Orders.

The charity has since agreed a further £155,000 for 18 Cloudesley Partners to distribute during the 2022 calendar year. This includes £9,000 for three new pilot Cloudesley Partners – Citizens Advice Islington, Disability Action in Islington and Octopus Community Network (via St Luke’s Parochial Trust). These organisations were identified to address gaps in provision and due to their reach to residents with ongoing health conditions.

The charity continued to work in partnership with Cripplegate Foundation on the Catalyst Fund. This is a creative grant-making scheme that gives partner support organisations the ability to provide small grants to help residents meet personal goals and connect to opportunities and services. Funding of £80,000 was agreed by Cloudesley, divided equally across eight organisations and split evenly between the 2022 and 2023 calendar years. This included Age UK Islington, which had previously been a pilot organisation.

During the 2021 calendar year, over 100 grants were made to Islington residents under the Catalyst Fund. These were used for a wide variety of purposes, including for training to improve employment opportunities and to fund activities which both increase skills and provide opportunities for social interaction, for example, music and painting courses.

A full breakdown of organisations receiving these grants is set out in note 22 to the accounts. Further information on both the Cloudesley Partners scheme and the Catalyst Fund are on the charity’s website.

Grants for organisations

The charity’s Health Grants programme also provides grants to organisations that offer support to people with health needs and/or who are disabled and living in poverty in the London Borough of Islington. The charity addresses its ‘Sickness Object’ by supporting sustainable organisations that demonstrate initiative in tackling health issues.

The Board has agreed a Health Grants to Organisations programme for 2019 to 2024 which aims to reduce health inequalities in Islington by improving health outcomes amongst people who are living in poverty and experiencing multiple disadvantages. The programme includes a number of funding streams – Principal Grants Fund, a Development Fund and Grants Support Fund. In addition, the charity continues to provide a number of strategic grants.

Principal Grants Fund

The Principal Grants Fund provides a small number of larger, multi-year grants for core or project costs to organisations that have been identified by the charity and invited to apply

These grantees are established voluntary sector organisations with a track record of delivering positive health outcomes for local residents.

Multi-year projects covered by grants awarded in previous years and ongoing during the current financial year were:

Centre 404 – Support to people with learning disabilities and their families

The Manna – Supporting vulnerable adults affected by homelessness, addiction, poor health and poverty

The Maya Centre – Counselling service for women who have experienced trauma and abuse

Solace Women's Aid – Support service to survivors of childhood and adult sexual violence (including refuges)

Holloway Neighbourhood Group – Mental health and wellbeing projects for local residents

Islington Centre for Refugees and Migrants – Practical support to access health services and tackle multiple disadvantages

The Margins – Margins Plus Project, providing a drop-in centre for the homeless and people in crisis

St Luke's Parochial Trust – Improving the health and wellbeing of vulnerable older people

Stuart Low Trust – Addressing health inequalities through a socially therapeutic arts and nature programme.

A further two years' funding totalling £210,000 was approved during the year to extend the projects run by Centre 404, The Manna, The Maya Centre and Solace Women's Aid.

During the year, three further three-year grants were agreed under a new round of the Principal Grants Fund totalling £270,000. The projects covered by these grants are:

Islington Mind – To run a talking therapies service for 75 residents per year from multiple disadvantaged groups currently underserved by mainstream provision

Manor Gardens Welfare Trust – To employ a Health Connector, a trained advocate, to support Islington's diverse communities to seek help for aspects of the multiple disadvantages they face

Disability Action in Islington – A Complex Caseworker to work with service users with multiple interlinked support needs relating to their disability or health condition

Development Fund

The Development Fund aims to provide local organisations with the flexibility and initial funding to develop specific projects, to test a new approach in tackling health inequalities or address an identified gap in local service provision. Two grants were made under this Fund in the financial year:

Healthwatch Islington – Towards a new approach to the Digital Champions initiative, which provides opportunities to learn the skills required to survive in the digital economy

Islington People's Rights – Towards a new approach to providing welfare benefits in partnership with Manor Gardens

Grants Support Fund

Five grants were agreed from the Grants Support Fund, which is focused on offering additional support to organisations supported by Cloudesley:

Islington Centre for Refugees and Migrants – towards a monitoring and evaluation system

ALAG/Autism Hub Islington – towards the inputting of data and other information onto a new case management system and monitoring system

One True Voice – for a monitoring and evaluation support package from the Foundation for Social Improvement (FSI)

Life Chances/AFLAH - for a monitoring and evaluation support package from the FSI

Stuart Low Trust – set up costs of a new Lamplight database providing secure digital case management

Other support

It has become clear that staff burnout is a real concern in many of Islington's voluntary sector organisations. This has been exacerbated by the pandemic and increasing demands for services from local residents. As a result, through its Events and Partner Development budget, Cloudesley arranged for Rethink Mental Illness to run two online sessions about 'Your

wellbeing as a frontline key worker'. The sessions were attended by 40 local staff and were well received.

Strategic Grant to Islington Giving

Islington Giving is a coalition of funders, businesses, voluntary organisations and residents giving time or money to support local people in need. Since it was set up in 2010, Islington Giving has raised over £9 million. In spring 2022, Islington Giving developed a new strategy, confirming its vision as one in which Islington is a strong, connected community where everyone has the opportunity to live a good life.

Trustee Margaret Elliott continued to represent Cloudesley on the Board of Islington Giving and also continued to serve as Vice Chair of Islington Giving. Cloudesley's Director attended Islington Giving meetings in an observer capacity. Cloudesley was also represented on Islington Giving's Grants Committee, with various staff members attending the committee meetings during the year.

Islington Giving continued to run its Young Grant Makers programme, a participatory grants programme for young people, established a Going Greener Fund to support voluntary and community organisations to consider their impact on the environment, ran a micro-grants programme with local housing associations, and continued its work supporting families, older people, volunteering and young people.

Cloudesley provides Strategic Grant support to Islington Giving towards activities which fall within Cloudesley's Health Grants remit. The most recent grant of £100,000 was agreed in September 2020, £50,000 a year for both 2021 and 2022.

Other Strategic Grants

The charity also provides Strategic Grant funding to both Islington Law Centre (ILC) and Help on your Doorstep (HOYD) towards advice and outreach services for vulnerable people in financial need. These grants were last approved in September 2019, providing each organisation with funding of £107,000 to cover the three-year period to 31 December 2022. In addition, the charity also provided ILC with a £61,000 grant for the same period towards its Welfare Benefits Project, which aims to address long waiting lists for welfare benefits advice being experienced by Islington residents and focuses on Personal Independence Payment and Employment & Support Allowance. Cloudesley's grant has been used towards the volunteer form filling clinic supervised by the Law Centre.

Subsequent to the move to a fully online services during the Covid-19 lockdowns, both ILC and HOYD have since moved their services to a hybrid model with an increasing number of appointments taking place in person again. This has been welcomed by the most vulnerable residents, many of whom have struggled with online appointments.

Ongoing response to COVID-19

Despite some easing of restrictions, the COVID-19 pandemic has continued to affect the charity's activities. The additional needs of local residents, organisations and churches created by the pandemic will continue for some time to come. These needs were taken into account when agreeing grants during the year, with grants budgets allocated accordingly.

The charity continued to operate efficiently and effectively throughout periods of lockdown and restrictions. When required, staff worked from home while some Board, Committee and other meetings were held remotely. Contact was maintained with funded organisations and churches, other local contacts and funders, and advisors and professional bodies have provided support as required. Staff are now working on a hybrid basis, and a mix of in person and remote meetings continue to be held.

Financial review

Financial performance

The charity's income came entirely from investments in its securities portfolio and property estate. Income totalled £1,624,000, a rise of 9% from the previous year as dividend income returned to normal levels following a dip during the pandemic.

Expenditure of £2,343,000 was down 12% on the previous year because of a fall in amounts spent on the refurbishment of the charity's property estate due to difficulties and delays in securing contractors as a result of increased demand for their services following the pandemic. This is expected to be temporary, and a full ongoing programme of refurbishment and maintenance has been planned and budgeted for the following financial year and beyond.

The net loss on revaluation of investments was £934,000 compared to a gain of £6,520,000 in the previous year. The loss on the securities portfolio was £1,742,000, representing 6% of its total value at the end of the previous year, broadly in line with market losses. This was partly offset by a gain on revaluation of the property estate of £808,000, representing 3% of its value at the end of the previous year.

Reserves

The net result of the movements detailed under 'financial performance' above was a fall in the charity's assets of 3% to £57,054,000. All funds are endowment funds.

The charity follows a total return approach to investment. This allows investment income and an element of capital gains, known as the unapplied total return, to be used to fund the charity's grants and running costs. The initial value of the charity's endowment, known as the trust for investment, remains protected and retains its value by increasing annually in line with inflation. As at the end of the year, the trust for investment amounted to £24,823,000 and the unapplied total return amounted to £32,231,00

Investment policy

The investment policy covers both the securities portfolio and the property estate. The charity seeks to produce the best possible return while taking an acceptable level of risk, with trustees measuring performance after fees against inflation (the consumer prices index) plus 4%. A long-term view is taken when distributing grants to try to balance the needs of current and future beneficiaries without favouring one group over the other. Within this constraint, the charity seeks to increase the level of grants awarded in real terms as far as possible.

For historical reasons, a substantial proportion of the charity's investments, currently 53%, is represented by the property estate, mainly residential freehold properties in the London Borough of Islington. While there is some diversity of property by type of unit as well as one commercial lease, trustees recognise the scale of concentration within this asset class and keep the risks of this under review. Within the securities portfolio, diversification is provided by investing in a variety of asset classes, primarily international equities, UK equities and UK fixed interest securities.

Trustees take social, environmental and ethical considerations into account as part of the investment policy. To this end, the charity's securities portfolio does not include any investments in:

1. the manufacture of tobacco
2. companies needlessly emitting excessive quantities of carbon into the atmosphere unless, following engagement, there is evidence these companies are ameliorating their carbon emissions
3. companies with more than 5% of their turnover from adult entertainment, alcohol manufacture, armaments, gambling, high-interest lending, production of oil from tar sands, or extraction of thermal coal.

Similarly, while the charity is not a social landlord, it seeks to manage its properties in an ethical and fair manner, for example making sure that all employees of contractors and sub-contractors are paid at least the Living Wage while working on its properties, dealing fairly and considerately with tenants, and considering issues of sustainability in property refurbishment and maintenance.

The charity is a signatory of the Funder Commitment on Climate Change, and to this end has committed to making sure its investment strategy aligns with its climate commitments.

Remuneration policy

The Trustees have agreed a remuneration policy to underpin the charity's commitment to paying and treating its staff fairly. The charity gives a level of salary and other benefits to ensure that staff with an appropriate level of skills and experience can be recruited and retained so that the charity's objects can be delivered with the greatest possible impact. The

Staffing Committee reviews salaries and benefits of all staff against other charitable trusts and makes recommendations to the Finance and Endowment Committee and the Board.

Risk review

The risk register is reviewed annually by the Finance & Endowment Committee and the Board. The charity maintained a detailed risk assessment on COVID-19 as a supplement to the main risk register and this was also reviewed by the Board.

The charity considers that its current key risks are:

- Unsatisfactory income and/or capital growth on investments. This risk is being addressed by regular monitoring of the performance of the actively managed discretionary portfolio in comparison to the agreed long-term investment strategy.
- Unsatisfactory income and/or capital growth from investment properties. This risk is being addressed by regular liaison with the estate managers and appropriate investment in refurbishment and maintenance projects.
- Possible major policy changes by government and their potential effect on the charity's grant making and/or effect on income from property returns. This risk is being addressed by keeping fully informed of policy changes and by comprehensive reviews of all the charity's grant making activities.

In March 2022, the co-chair of the Finance and Endowment Committee, the Director and Finance Manager undertook an internal audit. The review covered the charity's financial controls and procedures and improvements have been made to the charity's IT security as a result. A spot check on payments was also conducted by the second co-chair and there were no issues arising from this.

The charity has written financial procedures and these were last updated and approved by the Board in December 2020. The charity also has a Business Continuity Plan to enable it to respond effectively to a number of possible scenarios with the minimum impact possible on its activities. In accordance with best practice, during the year the charity developed and formally adopted a Related Party Disclosures Policy and a Safeguarding Policy.

Fundraising Policy

The trustees are aware of their obligations under the Charities Act to report the charity's fundraising policy. The charity very occasionally engages with other trusts and foundations in order to raise income but does not engage in public fundraising.

Objectives and activities for the public benefit

The objects of the charity as set out in the Charity Commission Scheme of 1980 were to help those who are sick and poor within the Ancient Parish of Islington and to support the Church of England churches in the Ancient Parish and St Silas, Pentonville. In December 2016 the

Charity Commission agreed the Trustees' request that the area of benefit be extended so that it is coterminous with the Islington Borough boundary.

The Trustees confirm that they have read and understood the guidance of the Charity Commission on public benefit and meet these requirements in the charity's current activities and take account of it when planning future grant-making activities.

The charity seeks to be strategic and creative in its grant-making, using its knowledge of the area of benefit to support individuals who have health and financial needs (Health and Welfare grants for individuals), local organisations working with people in this situation (Health and Welfare grants for organisations) and Islington's Church of England churches (Church Grants). As set out in the charity's Scheme, in each year, half of the charity's grant funding goes to the Health and Welfare Grants programmes and the other half to the Church Grants programme available to the eligible churches, each of which is itself a registered or excepted charity.

In line with the Governance Code's leadership principle, the charity has adopted the following set of values and guiding principles to underpin its work:

Cloudesley seeks to be an approachable, focused, responsive, fair and accountable organisation

It aims to be a relational rather than transactional funder, recognising that developing relationships and trust with those organisations and churches that it supports is mutually beneficial

Cloudesley will be transparent and open about its decision-making and processes, unless it is impossible or not appropriate

As an engaged place-based funder, Cloudesley is keen to:

- Make the most of all of its resources, providing other types of support where possible, such as, sharing information, facilitating networking, learning from its funding and sharing this learning where appropriate
- Work in partnership with others to co-ordinate and improve impact.

Cloudesley is a member of the Institute for Voluntary Action Research's Flexible Funders initiative for open and trusting grant making practice.

In autumn 2021, the charity held an Awayday for Trustees and staff. The event provided an opportunity for participants to reflect on the past 18 months and emerging needs in Islington. After discussion, it was agreed that the charity would focus on the following three key priorities over the next 18-months:

- i. Diversity, equity and inclusion – see below
- ii. Scoping a review of the charity's Scheme/Objects – Working Group subsequently set up

- iii. Reviewing a previous aim to spend 3% of the value of the charity's endowment on grants each year – initial review carried out in late 2021, with grants budget set for 2022/23 accordingly.

Diversity, Equity and Inclusion

Between 2018 and 2020, the Association of Charitable Foundations ran a Stronger Foundations Project which identified 40 'pillars of stronger foundation practice'. During 2020/21, Cloudesley set up its own Stronger Foundations Working Group to review these best practice recommendations, focusing initially on three areas for development – diversity, equity and inclusion (DEI); impact and learning; and investments.

The charity has adopted and published the following statement of intent:

Cloudesley is committed to valuing diversity, promoting equity and equal access, and ensuring inclusion in all it does. We recognise that we need to do more but are strongly committed to combatting racism, discrimination and inequality and ensuring that we work in order to achieve this.

We recognise the power, resources and advantages that Cloudesley has as an independent, endowed charitable trust and strive to act responsibly and fairly in line with our stated values.

We seek to develop and retain a staff team and Board that reflect the Islington community within which we work. We will identify and take positive steps to remove any barriers to participation and recruitment of people who are currently underrepresented as staff or Trustees.

Audits of Trustees were undertaken in late 2020 and 2021 which highlighted the need to diversify Board membership. As a step towards addressing this, the charity undertook a targeted recruitment campaign and has now appointed three additional co-opted committee members.

Other work during the year included:

- revising staff recruitment materials and procedures to make them more accessible
- introducing standardised monitoring categories across the Health Grants programme so that we are better able to show the reach of particular funding streams and evaluate our grant-giving against Islington data
- the development of a new Church Access Project to run from July 2022.

Funder Commitment on Climate Change

In December 2019 the charity joined with several other UK charitable foundations in signing up to a Funder Commitment on Climate Change. The commitment recognises that the growing climate emergency is a serious risk to the pursuit of all foundations' charitable aims

and commits its signatories to a number of actions. The commitment requires the charity to report annually on progress. During the year, this included:

- Educate and learn - the charity provided opportunities for trustees and staff to find out more about the Church of England's net zero target, what churches can do to meet this and how Cloudesley might support the Islington churches. Relevant information has also been shared with the Islington churches which Cloudesley supports. Staff attended a variety of training sessions and webinars, took part in two roundtable discussions on investments and sustainability, and visited an Eco Show Home to learn about green solutions which might be relevant to the charity's property assets.
- Commit resources – During the year, our property managers were commissioned to undertake an assessment of potential improvements to the energy efficiency and environmental impact of our property assets. The charity has begun to develop a second sustainability project for the Islington churches which will run in 2023/24.
- Integrate – As part of Cloudesley's Church Grants programme 2020-25, churches can apply for funding of up to £50,000 for eligible sustainability and environmental improvement projects that fall within scope of the Church Object.
- Stewarding investments for a post-carbon future - as part of the charity's response to the Association of Charitable Foundation's Stronger Foundations Project, we have carried out a review of our investments, comparing our policy against those of other foundations and the Church of England. We explored with our investment manager the possible effects of adopting different investment approaches and agreed that the investment managers must comment explicitly on sustainability issues at all future Finance and Endowment Committee meetings that they attend and also prepare updated analyses of the carbon footprint of the portfolio twice a year. Trustees also agreed an additional investment restriction about not investing in companies that needlessly emit excessive quantities of carbon into the atmosphere.
- Decarbonising our operations – we are continuing to hold some committee and working group meetings online, with others offered on a hybrid basis. Committee and Board papers are now provided in digital format only. Catering at our events is now vegetarian. Trustees have agreed to trial proposals for improved sustainability of the portfolio during the refurbishment of one of the charity's residential properties.

Plans for the future

The charity has developed a new three-year Church Access Project which will offer each eligible Islington church:

- A Cloudesley-funded access audit carried out by the Centre for Accessible Environments
- A non-competitive grant of up to £10,000 to implement access measures in their church
- Opportunities for education and learning about access issue

This Cloudesley initiative will run from July 2022 and is a partnership project with the Islington Deanery and the Diocese of London.

Further work on diversity, equity and inclusion will include:

- Taking forward actions arising from the 'Hidden Leaders' review on disability inclusion and London Funders' survey on funding for Disabled People and Disabled People's Organisations
- Reviewing the Cloudesley website to ensure that content is accessible
- Further progress on the charity's monitoring and impact practice, including assessing the impact of the most recent round of our Small Grants Fund
- Scoping a possible review of the charity's Objects, with the setting up of an internal working group for this purpose
- Using ACF's DEI self-assessment tool to measure Cloudesley's progress in this area.

As well as the activities outlined above, plans for 2022/23 include the following:

- The impact of Covid-19 will continue to be felt on the charity's grant recipients (both Church and Health) for the foreseeable future. The cost-of-living crisis and rising fuel bills are also expected have a significant negative impact on the churches, organisations and local residents which the charity supports. The grants budgets for 2022/23 have been set accordingly.
- The development of a second sustainability project for the eligible churches to support them to work towards the Church of England's target of net zero carbon by 2030
- Further work with Daniel Watney LLP on a major maintenance and redecoration programme for the charity's estate
- Continuing to closely monitor the performance of the charity's investments in conjunction with the investment managers, Sarasin & Partners LLP
- The charity will continue to consider how it can best respond to the growing climate emergency by considering other opportunities to implement its commitment as a signatory to the Association of Charitable Foundation's Funder Commitment on Climate Change.

Over the coming years, it is hoped that the charity will continue to meet the framework of the wishes set out in Richard Cloudesley's will, by working strategically and creatively in the area of benefit.

Structure, governance and management

Cloudesley is a registered charity and is constituted under a Charity Commission Scheme dated 2 July 1980. On 15 November 2010, Richard Cloudesley Trustee Limited became Trustee of the charity, and now all the Trustees are directors of the Trustee Company. The directors are referred to as Trustees in line with their ongoing roles.

The charity was formed as the result of a gift of land (a 'Stoney Field' of 14 acres) from the will of Richard Cloudesley dated 1517. In his will it was stipulated that the proceeds from the rental of the land were to be used to bestow good deeds of charity and to fund masses at St Mary's Church for his and his wife's souls. During the Reformation, the proportion of the bequest allocated to fund masses was taken by the Crown and, in subsequent years, the charitable trusts have been amended several times and are now contained within the 1980 Scheme referred to above.

Today, Cloudesley is a significant grant-making charity in the borough of Islington. Half of the charity's grant-making focuses on its Health and Welfare programmes that support people with health and financial needs in the borough, while the other half supports the Church of England churches in the borough.

The charity's Board has up to 15 Trustees as follows:

- Four Synod Nominees nominated by the Church of England Islington Deanery Synod
- Four London Borough of Islington Nominees
- Five Elected Trustees – selected through an open selection process by the Trustees as a whole
- An Archdeacon's Trustee appointed by the Archdeacon of Hackney
- An Ex-officio Trustee - the Mayor of Islington

The charity has also appointed four further co-opted committee members who each bring specific skills and experiences to help with the governance of the charity.

All Trustees and committee members have undergone an induction to understand the Objects of the charity and the methods by which it meets those Objects. Other training and support is offered to Trustees and committee members, as required.

Delyth Richards continued as Chair of the charity throughout the year, with Denise Ward and Janet Burgess serving as Vice Chairs.

The charity's administration is undertaken by a small staff team: a Director, two Grants Managers, a Finance Manager, and an Administrator.

During the financial year Trustees worked with the staff through the Board and three standing Committees: the Grants Committee (chair - Denise Ward), the Finance and Endowment Committee (co-chairs Adam Jenner and Mary-Therese Barton) and Staffing Committee (chair – Delyth Richards). The Grants Committee and the Finance and Endowment Committee each met formally four times during the year while the Board met three times. The Staffing Committee met in early 2022 to discuss pay levels for all staff for the following financial year.

During 2021/22 the charity also operated a Stronger Foundations Working Group, chaired by Sharon White. A new Objects Review Working Group met for the first time in May 2022 to begin scoping a possible review of the charity's Objects.

In the year all Trustees gave freely of their time and no remuneration was paid to Trustees. During the year the charity paid £2,569 (2021 - £204) to enable trustees to attend training courses and conferences which were directly relevant to their office. The charity offers IT equipment to trustees and committee members to enable remote working and full participation in their duties, however no new trustees or committee members took up this offer in the year (2021 - £798).

The charity continues to ensure that it is fully compliant with the General Data Protection Regulations which were published in May 2018.

Statement of the responsibilities of the Trustee Company

The Directors of the Trustee Company are responsible for preparing the report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Directors of the Trustee Company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice: Accounting and Reporting by Charities);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the Charity will continue to operate.

The Directors of the Trustee Company are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors of the Trustee Company are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP were re-appointed as the Charity's auditor during the year and have expressed their willingness to act in that capacity.

Approved by the Trustee

Delyth Richards, Chair

Date 14 October 2022

Independent auditor's report to the Trustee of the Charity of Richard Cloudesley (known as Cloudesley)

Opinion

We have audited the financial statements of Cloudesley (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2022 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Cloudesley'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 other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 Trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of the Trustee

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

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has 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 regulations made under section 154 of that Act.

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.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance & Endowment Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's Trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Joanna Pittman
23 November 2022
Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Cloudesley

Statement of financial activities

For the year ended 30 June 2022

	Note	Unrestricted £'000	Endowment £'000	2022 Total £'000	Unrestricted £'000	Endowment £'000	2021 Total £'000
Income from:							
Investments	2	-	740	740	-	602	602
Properties		-	884	884	-	888	888
Total income		-	1,624	1,624	-	1,490	1,490
Expenditure on:							
Cost of raising funds							
Investment management costs		-	175	175	-	162	162
Property related costs		-	360	360	-	595	595
Charitable activities							
Churches		900	-	900	906	-	906
Health and welfare		908	-	908	1,001	-	1,001
Total expenditure	3	1,808	535	2,343	1,907	757	2,664
Net income/(expenditure) before net gains/(losses) on investments and total return transfer between funds	4	(1,808)	1,089	(719)	(1,907)	733	(1,174)
Net gains/(losses) on investments	10	-	(1,742)	(1,742)	-	5,052	5,052
Gains/(losses) on revaluation of properties	11	-	808	808	-	1,468	1,468
Total return transfer between funds		1,808	(1,808)	-	1,907	(1,907)	-
Net movement in funds		-	(1,653)	(1,653)	-	5,346	5,346
Reconciliation of funds:							
Total funds brought forward		-	58,707	58,707	-	53,361	53,361
Total funds carried forward		-	57,054	57,054	-	58,707	58,707

All of the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Cloudesley

Balance sheet

As at 30 June 2022

			2022		2021
	Note	£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	9		1		3
Endowment fund investments	10		27,584		29,460
Investment properties	11		30,709		29,901
			<u>58,294</u>		<u>59,364</u>
Current assets:					
Debtors	12	116		102	
Cash at bank and in hand		462		846	
		<u>578</u>		<u>948</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	1,578		1,410	
			<u>(1,000)</u>		<u>(462)</u>
Net current liabilities					
Total assets less current liabilities			<u>57,294</u>		<u>58,902</u>
Creditors: amounts falling due after one year	14		240		195
Total net assets	15		<u><u>57,054</u></u>		<u><u>58,707</u></u>
Permanent endowment funds					
Trust for investment:					
Churches		12,267		11,213	
Health and Welfare		12,556		11,477	
		<u>24,823</u>		<u>22,690</u>	
Unapplied total return:					
Churches		15,993		17,853	
Health and Welfare		16,238		18,164	
		<u>32,231</u>		<u>36,017</u>	
Total endowment funds	16		<u><u>57,054</u></u>		<u><u>58,707</u></u>

Approved by the trustees on 14 October 2022 and signed on their behalf by

Delyth Richards
Chair

Statement of cash flows

For the year ended 30 June 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash used in operating activities	17	(2,142)	(2,407)
Cash flows from investing activities:			
Investment Income		1,624	1,490
Proceeds of leasehold extension and property disposals		-	2
Purchase of tangible fixed assets		-	(1)
Increase/(decrease) in cash held in investment portfolio		(1,036)	527
Proceeds from sale of investments		9,793	9,824
Purchase of investments		(8,623)	(9,457)
Net cash provided by investing activities		<u>1,758</u>	<u>2,385</u>
Change in cash and cash equivalents in the year		(384)	(22)
Cash and cash equivalents at the beginning of the year		<u>846</u>	<u>868</u>
Cash and cash equivalents at the end of the year	18	<u><u>462</u></u>	<u><u>846</u></u>

1 Accounting policies

a) Statutory information

Cloudesley is a registered charity. The registered office is Office 1.1, Resource for London, 356 Holloway Road, London, N7 6PA.

b) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with the FRS 102 (Charities SORP FRS 102), and the Charities Act 2011.

The accounts 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 the Charities SORP FRS 102 issued on 16 July 2014 rather than the Charities SORP effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Interest and rental income receivable

Interest on funds held on deposit is included on an accruals basis. Rental income is included when receivable.

f) Fund accounting

Endowment funds are to be used for the specific purposes laid down by the donor.

Unrestricted funds are other incoming resources received or generated for the charitable purposes.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,000 as at 31 December 1998, with this being the earliest date at which a valuation could be obtained. Under total return accounting, the charity is permitted to allocate from the total return element of permanent endowment to unrestricted funds such sums as it thinks appropriate in furtherance of its work. In making these transfers, the charity will seek to be even-handed between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

h) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

● Property	15%
● Investment management	5%
● Health and welfare	40%
● Churches	40%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rate in use are as follows:

● Computer Equipment	3 years
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k) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value is stated in the notes to the accounts.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

Where the charity has identified specific amounts to be drawn down within the next twelve months, these are classified as current assets on the balance sheet.

m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term, highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The pension cost charge represents contributions payable under the terms of a defined contribution pension scheme established by the charity. The charity has no liability under the scheme other than for the payment of those contributions.

q) Grants payable

Grants payable are made to third parties in accordance with the charity's governing scheme. These grants are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient. Provision for grants is made once the intention to make a grant has been communicated to the recipient, although there may be uncertainty about either the timing of the grant or the amount payable. Where a grant is payable in instalments, any instalments falling due more than twelve months after the balance sheet date are classified as a creditor due after more than one year. Many of the grants awarded are in respect of building projects which can take considerable periods of time to complete. Although experience has shown that in many cases such grants will not be paid within twelve months of the balance sheet date, they are classified as current liabilities since they are not payable in instalments.

Notes to the financial statements

For the year ended 30 June 2022

2 Investment income

	Churches £'000	Health and Welfare £'000	2022 Total £'000	Churches £'000	Health and Welfare £'000	2021 Total £'000
Main portfolio	360	360	720	293	293	586
Exclusive medical funds	-	20	20	-	16	16
	<u>360</u>	<u>380</u>	<u>740</u>	<u>293</u>	<u>309</u>	<u>602</u>

See note 16 for more detail on investments held as exclusive medical funds.

3 Analysis of expenditure

Year ended 30 June 2022

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 21 & 22) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2022 Total £'000
Cost of raising funds:							
Investment management costs	7	160	-	-	6	2	175
Property related costs	12	326	-	-	16	6	360
Charitable activities							
Churches	64	-	777	-	46	13	900
Health and welfare	85	-	763	1	46	13	908
	<u>168</u>	<u>486</u>	<u>1,540</u>	<u>1</u>	<u>114</u>	<u>34</u>	<u>2,343</u>
Support costs	55	-	-	59	(114)	-	-
Governance costs	22	-	-	12	-	(34)	-
Total expenditure	245	486	1,540	72	-	-	2,343

Year ended 30 June 2021

	Staff costs (note 5) £'000	Investment costs £'000	Grants (notes 21 & 22) £'000	Other costs £'000	Support costs £'000	Governance costs £'000	2022 Total £'000
Cost of raising funds:							
Investment management costs	8	148	-	-	5	1	162
Property related costs	15	561	-	-	16	3	595
Charitable activities							
Churches	62	-	790	-	44	10	906
Health and welfare	79	-	868	-	44	10	1,001
	<u>164</u>	<u>709</u>	<u>1,658</u>	<u>-</u>	<u>109</u>	<u>24</u>	<u>2,664</u>
Support costs	55	-	-	54	(109)	-	-
Governance costs	15	-	-	9	-	(24)	-
Total expenditure	234	709	1,658	63	-	-	2,664

4 Net income/(expenditure) for the year

This is stated after charging:

	2022 £'000	2021 £'000
Depreciation	2	2
Operating lease rentals – property	20	20
Auditor's remuneration – audit fees	8	7
	<u>30</u>	<u>29</u>

Notes to the financial statements

For the year ended 30 June 2022

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £'000	2021 £'000
Salaries and wages	210	200
Social security costs	18	18
Employer's contribution to defined contribution pension schemes	17	16
	<u>245</u>	<u>234</u>

One member of staff was paid a salary of between £70,001 and £80,000 during the year (2021: one). No other members of staff were paid over £60,000.

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £213,000 (2021: £158,000). Four members of staff employed during the year are considered to be key management personnel (2021: three).

During the year the charity paid £2,569 (2021: £204) to enable trustees to attend training courses and conferences which were directly relevant to their office. During the year the charity purchased no IT equipment for trustees (2021: £798 to enable remote working and full participation in trustee duties). The charity trustees were not paid and did not receive any benefits from the charity (2021: nil). No charity trustee received payment for professional or other services supplied to the charity (2021: nil).

6 Staff numbers

The average full-time equivalent number of employees was:

	2022 No.	2021 No.
Charitable activities	3	3
Support and administration	1	1
	<u>4</u>	<u>4</u>

The average headcount was 5 (2021: 5).

7 Related party transactions

It is a condition of appointment of 14 of the 15 directors of the Trustee that they have knowledge of Islington and its voluntary sector. It is therefore inevitable that directors may be, and are, officeholders, service users, worshippers or beneficiaries of and at the entities the charity funds. The potential for conflict in practice is addressed by declaration of interests and withdrawal from meetings where appropriate.

Given the procedures and the breadth of support the charity offers to all qualifying entities in its area of benefit, the Trustee does not consider that there is a single recipient body of whom it could be said that the awarded grant could have been influenced by interests other than those of the charity.

Accordingly the Trustee takes the view that no awarded grants (or other transactions) fall within the definition of related party transactions.

Although no awarded grants (or other financial transactions) fall within the definition of related party transactions, in the interests of complete transparency the Trustee would like to make clear that the following directors – or immediate family members – held key positions in organisations to which grants were made during the year. However, the individuals played no part in these decisions and absented themselves at meetings when they were discussed.

Director (or immediate family member)	Position	Organisation	Grants awarded 2022 £'000	Grants awarded 2021 £'000
Susan Sorensen	Treasurer	St James, Islington	–	5
Jean Willson	President	Centre 404	72	13

Notes to the financial statements

For the year ended 30 June 2022

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

Computer
equipment
£'000

Cost

At the start of the year
Disposals in year

12
(3)

At the end of the year

9

Depreciation

At the start of the year
On disposals
Charge for the year

9
(3)
2

At the end of the year

8

Net book value

At the end of the year

1

At the start of the year

3

All of the above assets are used for charitable purposes.

10 Endowment fund investments

	Main portfolio £'000	Exclusive medical funds £'000	2022 £'000	2021 £'000
Fair value at the start of the year	28,344	645	28,989	24,304
Additions at cost	8,382	241	8,623	9,457
Disposal proceeds	(9,519)	(274)	(9,793)	(9,824)
Net (loss)/ gain on investments	(1,694)	(48)	(1,742)	5,052
Fair value at the end of the year	25,513	564	26,077	28,989
Cash held by investment broker pending reinvestment	1,465	42	1,507	471
	26,978	606	27,584	29,460
Historic cost at the end of the year	24,770	714	25,484	24,253
Investments comprise:			2022 £'000	2021 £'000
UK Common Investment Funds			26,077	28,989
Cash			1,507	471
			27,584	29,460

See note 16 for more detail on investments held as exclusive medical funds.

Notes to the financial statements

For the year ended 30 June 2022

11 Investment properties

	Freehold Properties		2022 £'000	2021 £'000
	Interest in long leaseholds £'000	Rental and commercial properties £'000		
Fair value at the start of the year	926	28,975	29,901	28,435
Proceeds of leasehold extension and disposals in year	-	-	-	(2)
Gain/(loss) on revaluation during the year	(97)	905	808	1,468
Fair value at the end of the year	829	29,880	30,709	29,901

Property valuations were carried out by independent valuers, Daniel Watney LLP, as at 30 June 2022 and 30 June 2021. A 'Red Book' valuation, carried out in line with guidance issued by the Royal Institute of Chartered Surveyors, is undertaken every five years and was last carried out by Daniel Watney LLP as at 30 June 2018.

12 Debtors

	2022 £'000	2021 £'000
Rent receivable	87	56
Other debtors	10	29
Prepayments	19	17
	116	102

13 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Church grants	961	742
Health and welfare grants	475	540
Trade creditors	7	7
Taxation and social security	5	4
Accruals and other creditors	130	117
	1,578	1,410

14 Creditors: amounts falling due after one year

	2022 £'000	2021 £'000
Health and welfare grants	240	195

15 Analysis of net assets between funds

Net assets at both 30 June 2022 and 30 June 2021 consisted entirely of endowment funds.

16 Movement in funds

Year ended 30 June 2022

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	11,213	–	–	1,054	12,267
Health and welfare	11,477	–	–	1,079	12,556
	<u>22,690</u>	<u>–</u>	<u>–</u>	<u>2,133</u>	<u>24,823</u>
Unapplied total return					
Churches	17,853	1,206	(1,112)	(1,954)	15,993
Health and welfare	18,164	1,226	(1,165)	(1,987)	16,238
	<u>36,017</u>	<u>2,432</u>	<u>(2,277)</u>	<u>(3,941)</u>	<u>32,231</u>
Total endowment funds	58,707	2,432	(2,277)	(1,808)	57,054
General funds					
Churches	–	–	(900)	900	–
Health and welfare	–	–	(908)	908	–
Total unrestricted funds	–	–	(1,808)	1,808	–
Total funds	58,707	2,432	(4,085)	–	57,054

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

Year ended 30 June 2021

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers – see note below £'000	At the end of the year £'000
Trust for investment					
Churches	10,792	–	–	421	11,213
Health and welfare	11,046	–	–	431	11,477
	<u>21,838</u>	<u>–</u>	<u>–</u>	<u>852</u>	<u>22,690</u>
Unapplied total return					
Churches	15,630	3,926	(376)	(1,327)	17,853
Health and welfare	15,893	4,084	(381)	(1,432)	18,164
	<u>31,523</u>	<u>8,010</u>	<u>(757)</u>	<u>(2,759)</u>	<u>36,017</u>
Total endowment funds	53,361	8,010	(757)	(1,907)	58,707
General funds					
Churches	–	–	(906)	906	–
Health and welfare	–	–	(1,001)	1,001	–
Total unrestricted funds	–	–	(1,907)	1,907	–
Total funds	53,361	8,010	(2,664)	–	58,707

In addition to the total return transfer between funds detailed in the statement of financial activities, a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the latter.

16 Movement in funds (continued)

Allocation of income between the churches and health and welfare unrestricted funds is set out in the statement of financial activities. Expenditure on charitable activities is allocated directly to the activity involved. Property related costs and gains/losses on revaluation of properties are allocated equally between the two charitable activities. The allocation of investment management costs and net gains/losses on investments takes into account the exclusive medical funds referred to below.

Exclusive medical funds – the charity has assumed over the years funds from the following sources:

- Richard Cloudesley Charity Convalescent Homes Fund
- Islington Relief in Need
- Islington Relief in Sickness
- Finsbury Dispensary Relief in Sickness
- Dame Sarah Temple Foundation
- Brand's Gift Charity

All of these funds have been aggregated and are held and applicable in the health and welfare fund.

The exclusive medical funds are the subject of a permanent appropriation of the charity's investment (but not property) portfolio. The current rate of appropriation is 2.79% (2021: 2.79%). This will vary depending on any future capital contributions to or withdrawals from the investment portfolio. This rate of appropriation is also applied to the allocation of investment management charges and gains/losses on investments.

17 Reconciliation of net income/expenditure to net cash flow from operating activities

	2022 £'000	2021 £'000
Net income/(expenditure) for the reporting period as per the statement of financial activities	(1,653)	5,346
(Gains)/losses on investments	1,742	(5,052)
(Gains)/losses on property assets	(808)	(1,468)
Depreciation	2	2
Investment income	(1,624)	(1,490)
(Increase)/decrease in debtors	(14)	(17)
Increase/(decrease) in creditors	213	272
Net cash used in operating activities	(2,142)	(2,407)

18 Analysis of cash and cash equivalents

	At 1 July 2021 £'000	Cash flows £'000	At 30 June 2022 £
Cash at bank and in hand	846	(384)	462
Total cash and cash equivalents	846	(384)	462

Notes to the financial statements

For the year ended 30 June 2022

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £'000	2021 £
Less than 1 year	<u>5</u>	<u>5</u>

20 Capital commitments

At 30 June 2022 the charity was not contractually committed to any expenditure (2021 – nil) on maintenance works to its properties.

21 Grants to Churches

	2022 £'000	2021 £'000
Church grants awarded in the year		
Christ Church, Highbury	23	61
Emmanuel Church, Hornsey Road	4	8
Hope Church Islington – St David	–	7
Hope Church Islington – St Mary Magdalene	37	28
Kings Cross Church	73	36
Our Most Holy Redeemer, Clerkenwell	63	55
St Andrew, Whitehall Park	62	70
St Andrew's, Thornhill Square	10	34
St Augustine, Highbury New Park	80	47
St Clement, King Square	54	5
St George & All Saints Church, Tufnell Park	50	–
St James, Clerkenwell	45	45
St James, Islington	–	5
St John, Upper Holloway	–	26
St Jude & St Paul, Mildmay Grove	47	60
St Luke, West Holloway	29	60
St Mark Clerkenwell	30	3
St Mark's, Tollington	57	13
St Mary, Hornsey Rise	14	25
St Mary's Islington	50	70
St Saviour's, Hanley Road	54	85
St Silas, Pentonville	58	1
St Stephen, Canonbury	–	60
St Thomas, Finsbury Park	8	5
The Church on the Corner	–	13
Total grants awarded in the year	<u>848</u>	<u>822</u>
Grants written back	(71)	(32)
Total church grants in the year	<u>777</u>	<u>790</u>

Notes to the financial statements

For the year ended 30 June 2022

22 Grants for Health and Welfare Needs	2022 £'000	2021 £'000
Health and Welfare grants made to organisations		
<i>Strategic grants</i>		
Islington Giving	-	100
Total strategic grants awarded in the year	-	100
<i>Small grants</i>		
ALAG/Autism Hub Islington	-	10
Elfrida Society	-	10
Healthwatch Islington	-	10
Healthy Generations	-	10
Home Start Islington	-	10
Islington Mind	-	10
Islington People's Rights	-	10
Life Chances in partnership with AFLAH	-	10
Manor Gardens Welfare Trust	-	10
Mencap Islington	-	10
MER-IT Digital	-	10
One True Voice	-	10
Prospex	-	10
Single Homeless Project	-	10
Total small grants awarded in the year	-	140
<i>Principal Grants</i>		
Centre 404	60	-
Disability Action in Islington	90	-
Holloway Neighbourhood Group	-	90
Islington Centre for Refugees and Migrants	-	90
Islington Mind	90	-
Manor Gardens Welfare Trust	90	-
St Luke's Parochial Trust	-	90
Solace Women's Aid	30	-
Stuart Low Trust	-	90
The Manna	60	-
The Margins Project	-	87
The Maya Centre	60	-
Total principal grants awarded in the year	480	447
<i>Development and Support Grants</i>		
ALAG/Autism Hub Islington	2	-
Healthwatch Islington	50	-
Help on Your Doorstep	-	6
Islington Centre for Refugees and Migrants	3	-
Islington People's Rights	30	-
Islington Refugee and Migrant Forum	-	22
Life Chances in partnership with AFLAH	2	-
Manor Gardens Welfare Trust	-	47
One True Voice	2	-
Stuart Low Trust	3	-
Total development and support grants awarded in the year	92	75
Total grants to organisations awarded in the year	572	762

22 Grants for Health and Welfare Needs (cont'd)

Health and Welfare grants made to individuals	2022 £'000	2021 £'000
<i>Grants to individuals via Cloudesley Partners</i>		
Age UK Islington	5	5
Centre 404	12	13
Citizens Advice Islington	5	-
Community Language Support Services	3	3
Disability Action in Islington	5	-
Help on Your Doorstep	18	15
Islington Centre for Refugees and Migrants	17	20
Islington Law Centre	8	12
Islington Mind	20	19
Islington People's Rights	12	12
London Borough of Islington	5	-
Manor Gardens Welfare Trust	5	10
Octopus Community Network (via St Luke's Parochial Trust)	5	-
Peter Bedford Housing Association	6	6
Solace Women's Aid	5	8
St Luke's Parochial Trust	9	5
St Mungo's	8	8
The Manna	5	5
The Margins Project	2	2
Total grants via Cloudesley Partners awarded in the year	155	143
Grants written back	(23)	(28)
Total grants via Cloudesley Partners in the year	132	115
<i>Grants to individuals via Catalyst Programme</i>		
Age UK Islington	10	5
Help on Your Doorstep	10	-
Humankind	10	-
Islington Centre for Refugees and Migrants	10	-
Manor Gardens Welfare Trust	10	-
Peter Bedford Housing Association	10	-
Solace Women's Aid	10	-
St Mungo's	10	-
Total grants via Catalyst Programme awarded in the year	80	5
Grants written back	(21)	(14)
Total grants via Catalyst Programme in the year	59	(9)
Total Health and Welfare grants awarded to individuals in the year	235	148
Total grants written back	(44)	(42)
Total Health and Welfare grants to Individuals in the year	191	106
Total Health and Welfare grants in the year	763	868

23 Ultimate controlling party

The charity's ultimate parent undertaking and controlling party is Richard Cloudesley Trustee Limited, a company limited by guarantee (number: 7425897). Consolidated accounts are not prepared as the parent is dormant. Dormant accounts are filed with Companies House. There were no financial transactions between Cloudesley and Richard Cloudesley Trustee Limited during the year.

CHARITY OF RICHARD CLOUDESLEY

England & Wales - Charity number 205959

Accounts



Cloudesley

Support in Islington for 500 years



Annual Report and Accounts 2020/21

TRUSTEE – RICHARD CLOUDESLEY TRUSTEE LTD

Directors of the Trustee	Finance & Endowment Committee	Staffing Committee	Grants Committee
Ex-officio			
The Mayor of Islington			
Archdeacon of Hackney appointed			
Revd Ben Bell – resigned 13/9/21			✓
London Borough of Islington nominated			
Denise Ward – Vice Chair		✓	✓
Tanya Parr			✓
Cllr Janet Burgess MBE - Vice Chair from 10/3/21			✓
Cllr Flora Williamson			✓
Deanery Synod nominated			
Susan Sorensen			✓
Sam Prabhu Rubandhas – until 21/7/20			✓
Seun Olateju			✓
Jean Willson OBE		✓	✓
Elected			
Mary-Therese Barton	✓		
Margaret Elliott – Chair until 9/12/20	✓	✓	✓
Adam Jenner	✓		
Delyth Richards – Vice Chair until 9/12/20 – Chair from 10/12/20	✓	✓	
Sharon White			✓

Peter Roscrow was a co-opted member of the Finance & Endowment Committee throughout the year

ADMINISTRATION & ADVISORS

REGISTERED OFFICE & OPERATIONAL ADDRESS	Office 1.1 Resource for London 356 Holloway Road London N7 6PA		
BANKER	CAF Bank Limited Kings Hill West Malling Kent ME19 4TA	ESTATE MANAGERS	Daniel Watney LLP 165 Fleet Street London EC4A 2DW
INVESTMENT MANAGERS	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU		
LEGAL ADVICE (Structural/Charity)	Bates Wells 10 Queen Street Place London EC4R 1BE	LEGAL ADVICE (Property/Estate management)	Charles Russell Speechlys 5 Fleet Place London EC4M 7RD
AUDITOR	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL		
CHARITY NUMBER	205959	TRUSTEE COMPANY NUMBER	7425897

Registered with the Charity Commission as Charity of Richard Cloudesley, the charity uses the working name Cloudesley. Richard Cloudesley Trustee Limited is the related Trustee Company

KEY MANAGEMENT PERSONNEL

Melanie Griffiths	Director and Company Secretary
Yvonne Amar	Grants Manager (until 18 May 2021)
Catherine Sorrell	Grants Manager (from 12 July 2021)
Kevin Turner	Grants Manager (from 12 July 2021)
Phillip Everett	Finance Manager

CLOUDESLEY

The Trustee of the Charity of Richard Cloudesley, which operates under the name Cloudesley, has pleasure in presenting the report and accounts for the charity's activities in the year to 30 June 2021.

The reference and administrative information set out on pages 2 and 3 form part of this report. The financial statements comply with current statutory requirements, the trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Achievements and Performance

Grants Awarded

During the year the charity awarded grants totalling £1,732,704. These include grants totalling £388,146 which were directly in response to the COVID-19 crisis.

Response to COVID-19

The COVID-19 pandemic significantly affected the charity's activities throughout the financial year. A summary of the charity's response to this unprecedented situation is detailed below:

- **Operations**

The charity has continued to operate efficiently and effectively throughout the crisis. Staff have worked from home while Board, Committee and other meetings have been held remotely. Contact has been maintained with beneficiaries, other local contacts and funders, and advisors and professional bodies have provided support as required

- **Initial Grant Programmes**

As reported in last year's trustee report, the charity's initial responses to the crisis provided additional support to its beneficiaries in the following ways:

- a) Initial grants totalling £35,060 were awarded during the year ended 30 June 2020 to four health and welfare organisations to provide additional staffing, enable remote working and otherwise help them maintain their services.
- b) Initial grants totalling £63,850 were awarded during the year ended 30 June 2020 to sixteen churches to enable the streaming of services of worship and congregational participation in these services. Three further initial grants totalling £7,701 were made in July 2020.
- c) Under the Cloudesley Partners programme the charity provides support to people who are in need in the Borough of Islington. In September 2019, awards for distribution during 2020 were made to Cloudesley Partners organisations which allocate these crisis funds on behalf of the charity. In the period from March to June 2020 the charity made seven top-up awards – i.e. increases in the amounts for distribution during 2020 - totalling £33,000 in response to the unprecedentedly high demand for these grants being reported by the partner organisations. During the period July to November 2020 six further top-up awards totalling £21,000 were awarded.

- **Further Grant Programmes**

Following the initial grant programmes detailed above, the charity developed a number of grant funding streams to assist its beneficiaries to deal with the ongoing effects of the crisis. These funding streams were developed after consultation with beneficiaries and during the current financial year grants totalling £359,445 were awarded as follows:

- a) Grants of up to £10,000 each were awarded to fourteen health organisations to enable them to cope with increased demand, reinstate projects/activities and/or embed new ways of working. Grants totalling £139,500 were awarded under this funding stream. These grants funded various projects to support a wide range of disadvantaged residents, who had been adversely affected by the crisis, including fitness and wellbeing, therapy provision and to address digital exclusion.
- b) A grant of £22,000 was awarded to Islington Refugee and Migrant Forum to help boost the capacity building support it provides to member organisations, so that in turn they can better respond to the health and other needs of the people they support
- c) A grant of £87,405 was awarded to The Margins Project over three years to contribute to the costs of providing its services to homeless people following an increase in demand
- d) Grants totalling £72,100 were awarded to fifteen of the beneficiary churches to enable them to adapt their buildings and/or services in response to the crisis. The majority of these grants were used to further improve the live streaming of services.
- e) A grant of £33,440 was awarded to Christ Church Highbury to contribute to the costs of pinnacle works. This grant enabled the project, which had been planned for some time, to proceed despite the crisis having significantly reduced the church's income.
- f) Awards for 2021 were made to Cloudesley Partners in September 2020. In response to high demand a top up grant of £5,000 was made to one organisation in June 2021.

- **Financial position**

The charity is pleased that its endowment continues to perform very well and has increased in value during the year by £5,345,723 from £53,361,342 at 30 June 2020 to £58,707,065 at 30 June 2021. The charity recognises the cyclical nature of investment performance and intends to continue to manage the endowment prudently while seeking to increase the value of the grants awarded over time.

- **Plans for year ended 30 June 2022**

The charity recognises that, despite the recent easing of restrictions, the additional needs of local residents, organisations and churches created by the pandemic will continue for some time to come. It will take these needs into account when awarding grants in the year ended 30 June 2022 and has allocated grants budgets accordingly.

Staff are beginning to return to the charity's office and resume in person meetings with local organisations, churches and other contacts and some face-to-face Committee meetings have been held since the year end. Going forward it is planned to have a mixture of office based and virtual working by staff, together with face to face and virtual Board and Committee meetings.

Health & Welfare Programmes

The charity's Scheme specifies that half of the residue of its income is for '*relief in sickness for the purpose of relieving in cases of need persons who are sick, convalescent, disabled, handicapped or infirm*', and the charity seeks to address this through its Health and Welfare programmes.

Over the years, the charity has taken on a number of small funds, known as Exclusive Medical Funds, from the Richard Cloudesley Charity Convalescent Homes Fund, Islington Relief in Need, Islington Relief in Sickness, Finsbury Dispensary Relief in Sickness, Dame Sarah Temple Foundation and Brand's Gift Charity. The income generated from these invested funds is only applicable towards the charity's Health and Welfare Grants programmes (see notes 2 and 16 for further information).

- **Grants for individuals**

During 2020/21, the charity continued to operate its Cloudesley Partners' programme of crisis/welfare grant awards for individuals. Through this programme, the charity gives grants to local voluntary organisations (Cloudesley Partners) which are working with a range of different people in Islington. The Partners then distribute this money by making grants of up to £500 to individuals who have health needs and/or disabilities and are in need of financial support. A grant as a contribution to administration costs of 10% is made to each of the organisations as recognition of the time involved in administering and monitoring these grants.

In response to the additional needs created by the COVID-19 crisis the charity considerably increased its funding to the Cloudesley Partners awarding a total of £145,000 to 16 partners for distribution during the year ended 31 December 2020. During the year 2,057 grants (2019 – 1,407) were made to individuals by the Cloudesley Partners to help residents in a wide variety of ways, including for emergency expenses (such as food, clothing, accommodation and travel costs), 'white goods' (for example, cookers and washing machines), furniture and furnishings, medical reports, legal documents and fees, disability equipment and Debt Relief Orders. The charity has to date awarded a total of £143,000 to 15 Cloudesley Partners for distribution during the year ended 31 December 2021. A breakdown of the organisations awarded Cloudesley Partner grants during the current and previous financial year are set out in note 22 to the accounts. Further information about the programme is available on the charity's website.

During 2020/21 the charity continued to work in partnership with Cripplegate Foundation on the Catalyst Programme which is a creative grant-making programme that gives partner support organisations the ability to provide small grants to help vulnerable residents to meet personal goals and to connect to opportunities and services. In September 2019 funding of £70,000 was agreed by Cloudesley. This was divided equally across seven organisations and covered the period of 24 months to 31 December 2021, split evenly between the two calendar years in question. During the year the charity awarded a further Catalyst grant of £5,000 to cover the period to 31 December 2021 as a pilot grant to Age UK Islington. A breakdown of the organisations receiving these grants is set out in note 22 to the accounts. Further details about the Catalyst programme are available on the charity's website.

During the year to 31 December 2020, over 150 grants were made to vulnerable residents under the Catalyst Programme. These included the costs of training courses to improve employment opportunities and funding activities which both increase skills and provide opportunities for social interaction, for example, music and painting courses.

During the year the charity conducted a review of its programme of grants for individuals, which was overseen by a group of trustees. As part of the review, feedback on the programme was gathered from a range of external agencies, including the local organisations which distribute the Cloudesley Partners and Catalyst funding, and telephone interviews were carried out with a number of individual grant recipients. The review proposed that a number of minor changes be made to the programme but concluded that, overall, it is appropriate and effective. The findings of the review were approved by the Board at its meeting in June 2021.

- **Grants for organisations**

The charity's Health and Welfare funding also provides grants to organisations that offer support to people with health needs and/or who are disabled and living in poverty in the area of benefit. The charity addresses its 'Sickness Object' by supporting sustainable organisations that demonstrate initiative in tackling health issues.

The Board has agreed a Health Grants to Organisations programme which runs from 2019 until 2024. The programme aims to reduce health inequalities in Islington by improving health outcomes amongst people who are living in poverty and experiencing multiple disadvantages. The programme comprises of a Principal Grants Fund, a Development Fund and a Grants Support Fund. In addition, the charity continues to provide a number of strategic grants.

- **Principal Grants Fund**

The Principal Grants Fund provides a small number of larger, multi-year grant awards for core or project costs to organisations that have been identified by the charity and invited to apply. These grantees are established voluntary sector organisations with a track record of delivering positive health outcomes for local residents. The first awards from this fund were made in June 2019 with a total of £315,000 being awarded to four organisations as grants covering a three-year period. The projects covered by these grants are:

Centre 404 - Support to people with learning disabilities and their families

The Manna - Supporting vulnerable adults affected by homelessness, addiction, poor health and poverty

The Maya Centre - Counselling service for women who have experienced trauma and abuse

Solace Women's Aid - Support service to survivors of childhood and adult sexual violence (including refuges)

The projects have progressed well during the financial year and the charity looks forward to continuing to monitor their progress over the remaining year of the grant programmes. In September 2020 four further awards were made from this fund with a total of £360,000 being awarded as grants covering a three-year period. The projects covered by these grants are:

Holloway Neighbourhood Group – Mental health and wellbeing projects for local residents

Islington Centre for Refugees and Migrants – Practical support to access health services and tackle multiple disadvantages

St Luke's Parochial Trust – Improving the health and wellbeing of vulnerable older people

Stuart Low Trust – Addressing health inequalities through a socially therapeutic arts and nature programme

As stated earlier in the report, a fifth principal grant was awarded to The Margins Project directly in response to the COVID-19 crisis.

- **Development Fund**

The Development Fund aims to provide local organisations with the flexibility and initial funding to develop specific projects, to test a new approach in tackling health inequalities or address an identified gap in local service provision. An award from this fund of £45,000 was made to Manor Gardens Welfare Trust in September 2020. The grant is for a new Health Connector role to help provide efficient and individualised support to Manor Garden's clients.

- **Grants Support Fund**

The first awards from the Charity's Grants Support Fund were made during the year. A grant of £2,000 was awarded to Manor Gardens Welfare Trust to fund an evaluation of the development grant detailed above once the grant term has been completed. A grant of £6,500 was awarded to Help On Your Doorstep – with whom the charity has worked closely for many years – to cover the costs of an internal review.

As stated earlier in the report, a further COVID-19 Support Grant was awarded to Islington Refugee and Migrant Forum directly in response to the pandemic.

- **Strategic Grant to Islington Giving**

Islington Giving was launched in September 2010 with the aim of raising £3 million over three years by asking local residents and businesses to give money or time to support local people in need. The campaign initially identified three areas for support - tackling poverty, combating isolation and investing in young people, with volunteering underpinning this campaign. The original commitment was that Islington Giving would invest £1 million over five years in each of these three areas for support. Cloudesley was one of the original coalition members supporting Islington Giving, along with Cripplegate Foundation and the Morris Charitable Trust.

In 2015, the Board of Islington Giving (which includes Cloudesley representation) agreed that Islington Giving should move from being a time limited campaign to having a permanent role in the borough. Today, Islington Giving continues as a coalition of funders, businesses, voluntary organisations and residents and is working to:

- Connect people who are isolated
- Support families who are experiencing difficulties
- Improve mental health for everyone
- Make sure young people have the best chance in life

Since its inception, Islington Giving has raised c. £9.8 million.

In September 2020 Cloudesley renewed its commitment to Islington Giving by awarding a grant of £100,000 to cover the two years to 31 December 2022 and split equally between the two years. This grant is being used in line with Cloudesley's charitable object for the 'relief of sickness' of vulnerable people in Islington.

- **Other Strategic Grants**

In September 2019, the charity renewed its longstanding grant support for both Islington Law Centre and Help on your Doorstep to provide advice and outreach services for vulnerable people in financial need by providing each organisation with funding of £107,000 to cover the three-year period to 31 December 2022.

Since May 2017, the charity has supported a Welfare Benefits Project which aims to address long waiting lists for welfare benefits advice being experienced by Islington residents and focuses on Personal Independence Payment and Employment & Support Allowance. The project has been successfully run by the Islington Law Centre, with Cloudesley's grants being used towards the volunteer form filling clinic supervised by the Law Centre. In September 2019, the charity agreed a further grant of £61,000 to cover the three-year period to 31 December 2022.

As stated earlier in the report, the charity also awarded small grants totaling £139,500 directly in response to the COVID-19 crisis.

A breakdown of the recipients of all health and welfare grants made to organisations in the current and previous financial years is included in note 22 to the accounts and further details are available on the charity's website.

Church Grants Programme

- **Main Church Grants Fund**

In January 2019, the charity set up a Church Grants Review Group, comprised of trustees, local church representatives and staff to review the charity's Church Grants Programme and develop a funding programme to apply from 2020 to 2025. During the review, a formal consultation with all the beneficiary churches was undertaken and in addition a number of other parties were consulted including Diocese of London Parish Property Support Team. In December 2019, the Board agreed a Church Grants Funding Programme to apply from 2020 to 2025. The programme consists of a Main Church Grants Fund and an Urgent Repairs Grants Fund.

The following funding priorities apply to the Main Church Grants Fund:

- Major works and building projects
- Preventative works and/or simple repairs
- Project development and feasibility studies
- Developing church capacity to deal with building issues and/or maintenance of services

The Urgent Repairs Grants Fund provides grants of up to £10,000 intended to deal with urgent and unforeseen repairs quickly resulting in an immediate improvement to the fabric of the church building(s).

During 2020/21, under its main church grants and urgent repairs grants programme the charity awarded a total of 30 grants to 21 of the 27 churches in the Islington Deanery. The total amount awarded was £709,058. The grants awarded covered a wide variety of projects including:

- a) Various repairs to church spires, roofs, porches, windows etc.
- b) Installation of ramps to improve access for disabled people
- c) New sound system
- d) New radiant heating panels
- e) Refurbishment of church hall toilets and kitchen
- f) Chairs for new auditorium

Two small grants totalling £9,400 were awarded under the Urgent Repairs Grants Fund

- **Other Church Grants**

As reported in previous years, the Sustainable Church Buildings Project (SCBP) was an innovative partnership project aiming to increase the energy efficiency of church buildings, cutting their running costs, and helping the environment. Most of the grants awarded under this project were approved in the years ended 30 June 2018 and 30 June 2019; the final two small grants totalling £5,458 were awarded in the year ended 30 June 2020.

As stated earlier in the report, the charity also awarded grants totaling £113,241 to assist churches during the COVID-19 crisis.

A breakdown of the recipients of all main church grants made in the current and previous financial years is included in note 21 to the accounts and further details are available on the charity's website.

Finance and endowment review

Total Return Accounting

In December 2018 Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,453 as at 31 December 1998, this being the earliest date at which a reliable valuation could be obtained. The value of the endowment at 30 June 2019 was £53,136,236. Therefore, the adoption of total return accounting created an initial trust for investment of £21,600,453 and an unapplied total return of £31,535,783.

Total return accounting permits the charity to allocate from the unapplied total return to unrestricted funds such sums as the Trustees think appropriate in furtherance of its work. In making these transfers the charity will seek both to be even-handed as between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets. The level of the initial unapplied total return made it clear that there was scope for the charity prudently to increase its level of grant awards considerably. Accordingly the charity considerably increased the level of grants during the current year. The total grants awarded during the year were £1,732,704 which represents 3.0% of the value of the endowment at 30 June 2021 of £58,707,065. The charity's aim is to continue to annually award grants which equate to approximately 3.0% of the value of the endowment.

Trustees wish to maintain the real value of the trust for investment going forward and, therefore, a transfer from the unapplied total return has been made at the year end in line with the increase in the Retail Prices Index during the year.

Summary of Financial Performance

The charity is reporting net expenditure before gains on investments of £1,174,169, based on income of £1,490,511 and expenditure of £2,664,680. This compares with net income before gains/losses on investments in 2019/20 of £19,325, income of £1,758,201 and expenditure of £1,738,876. During the year, the total value of church grants awarded – net of write backs - was £822,299 (2019/20 - £444,789) and of health and welfare grants was £910,405 (2019/20 - £536,853).

There were net gains on investments of £5,052,092 and a gain on revaluation of properties of £1,467,800 in 2020/21 making a net increase in funds for the year of £5,345,723. The net losses on investments for 2019/20 were £64,805 and the gain on revaluation of properties was £270,586 making a net increase in funds in 2020/21 of £225,106.

Endowment

The charity holds and manages a permanent endowment of almost £59 million consisting of property on the historic Cloudesley Estate and a securities portfolio. Income decreased in this financial year from £1,758,501 in 2019/20 to £1,490,511 in 2020/21. The majority of this decrease - £240,546 – was due to lower investment income as many companies reduced their dividends due to the economic effects of COVID-19 and the appreciation of sterling lead to lower overseas income. However, this reduction in investment income was offset by gains on investments of £5,052,092. Rental income from the charity's properties decreased slightly by £27,020 but this was offset by a gain of £1,467,800 on revaluation of the properties. The charity is pleased that both elements of the endowment have performed so strongly during the year.

Overall Investment Policy

The charity has an Overall Investment Policy covering both its property estate and its securities portfolio. The main elements of the policy are:

- The charity adopts a conservative approach to risk
- The charity may actively manage its property portfolio by selling or, possibly, buying units
- The charity adopted total return accounting as from 1 July 2019
- The charity adopts a responsible approach to investment and regularly reviews its environmental, social and governance (ESG) investment policy.

Property Portfolio

During the year, Daniel Watney LLP continued to act as the charity's estate managers. Following a comprehensive review of the charity's property portfolio Daniel Watney have produced a planned maintenance programme. This programme includes internal and external redecoration of the three Cloudesley Mansions blocks and refurbishments to properties let as protected and assured shorthold tenancies. Significant works have already been conducted – including works to six properties during the year ended 30 June 2021 at a total cost of £262,554 - and further maintenance

works are planned for 2021/22. The charity will evaluate future refurbishment opportunities as they arise and seek to further increase the revenue and capital returns from its property portfolio. Daniel Watney carried out a desk top valuation of the charity's properties as at 30 June 2021 and, accordingly, the Trustees valued the charity's property at £29,900,650 as at 30 June 2021. In Autumn 2019 the charity conducted a review of its contract for estate management and Daniel Watney LLP were confirmed in post. The charity intends to conduct a further review in 2024.

Investment Portfolio

At 30 June 2021 the market value of the charity's investments was £29,460,024. The vast majority of the investments are held in a discretionary portfolio which is actively managed on the charity's behalf by Sarasin & Partners LLP. The investment objective is to maintain the real value of capital over the long-term whilst generating a growing stream of income above inflation. The long-term investment objective is to outperform inflation – as measured by the Consumer Prices Index – by 4% per annum. Since its inception in May 2015 the portfolio has considerably outperformed both its peer group – as measured by the Asset Risk Consultants Steady Growth Index - and the long-term investment objective. During the year the Finance and Endowment Committee – whose members include investment professionals – met virtually with the charity's investment managers on two occasions and the charity received detailed quarterly reports.

The Trustees regularly review the charity's environmental, social and governance (ESG) investment policy. The current policy is not to invest in companies involved in the manufacture of tobacco or in companies which have more than 5% of their turnover from any of the following:

- a) Alcohol manufacture
- b) Armaments manufacture
- c) Gambling operations
- d) High interest lending
- e) Pornography
- f) Either the production of oil from tar sands or the extraction of thermal coal.

Trustees believe that this ESG policy is in line with the charity's ethos and objectives and the investment managers have confirmed that its adoption has not had a significantly adverse impact on investment returns.

In early 2020 the charity conducted a review of its contract for investment management and Sarasin & Partners LLP were confirmed in post. The charity intends to conduct a further review in 2023.

During the year the charity has commenced a detailed review of its current investment practices and policies against the recommended practice set out in the report published by the Association of Charitable Foundations (ACF) as part of its Stronger Foundations Project. The review is initially beginning undertaken by the Finance and Endowment Committee with regular reports being made to the Board. The ACF report sets out seven pillars of best investment practice. Cloudesley has reviewed its current practices against these pillars and concluded that for three it is "at a fairly advanced stage" and for the other three it has "made some progress". The charity is currently considering whether there are opportunities to invest its endowment more intentionally and has consulted with its investment and estate managers regarding this. It is planned to present proposals to the Board at some point during the current financial year.

Expenditure

The charity's expenditure falls into several categories, the main one of these being its grant-making activities. The charity also incurs expense in maintaining its estate, administering the charity and in investment management fees. Total expenditure during the year was £2,664,680 which is an increase of £925,804 on the expenditure for 2019/20 of £1,738,876. This increase is mainly due to (a) an increase of £676,037 in grants awarded – net of write backs – and (b) an increase of £219,987 in investment property costs. Details of grants awarded and a summary of property costs are given earlier in the report.

Remuneration policy

The Trustees have agreed a remuneration policy to underpin the charity's commitment to ensuring that its staff are paid and treated fairly. The charity gives a level of salary and other benefits to ensure that staff with an appropriate level of skills and experience can be recruited and retained so that the charity's objects can be delivered with the greatest possible impact. The Staffing Committee reviews salaries and benefits of all staff against other charitable trusts taking into account relevant factors and makes recommendations to the Finance and Endowment Committee and the Board.

Risk review

The risk register is reviewed annually by the Finance & Endowment Committee and the Board. In accordance with best practice the charity has throughout the COVID-19 crisis maintained and updated a detailed risk assessment on COVID-19. This is maintained as a supplement to the main risk register and has also been reviewed by the Board.

The charity considers that its current key risks are:

- Unsatisfactory income and/or capital growth on investments. This risk is being addressed by regular monitoring of the performance of the actively managed discretionary portfolio in comparison to the agreed long-term investment strategy.
- Unsatisfactory income and/or capital growth from investment properties. This risk is being addressed by regular liaison with the estate managers and appropriate investment in refurbishment and maintenance projects.
- Possible major policy change(s) by government and their potential effect on the charity's grant making. This risk is being addressed by keeping fully informed of policy changes and by comprehensive reviews of all of the charity's grant making activities.

In May 2021, the co-opted member of the Finance and Endowment Committee, the Director and Finance Manager undertook an internal audit. The review covered the charity's financial controls and procedures and no significant issues were highlighted by this audit. A spot check on payments was also conducted by two trustees and there were no issues arising from this. The charity has written 'Financial Procedures' and these were last updated and approved by the Board in December 2020. The charity also has a Business Continuity Plan to enable it to respond effectively to a number of possible scenarios with the minimum impact possible on its activities. In accordance with best practice, during the year the charity developed and formally adopted a Counter-fraud policy, a Whistleblowing policy and a fraud response plan.

Fundraising Policy

The trustees are aware of their obligations under the Charities Act to report the charity's fundraising policy. The charity very occasionally engages with other trusts and foundations in order to raise income but does not engage in public fundraising.

Objectives and activities for the public benefit

The objects of the charity as set out in the Charity Commission Scheme of 1980 were to help those who are sick and poor within the Ancient Parish of Islington and to support the Church of England churches in the Ancient Parish and St Silas, Pentonville. In December 2016 the Charity Commission agreed the Trustees request that the area of benefit be extended so that it is coterminous with the Islington Borough boundary.

The Trustees confirm that they have read and understood the guidance of the Charity Commission on public benefit and meet these requirements in the charity's current activities and take account of it when planning future grant-making activities.

The charity seeks to be strategic and creative in its grant-making, using its knowledge of the area of benefit to support individuals who have health and financial needs (Health and Welfare grants for individuals), local organisations working with people in this situation (Health and Welfare grants for organisations) and Islington's Church of England churches (Church Grants). As set out in the charity's Scheme, in each year, half of the charity's grant funding goes to the Health and Welfare grants programmes and the other half to the Church Grants programme available to the eligible churches, each of which is itself a registered or excepted charity.

In December 2018, in line with the Governance Code's leadership principle, the charity adopted the following set of values and guiding principles to underpin its work:

Cloudesley seeks to be an approachable, focused, responsive, fair and accountable organisation.

It aims to be a relational rather than transactional funder, recognising that developing relationships and trust with those organisations and churches that it supports is mutually beneficial.

Cloudesley will be transparent and open about its decision-making and processes, unless it is impossible or not appropriate.

As an engaged place-based funder, Cloudesley is keen to:

- Make the most of all of its resources, providing other types of support where possible, such as, sharing information, facilitating networking, learning from its funding and sharing this learning where appropriate
- Work in partnership with others to co-ordinate and improve impact

During 2020/21, the charity reviewed the updated Governance Code for larger charities. It also responded to the Institute for Voluntary Action Research's call for more open and trusting grant making practice, signing up to the Flexible Funders initiative.

Diversity, Equity and Inclusion

Between 2018 and 2020, the Association of Charitable Foundations ran a Stronger Foundations Project which identified 40 'pillars of stronger foundation practice'. During 2020/21, Cloudesley set up its own Stronger Foundations Working Group to review these best practice recommendations, focusing initially on three areas for development – diversity, equity and inclusion (DEI); impact and learning; and investments. In relation to DEI, during the year, the charity has adopted and published the following statement of intent:

Cloudesley is committed to valuing diversity, promoting equity and equal access, and ensuring inclusion in all it does. We recognise that we need to do more but are strongly committed to combatting racism, discrimination and inequality and ensuring that we work in order to achieve this.

We recognise the power, resources and advantages that Cloudesley has as an independent, endowed charitable trust and strive to act responsibly and fairly in line with our stated values.

We seek to develop and retain a staff team and Board that reflect the Islington community within which we work. We will identify and take positive steps to remove any barriers to participation and recruitment of people who are currently underrepresented as staff or Trustees.

An initial audit of Trustees was undertaken in late 2020 which highlighted the need to diversify Board membership. In the first instance, this will be addressed by recruiting a number of additional co-opted committee members.

Cloudesley has also used the audit tool in ACEVO's 'Hidden Leaders - briefing for external audience' to identify actions the charity can take to support disabled people in the workforce.

Funder Commitment on Climate Change

In December 2019 the charity joined with several other UK charitable foundations in signing up to a Funder Commitment on Climate Change. The commitment recognises that the growing climate emergency is a serious risk to the pursuit of all foundations' charitable aims and commits its signatories to a number of actions.

The commitment requires the charity to report annually on progress in the areas detailed. The pandemic has meant that progress on these areas has not been as great as originally intended but these areas will be prioritised in the year ahead.

- Educate and learn - the charity has provided opportunities for the churches to find out more about energy efficient heating options
- Commit resources - As part of Cloudesley's Church Grants programme 2020-25 churches can apply for funding of up to £50,000 for eligible sustainability and environmental improvement projects that fall within scope of the Church Object.

- Integrate – the charity has continued to move more of its activities – including grant application processes - online
- Stewarding investments for a post-carbon future - as part of the charity’s response to the Association of Charitable Foundation’s Stronger Foundations Project, the Finance and Endowment Committee is undertaking a full review of the charity’s policies to establish if there are opportunities to further improve its stewardship of both the property and investment elements of its endowment
- Decarbonising our operations - in line with other organisations, the remote working arrangements resulting from COVID-19 resulted in a swift transition to electronic communications, with committee and Board papers now provided in digital format only

Plans for the future

Activities planned for 2021/22 include the following:

- The charity anticipates that many of the needs of its beneficiaries which have been created by the COVID-19 pandemic will continue to exist for the foreseeable future and has set its grants budget for 2021/22 accordingly.
- Further work with Daniel Watney LLP on a major maintenance and redecoration programme for the charity’s estate.
- Continuing to closely monitor the performance of the charity’s investments in conjunction with the investment managers, Sarasin & Partners LLP.
- As part of its response to the ACF’s Stronger Foundations Project the charity will:
 - consider whether there are opportunities to invest its endowment in a more intentional manner in the hope of achieving favourable climate and other impacts;
 - seek to recruit new co-opted members in order to further diversify its committees;
 - review its impact and learning practice, in particular by considering how it monitors and evaluates the grants that it makes and shares lessons learnt.
- The charity will continue to consider how it can best respond to the growing climate emergency by considering other opportunities to implement its recent commitment as a signatory to the Association of Charitable Foundation’s Funder Commitment on Climate Change.
- Continuing to review its communications to ensure that they are appropriate and effective.
- Hold an Awayday for all trustees and staff to identify other priority areas for action.
- As part of its commitment to implement the highest standards of governance, the charity will review its conflicts of interests’ policies.

Over the coming years, it is hoped that the charity will continue to meet the framework of the wishes set out in Richard Cloudesley’s will, by working strategically and creatively in the area of benefit.

Structure, governance and management

Cloudesley is a registered charity and is constituted under a Charity Commission Scheme dated 2 July 1980. On 15 November 2010, Richard Cloudesley Trustee Limited became Trustee of the charity, and now all the Trustees are directors of the Trustee Company. The directors are referred to as Trustees in line with their ongoing roles.

The charity was formed as the result of a gift of land (a 'Stoney Field' of 14 acres) from the will of Richard Cloudesley dated 1517. In his will it was stipulated that the proceeds from the rental of the land were to be used to bestow good deeds of charity and to fund masses at St Mary's Church for his and his wife's souls. During the Reformation, the proportion of the bequest allocated to fund masses was taken by the Crown and, in subsequent years, the charitable trusts have been amended several times and are now contained within the 1980 Scheme referred to above.

Today, Cloudesley is a significant grant-making charity in the borough of Islington. Half of the charity's grant-making focuses on its Health & Welfare programmes that support people with health and financial needs in the borough, while the other half supports the Church of England churches in the borough.

The charity's Board has up to 15 Trustees as follows:

- Four Synod Nominees nominated by the Church of England Islington Deanery Synod
- Four London Borough of Islington Nominees
- Five Elected Trustees – selected through an open selection process by the Trustees as a whole
- An Archdeacon's Trustee appointed by the Archdeacon of Hackney
- An Ex-officio Trustee - the Mayor of Islington

There are currently two trustee vacancies which the charity, the Archdeacon and Deanery will seek to fill as soon as possible. All Trustees have undergone an induction to understand the objects of the charity and the methods by which it meets those objects. Other training and support is offered to all Trustees, as required.

Delyth Richards replaced Margaret Elliott as Chair of the charity on 10 December 2020. Trustees would like to record their thanks to Margaret, who remains as a trustee, for her long period as Chair during which the charity's activities and processes were further developed and modernised enabling the charity to serve its beneficiaries even more effectively. Denise Ward served as Vice-Chair of the charity throughout 2020/21 and was joined by Janet Burgess as the second Vice-Chair on 10 March 2021.

The charity's administration is undertaken by a small staff team: a Director, two Grants Managers, a Finance Manager, and an Administrator.

During the financial year Trustees worked with the staff through the Board and three standing Committees: the Grants Committee (chair - Denise Ward), the Finance and Endowment Committee (co-chairs Delyth Richards until 8 June 2021, Adam Jenner thereafter, and Mary-Therese Barton) and Staffing Committee (chair – Margaret Elliott until 10 December 2020, Delyth Richards thereafter). The Grants Committee and the Finance and Endowment Committee each met formally four times during the year while the Board met three times. The Staffing Committee met in the spring in order to discuss pay levels for all staff for the following financial year.

During 2020/21 the charity also operated an Individual Grants Review Group which was chaired by Denise Ward and a Stronger Foundations Working Group, chaired by Sharon White.

In the year all Trustees gave freely of their time and no remuneration was paid to Trustees. During the year the charity paid £204 (2020-£1,010) to enable trustees to attend training courses and conferences which were directly relevant to their office. During the year the charity purchased IT equipment for trustees to enable remote working and full participation in trustee duties at a cost of £798 (2020-£nil).

The charity continues to ensure that it is fully compliant with the General Data Protection Regulations which were published in May 2018.

Statement of the responsibilities of the Trustee Company

The Directors of the Trustee Company are responsible for preparing the report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Directors of the Trustee Company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice: Accounting and Reporting by Charities);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the Charity will continue to operate.

The Directors of the Trustee Company are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors of the Trustee Company are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Sayer Vincent LLP were re-appointed as the Charity's auditors during the year and have expressed their willingness to act in that capacity.

Approved by the Trustee

Delyth Richards, Chair

21 October 2021

Independent auditor's report to the Trustee of the Charity of Richard Cloudesley (known as Cloudesley)

Opinion

We have audited the financial statements of Cloudesley (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2021 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Cloudesley'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 other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with

the financial statements or our knowledge obtained in the course of 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 Trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of the Trustee

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

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or has 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 regulations made under section 154 of that Act.

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.

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

Capability of the audit in detecting irregularities

We enquired of management and the Finance & Endowment Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
 - We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
 - We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
 - We reviewed any reports made to regulators.
 - We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
 - We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
 - In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charity's Trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

9 December 2021

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Cloudesley

Statement of financial activities

For the year ended 30 June 2021

	Note	Unrestricted £	Endowment £	2021 Total £	Unrestricted £	Endowment £	2020 Total £
Income from:							
Investments		–	602,153	602,153	–	842,699	842,699
Properties		–	888,158	888,158	–	915,178	915,178
Other income		200	–	200	324	–	324
Total income	2	<u>200</u>	<u>1,490,311</u>	<u>1,490,511</u>	<u>324</u>	<u>1,757,877</u>	<u>1,758,201</u>
Expenditure on:							
Cost of raising funds							
Investment management costs		–	162,572	162,572	–	153,227	153,227
Property related costs		–	594,922	594,922	–	375,108	375,108
Charitable activities							
Health and Welfare		1,000,651	–	1,000,651	663,029	–	663,029
Churches		906,535	–	906,535	547,512	–	547,512
Total expenditure	3	<u>1,907,186</u>	<u>757,494</u>	<u>2,664,680</u>	<u>1,210,541</u>	<u>528,335</u>	<u>1,738,876</u>
Net income/(expenditure) before net (losses)/gains on investments and total return transfer between funds	4	(1,906,986)	732,817	(1,174,169)	(1,210,217)	1,229,542	19,325
Gains/(losses) on revaluation of properties	10	–	1,467,800	1,467,800	–	270,586	270,586
Net (losses)/gains on investments	11	–	5,052,092	5,052,092	–	(64,805)	(64,805)
Total return transfer between funds		1,906,986	(1,906,986)	–	1,210,217	(1,210,217)	–
Net movement in funds		<u>–</u>	<u>5,345,723</u>	<u>5,345,723</u>	<u>–</u>	<u>225,106</u>	<u>225,106</u>
Reconciliation of funds:							
Total funds brought forward		–	53,361,342	53,361,342	–	53,136,236	53,136,236
Total funds carried forward		<u>–</u>	<u>58,707,065</u>	<u>58,707,065</u>	<u>–</u>	<u>53,361,342</u>	<u>53,361,342</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Cloudesley

Balance sheet

As at 30 June 2021

		2021		2020
	Note	£	£	£
Fixed assets:				
Tangible assets	9		3,147	4,585
Investment properties	10		29,900,650	28,434,850
Endowment fund investments	11		29,460,024	25,302,391
			<u>59,363,821</u>	<u>53,741,826</u>
Current assets:				
Debtors	12	101,903	84,342	
Cash at bank and in hand		846,447	867,786	
		<u>948,350</u>	<u>952,128</u>	
Liabilities:				
Creditors: amounts falling due within one year	13	1,410,076	1,084,737	
			<u>(461,726)</u>	<u>(132,609)</u>
Net current liabilities				
Total assets less current liabilities			<u>58,902,095</u>	<u>53,609,217</u>
Creditors: amounts falling due after one year	14		195,030	247,875
Total net assets	15		<u>58,707,065</u>	<u>53,361,342</u>
Permanent Endowment Funds:	16			
Trust for investment:				
Churches		11,212,913	10,792,024	
Health and Welfare		11,476,830	11,046,034	
			<u>22,689,743</u>	<u>21,838,058</u>
Unapplied Total Return				
Churches		17,853,151	15,630,762	
Health and Welfare		18,164,171	15,892,522	
			<u>36,017,322</u>	<u>31,523,284</u>
Total endowment funds			<u>58,707,065</u>	<u>53,361,342</u>

Approved by the trustees on 21 October 2021 and signed on their behalf by

Delyth Richards
Chair

Statement of cash flows

For the year ended 30 June 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash used in operating activities	17	(2,407,311)		(1,917,512)	
Cash flows from investing activities:					
Investment Income		1,490,311		1,757,877	
Proceeds of leasehold extension and property disposals		2,000		49,086	
Purchase of tangible fixed assets		(798)		(4,257)	
Increase/(decrease) in cash held in investment portfolio		527,103		(296,343)	
Proceeds from sale of investments		9,824,688		19,592,184	
Purchase of investments		(9,457,332)		(18,818,660)	
Net cash provided by investing activities			<u>2,385,972</u>		<u>2,279,887</u>
Change in cash and cash equivalents in the year			(21,339)		362,375
Cash and cash equivalents at the beginning of the year			<u>867,786</u>		<u>505,411</u>
Cash and cash equivalents at the end of the year	18		<u><u>846,447</u></u>		<u><u>867,786</u></u>

1 Accounting policies

a) Statutory information

Cloudesley is a registered charity. The registered office is Office 1.1, Resource for London, 356 Holloway Road, London, N7 6PA.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)– (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Interest and rental income receivable

Interest on funds held on deposit is included on an accruals basis. Rental income is included when receivable.

f) Fund accounting

Endowment funds are to be used for the specific purposes laid down by the donor.

Unrestricted funds are other incoming resources received or generated for the charitable purposes.

Section 4 of the Trusts (Capital and Income) Act 2013 amended the Charities Act 2011 to give permanently endowed charities in England and Wales the power to adopt a total return approach to investment. Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,453 as at 31 December 1998 being the earliest date at which a valuation could be obtained. Under total return accounting, the charity is permitted to allocate from the total return element of permanent endowment to unrestricted funds such sums as it thinks appropriate in furtherance of its work. In making these transfers the charity will seek both to be even-handed as between current and future beneficiaries and to maintain the balance of the unapplied total return at an appropriate level considering the volatility of investment markets.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

h) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Property	15.0%
● Investment management	5.0%
● Health and welfare	40.0%
● Churches	40.0%

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Computer Equipment	3 years
----------------------	---------

k) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value is stated in the notes to the accounts.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities.

Where the charity has identified specific amounts to be drawn down within the next 12 months, these are classified as current assets on the balance sheet.

m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The pension cost charge represents contributions payable under the terms of a defined contribution pension scheme established by the charity. The charity has no liability under the scheme other than for the payment of those contributions.

q) Grants payable

Grants payable are made to third parties in accordance with the charity's governing scheme. These grants are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient. Provision for grants is made once the intention to make a grant has been communicated to the recipient although there may be uncertainty about either the timing of the grant or the amount payable. Where a grant is payable in instalments any instalments falling due more than twelve months after the balance sheet date are classified as a creditor due after more than one year. Many of the grants awarded are in respect of building projects which can take considerable periods of time to complete. Since these grants are not subject to instalments they are classified as current liabilities; however, experience has shown that in many cases such grants will not be paid within twelve months of the balance sheet date.

Cloudesley

Notes to the financial statements

For the year ended 30 June 2021

2 Income

	Churches £	Health and Welfare £	2021 Total £	Churches £	Health and Welfare £	2020 Total £
Investment income from main portfolio	292,673	292,673	585,346	409,589	409,589	819,178
Investment income from medical funds	–	16,807	16,807	–	23,521	23,521
Total investment income	292,673	309,480	602,153	409,589	433,110	842,699
Property income	444,079	444,079	888,158	457,589	457,589	915,178
Other income	100	100	200	162	162	324
	736,852	753,659	1,490,511	867,340	890,861	1,758,201

3a Analysis of expenditure (current year)

	Cost of raising funds		Charitable activities		Support costs £	Governance costs £	2021 Total £	2020 Total £
	Investment management £	Property £	Health & Welfare £	Churches £				
Staff costs (Note 5)	7,418	13,621	79,417	63,346	54,781	15,359	233,942	203,742
Investment property costs	-	561,284	-	-	-	-	561,284	341,297
Grants to churches (Note 21)	-	-	-	789,817	-	-	789,817	444,789
Health and Welfare grants (Note 22)	-	-	867,862	-	-	-	867,862	536,853
Other staff costs	-	-	-	-	2,992	-	2,992	5,986
Legal and professional fees	-	-	-	-	-	8,880	8,880	8,760
Office costs	-	-	-	-	51,421	-	51,421	58,107
Investment management fees	148,482	-	-	-	-	-	148,482	139,342
	155,900	574,905	947,279	853,163	109,194	24,239	2,664,680	1,738,876
Support costs	5,460	16,380	43,677	43,677	(109,194)	-	-	-
Governance costs	1,212	3,637	9,695	9,695	-	(24,239)	-	-
Total expenditure 2021	162,572	594,922	1,000,651	906,535	-	-	2,664,680	
Total expenditure 2020	153,227	375,108	663,029	547,512	-	-		1,738,876

3b Analysis of expenditure (prior year)

	Cost of raising funds		Charitable activities			Support costs £	Governance costs £	2020 Total £	2019 Total £
	Investment management £	Property £	Health & Welfare £	Churches £	Anniversary £				
Staff costs (Note 5)	6,983	13,106	70,719	46,656	-	51,920	14,358	203,742	172,270
Investment property costs	-	341,297	-	-	-	-	-	341,297	270,305
Grants to churches (Note 21)	-	-	-	444,789	-	-	-	444,789	706,904
Health and Welfare grants (Note 22)	-	-	536,853	-	-	-	-	536,853	504,859
Other staff costs	-	-	-	-	-	5,986	-	5,986	2,597
Legal and professional fees	-	-	-	-	-	-	8,760	8,760	8,640
Anniversary	-	-	-	-	-	-	-	-	2,365
Office costs	-	-	246	856	-	57,005	-	58,107	68,864
Investment management fees	139,342	-	-	-	-	-	-	139,342	132,624
	146,325	354,403	607,818	492,301	-	114,911	23,118	1,738,876	1,869,428
Support costs	5,746	17,237	45,964	45,964	-	(114,911)	-	-	-
Governance costs	1,156	3,468	9,247	9,247	-	-	(23,118)	-	-
Total expenditure 2020	153,227	375,108	663,029	547,512	-	-	-	1,738,876	
Total expenditure 2019	144,999	315,005	599,786	806,891	2,747	-	-		1,869,428

Notes to the financial statements

For the year ended 30 June 2021

4 Net income for the year

This is stated after charging / crediting:

	2021 £	2020 £
Depreciation	2,236	1,896
Operating lease rentals:		
Property	19,906	19,979
Auditors' remuneration (excluding VAT):		
Audit	7,400	7,300
Trustee training	-	500
	<u> </u>	<u> </u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	200,256	174,981
Social security costs	17,665	14,762
Employer's contribution to defined contribution pension schemes	16,021	13,999
	<u>233,942</u>	<u>203,742</u>

During the year ended 30 June 2021 one member of staff was paid a salary of between £70,000 and £80,000. In the year ended 30 June 2020 one member of staff was paid a salary between £60,000 and £70,000.

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £158,096 (2020: £142,296). Three members of staff employed during 2020/21 are considered to be key management personnel (2020: 3).

During the year the charity paid £204 (2020: £1,010) to enable trustees to attend training courses and conferences which were directly relevant to their office. During the year the charity purchased IT equipment for trustees to enable remote working and full participation in trustee duties at a cost of £798 (2020: £nil). The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

6 Staff numbers

The average number of employees is detailed below in terms of both head-count and full-time equivalent (FTE).

	2021 FTE	2020 FTE	2021 No.	2020 No.
Support and administration	<u>4.3</u>	<u>3.9</u>	<u>4.9</u>	<u>4.5</u>

Notes to the financial statements

For the year ended 30 June 2021

7 Related party transactions

It is a condition of appointment of 14 of the 15 directors of the Trustee that they have knowledge of Islington and its voluntary sector.

It is therefore inevitable that directors may be, and are, officeholders, service users, worshippers or beneficiaries of and at the entities the Charity funds. The potential for conflict in practice is addressed by declarations of interest and reticence.

Given the procedures and the breadth of support the Charity offers to all qualifying entities in its area of benefit, the Trustee does not consider that there is a single recipient body of whom it could be said that the awarded grant could have been influenced by interests other than those of the Charity.

Accordingly the Trustee takes the view that no awarded grants (or other transactions) fall within the definition of related party transactions.

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

**Computer
Equipment
£**

Cost

At the start of the year
Additions in year

**11,533
798**

At the end of the year

12,331

Depreciation

At the start of the year
Charge for the year

**6,948
2,236**

At the end of the year

9,184

Net book value

At the end of the year

3,147

At the start of the year

4,585

All of the above assets are used for charitable purposes.

10 Investment properties

	Freehold Properties		2021	2020
	Interest in long leaseholds	Rental and commercial properties		
	£	£	£	£
Fair value at the start of the year	1,114,850	27,320,000	28,434,850	28,213,350
Proceeds of leasehold extension and disposals in year	(2,000)	-	(2,000)	(49,086)
Gain/(loss) on revaluation during the year	(187,200)	1,655,000	1,467,800	270,586
Fair value at the end of the year	925,650	28,975,000	29,900,650	28,434,850

Desk top valuation of the properties were conducted by independent valuers, Daniel Watney LLP as at 30 June 2021 and 30 June 2020. The most recent full Red Book valuation was conducted by Daniel Watney LLP as at 30 June 2018.

Notes to the financial statements

For the year ended 30 June 2021

11 Endowment fund investments	Combined Range £	Exclusive Medical £	2021 £	2020 £
Fair value at the start of the year	23,789,200	514,627	24,303,827	25,142,156
Additions at cost	9,193,359	263,973	9,457,332	18,818,660
Disposal proceeds	(9,550,461)	(274,227)	(9,824,688)	(19,592,184)
Net (loss)/ gain on investments	4,911,078	141,014	5,052,092	(64,805)
	<u>28,343,176</u>	<u>645,387</u>	<u>28,988,563</u>	<u>24,303,827</u>
Cash held by investment broker pending reinvestment	458,302	13,159	471,461	998,564
	<u>28,801,477</u>	<u>658,547</u>	<u>29,460,024</u>	<u>25,302,391</u>
Fair value at the end of the year				
Historic cost at the end of the year	<u>23,458,226</u>	<u>795,087</u>	<u>24,253,313</u>	<u>23,291,173</u>
Investments comprise:			2021 £	2020 £
UK Common investment funds			28,988,563	24,303,827
Cash			471,461	998,564
			<u>29,460,024</u>	<u>25,302,391</u>
12 Debtors			2021 £	2020 £
Rent receivable			55,630	52,323
Other debtors			29,201	11,585
Prepayments			17,072	20,434
			<u>101,903</u>	<u>84,342</u>
13 Creditors: amounts falling due within one year			2021 £	2020 £
Church grants			741,755	568,851
Health and welfare grants			540,350	389,435
Trade creditors			6,844	9,937
Taxation and social security			3,732	4,567
Accruals and other creditors			117,395	111,947
			<u>1,410,076</u>	<u>1,084,737</u>
14 Creditors: amounts falling due after one year			2021 £	2020 £
Health and welfare grants			195,030	247,875
15 Analysis of net assets between funds as at 30 June 2021 and 30 June 2020				

Net assets at both 30 June 2021 and 30 June 2020 consisted entirely of endowment funds.

Notes to the financial statements

For the year ended 30 June 2021

16a Year ended 30 June 2021 movements in funds

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers – see note below £	At the end of the year £
Trust for investment					
Churches	10,792,024	–	–	420,889	11,212,913
Health and welfare	11,046,034	–	–	430,796	11,476,830
	<u>21,838,058</u>	<u>–</u>	<u>–</u>	<u>851,685</u>	<u>22,689,743</u>
Unapplied total return					
Churches	15,630,762	3,926,191	(376,478)	(1,327,324)	17,853,151
Health and welfare	15,892,522	4,084,012	(381,016)	(1,431,347)	18,164,171
	<u>31,523,284</u>	<u>8,010,203</u>	<u>(757,494)</u>	<u>(2,758,671)</u>	<u>36,017,322</u>
Total endowment funds	<u>53,361,342</u>	<u>8,010,203</u>	<u>(757,494)</u>	<u>(1,906,986)</u>	<u>58,707,065</u>
General funds					
Churches	–	100	(906,535)	906,435	–
Health and welfare	–	100	(1,000,651)	1,000,551	–
Total unrestricted funds	<u>–</u>	<u>200</u>	<u>(1,907,186)</u>	<u>1,906,986</u>	<u>–</u>
Total funds	<u>53,361,342</u>	<u>8,010,403</u>	<u>(2,664,680)</u>	<u>–</u>	<u>58,707,065</u>

In addition to the total return transfer between funds detailed in the statement of financial affairs a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the later.

16b Year ended 30 June 2020 movements in funds

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers – see note below £	At the end of the year £
Trust for investment					
Churches	10,674,603	–	–	117,421	10,792,024
Health and welfare	10,925,850	–	–	120,184	11,046,034
	<u>21,600,453</u>	<u>–</u>	<u>–</u>	<u>237,605</u>	<u>21,838,058</u>
Unapplied total return					
Churches	15,586,589	1,002,471	(293,527)	(664,771)	15,630,762
Health and welfare	15,949,194	1,025,992	(299,613)	(783,051)	15,892,522
	<u>31,535,783</u>	<u>2,028,463</u>	<u>(593,140)</u>	<u>(1,447,822)</u>	<u>31,523,284</u>
Total endowment funds	<u>53,136,236</u>	<u>2,028,463</u>	<u>(593,140)</u>	<u>(1,210,217)</u>	<u>53,361,342</u>
General funds					
Health and welfare	–	162	(663,029)	662,867	–
Churches	–	162	(547,512)	547,350	–
Total unrestricted funds	<u>–</u>	<u>324</u>	<u>(1,210,541)</u>	<u>1,210,217</u>	<u>–</u>
Total funds	<u>53,136,236</u>	<u>2,028,787</u>	<u>(1,803,681)</u>	<u>–</u>	<u>53,361,342</u>

In addition to the total return transfer between funds detailed in the statement of financial affairs a transfer from the unapplied total return funds to the trust for investment has been made in order to maintain the real value of the later.

16 Movements in funds (continued)

Trustees resolved to adopt total return accounting as from 1 July 2019. The endowment was valued at £21,600,453 as at 31 December 1998 this being the earliest date at which a reliable valuation could be obtained. Following the adoption of total return accounting it is no longer necessary to designate reserves for specific purposes and the amounts designated at 30 June 2019 have been credited to the unapplied total return funds. The grants reserves at that date have also been credited to the unapplied total return funds.

Allocation of income between the two unrestricted funds is set out in Note 2 to the accounts. Expenditure on charitable activities is allocated directly to the activity involved. Property related costs and gains/(losses) on revaluation of properties are allocated equally between the two charitable activities. The allocation of investment management costs and net gains/(losses) on investments takes into account the exclusive medical funds referred to below.

Exclusive medical funds – the charity has assumed over the years funds from the following sources:

- Richard Cloudesley Charity Convalescent Homes Fund
- Islington Relief in Need
- Islington Relief in Sickness
- Finsbury Dispensary Relief in Sickness
- Dame Sarah Temple Foundation
- Brand's Gift Charity

All of these funds have been aggregated and are held and applicable in the Health and Welfare part of the charity's funds.

The exclusive medical funds are the subject of a permanent appropriation of the charity's investment (but not property) portfolio. The current rate of appropriation is 2.7912% (2020: 2.7912%) but this will vary depending on any future capital contributions to or withdrawals from the investment portfolio. This rate of appropriation is also applied to the allocation of investment management charges and gains/(losses) on investments.

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

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	5,345,723	225,106
Losses/(gains) on investments	(5,052,092)	64,805
(Gains)/losses on property assets	(1,467,800)	(270,586)
Depreciation	2,236	1,886
Investment income	(1,490,311)	(1,757,877)
(Increase)/Decrease in debtors	(17,561)	9,962
Increase/(decrease) in creditors	272,494	(190,808)
Net cash used in operating activities	(2,407,311)	(1,917,512)

18 Analysis of cash and cash equivalents

	At 1 July 2020 £	Cash flows £	At 30 June 2021 £
Cash at bank and in hand	867,786	(21,339)	846,447
Total cash and cash equivalents	867,786	(21,339)	846,447

Notes to the financial statements

For the year ended 30 June 2021

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than 1 year	<u>5,235</u>	<u>5,235</u>

20 Capital commitments

At 30 June 2021 the charity was not contractually committed to any expenditure (2020 – £119,607) on maintenance works to its properties in addition to minor routine items.

21 Grants to Churches

	2021 £	2020 £
Church grants awarded in the year		
St Mary's Islington	70,000	7,000
St Andrew's, Thornhill Square	34,333	50,000
The Church on the Corner	13,322	–
St Augustine, Highbury New Park	47,308	24,513
Christ Church, Highbury	60,836	85,080
St James, Prebend Street	5,000	–
St Jude & St Paul, Mildmay Grove	59,806	23,122
St Luke, West Holloway	60,000	45,700
Emmanuel Church, Hornsey Road	7,500	8,780
St Saviour's, Hanley Road	85,000	61,950
St Mark's, Tollington	13,256	5,000
St Mary, Hornsey Rise	25,000	22,850
St John, Upper Holloway	26,400	54,390
St Andrew, Whitehall Park	70,000	19,500
Hope Church Islington – St Mary Magdalene	28,000	31,200
Hope Church Islington – St David	7,500	–
St Silas, Pentonville	1,400	5,000
St Stephen, Canonbury	60,000	10,000
St Thomas, Finsbury Park	5,000	5,000
St James, Clerkenwell	44,800	42,900
Our Most Holy Redeemer, Clerkenwell	54,600	165
St Mark Clerkenwell	2,500	–
St Clement, King Square	5,000	–
Kings Cross Church	35,738	4,400
Total grants awarded in the year	<u>822,299</u>	<u>506,550</u>
Grants written back	(32,482)	(61,761)
Total church grants in the year	<u>789,817</u>	<u>444,789</u>

Notes to the financial statements

For the year ended 30 June 2021

22 Grants for Health and Welfare Needs

	2021	2020
	£	£
Health and Welfare grants made to organisations		
<i>Strategic grants</i>		
Help on Your Doorstep	–	107,000
Islington Giving	100,000	50,000
Islington Law Centre	–	168,000
Total strategic grants awarded in the year	100,000	325,000
<i>Small grants</i>		
ALAG/Autism Hub Islington	10,000	–
Centre 404	–	10,000
Elfrida Society	10,000	–
Healthwatch Islington	10,000	–
Healthy Generations	10,000	–
Help on Your Doorstep	–	10,000
Home Start Islington	9,500	–
Islington Mind	10,000	–
Islington People's Rights	10,000	–
Life Chances in partnership with AFLAH	10,000	–
Manor Gardens Welfare Trust	10,000	–
Mencap Islington	10,000	–
MER-IT Digital	10,000	–
One True Voice	10,000	–
Prospex	10,000	–
Single Homeless Project	10,000	–
The Manna	–	10,000
The Maya Centre	–	5,060
Total small grants awarded in the year	139,500	35,060
<i>Principal Grants</i>		
Holloway Neighbourhood Group	90,000	–
Islington Centre for Refugees and Migrants	90,000	–
St Luke's Parochial Trust	90,000	–
Stuart Low Trust	90,000	–
The Margins Project	87,405	–
Total principal grants awarded in the year	447,405	–
<i>Development and Support Grants</i>		
Help on Your Doorstep	6,500	–
Islington Refugee and Migrant Forum	22,000	–
Manor Gardens Welfare Trust	47,000	–
Total development and support grants awarded in the year	75,500	–
Total grants to organisations awarded in the year	762,405	360,060

22 Grants for Health and Welfare Needs (cont'd)

Health and Welfare grants made to individuals	2021	2020
	£	£
<i>Grants to individuals via Cloudesley Partners</i>		
Age UK Islington	5,000	–
Consonant	–	6,000
Centre 404	13,000	13,000
Community Language Support Services	3,000	3,000
Help on Your Doorstep	15,000	12,000
Islington Centre for Refugees and Migrants	20,000	18,000
Islington Law Centre	12,000	12,000
Islington Mind	19,000	12,000
Islington People's Rights	12,000	12,000
London Borough of Islington	–	5,000
Manor Gardens Welfare Trust	10,000	13,000
Peter Bedford Housing Association	6,000	6,000
Solace Women's Aid	8,000	8,000
St Luke's Parochial Trust	5,000	10,000
St Mungo's Broadway	8,000	8,000
The Manna	5,000	5,000
The Margins Project	2,000	2,000
Total grants via Cloudesley Partners awarded in the year	143,000	145,000
Grants written back	(28,264)	(28,535)
Total grants via Cloudesley Partners in the year	114,736	116,465
<i>Grants to individuals via Catalyst Programme</i>		
Age UK Islington	5,000	–
Help on Your Doorstep	–	10,000
Humankind Charity	–	10,000
Islington Centre for Refugees and Migrants	–	10,000
Manor Gardens Welfare Trust	–	10,000
Peter Bedford Housing Association	–	10,000
Solace Women's Aid	–	10,000
St Mungo's Broadway	–	10,000
Total grants via Catalyst Programme awarded in the year	5,000	70,000
Grants written back	(14,279)	(9,672)
Total grants via Catalyst Programme in the year	(9,279)	60,328
Total Health and Welfare grants awarded to individuals in the year	148,000	215,000
Total grants written back	(42,543)	(38,207)
Total Health and Welfare grants to Individuals in the year	105,457	176,793
Total Health and Welfare grants in the year	867,862	536,853

23 Ultimate controlling party

The charity's ultimate parent undertaking and controlling party is Richard Cloudesley Trustee Limited a company limited by guarantee (number: 07425897). Consolidated accounts are not prepared as the parent is dormant. Dormant accounts are filed with Companies House. There are no financial transactions between Cloudesley and Richard Cloudesley Trustee Limited in the year.