

Charity Registration No. 215542

CHARITY OF ALDERMAN JAMES HICKSON

**TRUSTEE'S REPORT
AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY OF ALDERMAN JAMES HICKSON

Trustee's Report

For the year ended 31 December 2021

The Trustee presents the annual report and financial statements of the Charity for the year ended 31 December 2021. The financial statements comply with current statutory requirements and the requirements of the Charity's governing document.

Objectives and activities

The Trustee delivers public benefit through grant making and has paid due regard to the public benefit guidance issued by the Charity Commission in deciding what activities the Charity should support.

The scheme states that the yearly net income shall be applied as follows:

- 3/13 To the upkeep of the Almshouses in South Mimms; and
- 10/13 To the Aldgate and Allhallows Foundation (registered Charity no: 312500).

Achievements and performance

During the year the Charity agreed donations to the Aldgate and Allhallows Foundation of £28,034 (2020: £22,683) and transferred £8,410 (2020: £6,806) as per objectives detailed above.

Financial review

The results for the year are set out on pages 5 and 6 and in note 5.

Restricted funds

The Alderman James Hickson Fund received total income of £82,760 (2020: £71,328) and incurred costs of £56,940 (2020: £81,092). Included in total income is £nil (2020: £nil) in respect of a promotion agreement relating to the development of endowed land. Included in total costs is £nil (2020: £27,482) of professional fees incurred in respect of the promotion agreement. The net available distributable income is £36,444 (2020: £29,489) to be applied in accordance with the Scheme. The calculated 10/13 net income of £28,034 (2020: £22,683) is granted to Aldgate and Allhallows Foundation and £8,410 (2020: £6,806) is transferred to the restricted Almshouses upkeep fund.

The Charity's listed investments are pooled with those of other charities administered by the Brewers' Company in The Brewers' Company Pooled Investment Scheme. The Scheme was established on 1 November 1968 by the Secretary of State for Education and Sciences under Sections 18 and 22 of the Charities Act 1960.

The listed investments are managed by Newton Investment Management. During the year, the investment objective of the Scheme was to maintain capital value in real terms as measured by RPIX over a rolling 5-year period together with an average annual nominal growth in income in the longer term. In 2021 a Quinquennial investment review was commissioned by the Investment Committee of the Brewers' Company. It was noted that the Newton Global Growth & Income Fund, in which the Pooled Investment Scheme is invested, has lagged CCLA's COIF Investment Fund in total return terms, but has generally performed in line with the other major multi-asset funds for charities. The total returns achieved have been good, as compared to the composite benchmarks and most comparable multi-asset funds for charities, as well as the peer group measurement of the ARC Steady Growth Index.

In 2021 the Trustee reviewed the investment policy in line with the recommendations from the Quinquennial investment review. The investment objective was redefined as "*Principally the maintenance of Capital in real terms as measured by CPI over a rolling 5-year period, and then an average annual growth in income in the longer term. The total return target is CPI+3% over a rolling 5-year period on a net of fees basis*". Additionally, the Trustee agreed to charge investment management fees to capital from 1 January 2022. Performance is monitored by the Investment Committee of the Brewers' Company.

The investment properties were revalued to their open market value at 31 December 2016. Due to the pandemic, the professional valuation due to be undertaken in 2021 has been postponed to 2022 and a desktop valuation was undertaken at 31 December 2021 by Daniel Watney LLP, Chartered Surveyors.

CHARITY OF ALDERMAN JAMES HICKSON

Trustee's Report (continued)

For the year ended 31 December 2021

Financial review (continued)

There are no on-going commitments that require the Charity to hold unrestricted reserves, so the policy is to distribute all the available net income each year.

Reserves policy

The Trustee observes the Charity Commission Scheme dated 22 October 1990 and therefore at 31 December 2021, has no unrestricted reserves (2020 - £nil).

Plans for future periods

The aim of the Trustee is to maximise the amount available for distribution to beneficiaries without prejudicing the permanent endowment of the Charity.

Structure, governance and management

The Charity was established by the will of Alderman James Hickson on 28 January 1687 and is currently governed by a Charity Commission Scheme dated 22 October 1990.

The sole Trustee is the body corporate called The Master and Keepers or Wardens and Commonalty of the Mystery or Art of Brewers in the City of London, commonly known as the Brewers' Company.

The Charity's activities are overseen by the Master, Wardens and Court Assistants of the Brewers' Company who comprise the Court.

The Court meets five times a year to monitor investment performance and make decisions on charitable expenditure. The Court is advised by an Investment Committee who meet regularly with the investment advisors to monitor their performance against targets.

The day to day administration of the Charity is undertaken by staff of the Trustee.

Reference and administrative details of the Charity, its Trustee and advisors

The Charity of Alderman James Hickson's is a Charity registered in England and Wales no: 215542.

The principal address of the Charity is Brewers' Hall, Aldermanbury Square, London EC2V 7HR.

The Trustee is the Brewers' Company of the City of London.

The principal advisors to the Charity are:

<i>Independent Examiner</i>	Paul Windmill FCA, Myers Clark
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<i>Bankers</i>	Lloyds Bank plc
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<i>Investment Advisors</i>	Newton Investment Management Limited
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<i>Solicitors</i>	Farrer & Co LLP
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<i>Property Advisors</i>	Daniel Watney LLP
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Statement of Trustee's responsibilities

Charity law requires the Trustee 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 net incoming/(outgoing) resources for the year. In preparing the financial statements the Trustee is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable it to ensure that the financial statements comply with the Charities Act 2011. The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

By order of the Trustee

N Tindal
Clerk

28 April 2022

Independent Examiner's Report to the Trustee

I report on the accounts of Charity of Alderman James Hickson (charity no: 215543) for the year ended 31 December 2021, which are set out on pages 5 to 11.

Responsibilities and basis of report

As trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) in preference to the Accounting and Reporting by Charities Statement of Recommended Practice issued 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. Accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. The accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Paul Windmill FCA
Chartered Accountant

28 April 2022

Myers Clark
Egale 1, 80 St Albans Road
Watford
Herts, WD17 1DL

CHARITY OF ALDERMAN JAMES HICKSON
Statement of Financial Activities
For the year ended 31 December 2021

	Note	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Income from:							
UK rental income		728	-	728	3,652	-	3,652
UK listed investments		82,011	-	82,011	67,437	-	67,437
UK interest receivable		21	-	21	239	-	239
Total income		82,760	-	82,760	71,328	-	71,328
Expenditure on:							
Charitable donations		(28,034)	-	(28,034)	(22,683)	-	(22,683)
Maintenance of Almshouses		(11,883)	-	(11,883)	(12,036)	-	(12,036)
Other professional fees		-	-	-	(27,482)	-	(27,482)
Administration charge (note 7)		(17,889)	-	(17,889)	(17,902)	-	(17,902)
Investment manager's fees		(19,705)	-	(19,705)	(16,204)	-	(16,204)
Accountancy fees		(2,614)	-	(2,614)	(2,767)	-	(2,767)
Sundry expenses		(408)	-	(408)	(446)	-	(446)
Irrecoverable VAT		(4,441)	-	(4,441)	(4,255)	-	(4,255)
Total expenditure		(84,974)	-	(84,974)	(103,775)	-	(103,775)
Net (losses)/ gains on investment assets		24,153	770,940	795,093	(146)	(3,300)	(3,446)
Net (expenditure)/ income and Net movement in funds before transfers		21,939	770,940	792,879	(32,593)	(3,300)	(35,893)
Transfer of funds		-	-	-	27,483	(27,483)	-
Net (expenditure)/ income and Net movement in funds after transfers		21,939	770,940	792,879	(5,110)	(30,783)	(35,893)
Reconciliation of funds							
Total funds at 1 January 2021		182,912	4,550,340	4,733,252	188,022	4,581,123	4,769,145
Total Funds at 31 December 2021		204,851	5,321,280	5,526,131	182,912	4,550,340	4,733,252

CHARITY OF ALDERMAN JAMES HICKSON

Balance Sheet

For the year ended 31 December 2021

			2021		2020
	Note	£	£	£	£
Fixed assets					
Investments	2		5,413,210		4,618,117
Current assets					
Debtors	3	1,773		2,846	
Cash at bank and in hand		141,529		142,937	
		143,302		145,783	
Creditors: amounts due within one year	4	(30,381)		(30,648)	
Net current assets			112,921		115,135
Total assets less current liabilities			5,526,131		4,733,252
Funds of the charity:	5				
Endowment			5,321,280		4,550,340
Restricted income			204,851		182,912
Total funds			5,526,131		4,733,252

The accounts were approved by the Trustee on 28 April 2022 and signed on their behalf by.

R H F Fuller
Master

D Coyne
Deputy Clerk

Notes to the Accounts
For the year ended 31 December 2021

1. Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) – SORP FRS 102 (effective 1 January 2019).

The accounts 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 applying SORP FRS 102 (effective 1 January 2019) rather than the version of the Statement of Recommended Practice referred to in the regulation but which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS 102.

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

Income

Income is recognised when entitlement passes to the charity, receipt is probable, and amounts are measurable.

Expenditure

Expenditure is recognised when a legal or constructive obligation to pay arises.

Grants are accounted for when the Trustee has agreed the grant allocation for a particular year. There are no unspent allocations to be carried forward into future years.

Investments

Investments comprise units quoted on recognised stock exchanges, investment properties held to generate income and social investment properties that are held to further the objectives of the charity.

Investments are initially recognised at transaction price and subsequently at fair value at the balance sheet date.

Gains or losses on revaluation are taken to the Statement of Financial Activities and applied to the fund in which the investments are held.

Funds

Endowment funds comprise funds that the Trustee does not have the power to spend and must be maintained as capital. Income generated from endowment funds is applied in accordance with the terms of the fund.

Restricted funds comprise funds that are required to be spent on specific separate purposes in accordance with the Scheme.

Unrestricted funds represent funds received that can be applied at the Trustee's discretion within the general objects of the charity.

CHARITY OF ALDERMAN JAMES HICKSON

Notes to the accounts (continued)

For the year ended 31 December 2021

2. Investments

	Listed investment s £	Property £	Social Investment £	Total £
Market value at 1 January 2021	3,443,117	475,000	700,000	4,618,117
Change in value in year	570,093	175,000	50,000	795,093
Market value or cost at 31 December 2021	4,013,210	650,000	750,000	5,413,210
Historic cost				
At 31 December 2021	2,307,773			
At 31 December 2020	2,307,773			

All of the Charity's listed investments are held in The Brewers' Company Pooled Investment Scheme. At 31 December 2021 the portfolio was held in the Newton Growth and Income Fund for Charities.

The Social Investment comprises the Almshouses at South Mimms.

The Trustee is unable to calculate the attributable historic cost of the investment properties acquired from the original bequest from Alderman James Hickson's will of 1687 and subsequent refurbishments. The opinion of the Trustee is that the current market value is far in excess of cost.

Professional revaluations of properties are undertaken every 5 years as annual professional valuations would incur undue cost. The last professional valuation was undertaken at 31 December 2016 by Daniel Watney LLP, Chartered Surveyors. Due to the pandemic, the professional valuation due to be undertaken in 2021 has been postponed to 2022 and a desktop valuation was undertaken at 31 December 2021 by Daniel Watney LLP, Chartered Surveyors.

All investments are held in the UK.

3. Debtors:

	2021 £	2020 £
Other debtors & prepayments	1,773	2,846
	1,773	2,846

4. Creditors: amounts due within one year

	2021 £	2020 £
Other creditors – unpaid allocated Grant	28,034	22,683
Accruals	2,347	7,965

CHARITY OF ALDERMAN JAMES HICKSON

Notes to the accounts (continued)
For the year ended 31 December 2021

30,381 30,648

5. Funds of the charity

CURRENT YEAR

	At 1 January 2021 £	Incoming resource s £	Resource s expended £	Gain/ (Loss) on investment £	Transfer of funds £	At 31 December 2021 £
Permanent endowment						
Educational purposes	3,593,788	-	-	678,461	-	4,272,249
Almshouses and Almspeople	956,552	-	-	92,479	-	1,049,031
	4,550,340	-	-	770,940	-	5,321,280
Restricted						
Alderman James Hickson Fund	-	73,174	(36,730)	-	(36,444)	-
Almshouses and Alms people	182,912	9,586	(20,210)	24,153	8,410	204,851
The Aldgate and Allhallows Foundation	-	-	(28,034)	-	28,034	-
	182,912	82,760	(84,974)	24,153	-	204,851
Total funds	4,733,252	82,760	(84,974)	795,093	-	5,526,131

CHARITY OF ALDERMAN JAMES HICKSON

Notes to the accounts (continued) For the year ended 31 December 2021

5. Funds of the charity (continued)

PRIOR YEAR

	At 1 January 2020 £	Incoming resources £	Resource s expended £	Gain/(Loss) on investment £	Transfer of funds £	At 31 December 2020 £
Permanent endowment						
Educational purposes	3,624,314	-	-	(3,043)	(27,483)	3,593,788
Almshouses and Almspeople	956,809	-	-	(257)	-	956,552
	4,581,123	-	-	(3,300)	(27,483)	4,550,340
Restricted						
Alderman James Hickson Fund	-	63,354	(61,348)	-	(2,006)	-
Almshouses and Alms people	188,022	7,974	(19,744)	(146)	6,806	182,912
The Aldgate and Allhallows Foundation	-	-	(22,683)	-	22,683	-
	188,022	71,328	(103,775)	(146)	27,483	182,912
Total funds	4,769,145	71,328	(103,775)	(3,446)	-	4,733,252

CHARITY OF ALDERMAN JAMES HICKSON

Notes to the accounts (continued) For the year ended 31 December 2021

6. Net assets by fund

CURRENT YEAR

	Fixed assets £	Net current assets £	Total £
Permanent endowment			
Educational purposes	4,194,154	78,095	4,272,249
Almshouses and Almspeople	1,049,031	-	1,049,031
Restricted			
Almshouses fund	170,025	34,826	204,851
Total funds	5,413,210	112,921	5,526,131

PRIOR YEAR

	Fixed assets £	Net current assets £	Total £
Permanent endowment			
Educational purposes	3,515,693	78,095	3,593,788
Almshouses and Almspeople	956,552	-	956,552
Restricted			
Almshouses fund	145,872	37,040	182,912
Total funds	4,618,117	115,135	4,733,252

7. Trustee's remuneration

The charity is charged for administration costs by the Brewers' Company which is the Trustee of the charity. The contribution for the year ended 31 December 2021 was £17,889 (2020: £17,902).

8. Employees

There were no employees during the year (2020: none).