

Sir Thomas Gresham Charity

Annual Report and Financial Statements for the year  
ended 31 March 2021

Charity registration number 221982

# CONTENTS

Origins of the charity .....	1
Structure and governance .....	2
Achievements and performance .....	4
Financial review .....	5
Trustee's responsibilities .....	7
Independent auditor's report .....	8
Statement of financial activities .....	13
Balance sheet .....	14
Notes to the financial statements .....	15
Reference and administration details .....	22

## ORIGINS OF THE CHARITY

Sir Thomas Gresham (1519-1579) built his London Mansion House, Gresham House in Bishopsgate, in collegiate form. In his Will, Gresham House and the Royal Exchange were left to the City Corporation and the Worshipful Company of Mercers.

From the income of the Royal Exchange the two parties were to select professors in Divinity, Astronomy, Music, Geometry, Law, Physic and Rhetoric and pay each of the seven professors the annual sum stated in the will. The first four subjects were the responsibility of the City Corporation whilst the last three were the responsibility of the Mercers' Company.

The City Corporation was also obliged to maintain Sir Thomas' eight almshouses and pay each almsfolk a yearly allowance.

The Sir Thomas Gresham Charity continues to carry out the obligations of Sir Thomas' will in that; it continues to maintain the almshouses, ensuring that they remain occupied with routine repairs and maintenance carried out as and when required. It also continues to pay the almsfolk an annual allowance and provides the residents with a Christmas hamper each year. The four Gresham lecturers all continue to be paid an annual sum of £100.

# TRUSTEE'S ANNUAL REPORT

## STRUCTURE AND GOVERNANCE

### GOVERNING DOCUMENTS

The governing document is the will of Sir Thomas Gresham Charity dated 5 July 1575. The charity is constituted as a charitable trust.

### GOVERNANCE ARRANGEMENTS

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

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2020/21 were as follows:

The Gresham Committee (City Side) of the City of London Corporation administers the charity on behalf of the Trustee. This committee comprises Aldermen and Common Councilmen elected to the City of London Corporation and appointed to this committee in accordance with the usual procedures of committee membership of the City of London Corporation.

The above committee is ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk)

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during the year and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

## **OBJECTIVES AND ACTIVITIES**

The objectives of the charity are the provision of eight Almshouses known as the Gresham Almshouses; the annual payment of an allowance to the almsfolk; and the annual payment to the four Gresham college lecturers as detailed below.

The aims for the Sir Thomas Gresham Charity are:

- To ensure all the properties continue to remain occupied and that the residents are satisfied with the management of their home;
- To ensure routine repairs are completed within specified response times;
- To pay the almsfolk an allowance each year in accordance with terms of the Sir Thomas Gresham Will and to provide all residents with a hamper at Christmas;
- That all the occupants of the Almshouses continue to meet the current eligibility criteria and adhere to their letter of appointment; and
- To continue to provide a programme of public lectures at Gresham College and to pay an annual payment of £100 to each of the four Gresham College lecturers in Divinity, Astronomy, Music and Geometry.

### **Investment Policy**

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 22.

### **Public benefit statement**

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Sir Thomas Gresham Charity's aims and objectives and in planning future activities. The purposes of the charity are the provision of eight Almshouses known as the Gresham Almshouses; the annual payment of an allowance to the almsfolk; and the annual payment to the four Gresham college lecturers.

Consequently, the Trustee considers that the Sir Thomas Gresham Charity operates to benefit the general public and satisfies the public benefit test.

## REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 22.

## ACHIEVEMENTS AND PERFORMANCE

### Gresham Almshouses

During 2020/21 all targets in relation to the Gresham Almshouses were achieved, that being; maintaining 100 per cent occupancy levels, ensuring routine repairs and maintenance were promptly carried out, an annual allowance was paid to the almsfolk and all residents were provided with a hamper at Christmas.

### Gresham Lecturers

A programme of public lectures was provided at Gresham College throughout the year and the annual payment of £100 was paid to each of the four Gresham College lecturers in Divinity, Astronomy, Music and Geometry.

## PLANS FOR FUTURE PERIODS

The objectives for 2021/22 are to meet all the objectives set out on page 3 of this report, and:

### Gresham Almshouses

- To continue a programme of refurbishment works to the Almshouses approved by the Trustee in 2018/19. These works were delayed due to Covid-19 and the restrictions surrounding travel and social distancing. These works are due to recommence in June 2021 and be completed by the end of December 2021.

### Gresham Lecturers

- To continue to arrange a programme of lectures which are made available to the public free of charge; and
- To continue to broaden further the audience demographic by use of the Internet and partnerships with businesses and other institutions.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 15.

# FINANCIAL REVIEW

## Overview of Financial Performance

### Income

In 2020/21 the charity's total income for the year was £64,598, an overall increase of £15,858 against the previous year (2019/20: £48,740).

The key contributor to income was an amount of £64,571 (2019/20: £48,715) received from the City of London Corporation's City's Cash Fund as a contribution towards the running costs of the charity. This grant funds the excess of expenditure over income, excluding lease amortisation.

A small amount of income is received from investments held.

### Expenditure

Total expenditure for the year was £66,647, all being for the category charitable activities (2019/20: £50,180).

Expenditure on charitable activities consisted of: maintenance of the Almshouses at £57,532 (2019/20: £41,065) including lease amortisation of £2,049 (2019/20: £1,440); almsfolk allowances costing £8,715 (2019/20: £8,715) and Gresham Lecturers' fees of £400 (2019/20: £400).

### Funds held

The charity's total funds held decreased by £1,920 or 1% to £142,605 as at 31 March 2021 (2019/20: £144,525).

Details of all funds held, including their purposes, is set out within note 8 to the financial statements.

### Investments performance

Financial markets recovered strongly over the twelve months to 31 March 2021 following the decline in asset prices in early 2020 during the emergence of the global pandemic. Under these conditions investments held in the Charities Pool performed very well, generating a gross return of +30.72% for 2020/21 (2019/20: -14.78%) which compares favourably against the FTSE All Share Index benchmark return of +26.71% (2019/20: -18.45%). As a result the longer term performance of the Charities Pool investments, as displayed in the table below, has significantly improved compared to the position reported twelve months ago.

#### Investments performance

Fund	2020/21		2019/20	
	3 year	5 year	3 year	5 year
Fund	5.04%	7.19%	-2.44%	1.37%
FTSE All Share	3.19%	6.29%	-4.24%	0.57%
Fund outperformance	+1.85%	+0.90%	+1.80%	+0.80%

## **Reserves**

The charity is wholly supported by the City of London Corporation which owns and maintains the Almshouses provided by the charity out of its City's Cash Fund. This Fund is used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the Trustee to be inappropriate.

## **Principal Risks and Uncertainties**

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



## TRUSTEE'S RESPONSIBILITIES

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

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

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

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

In so far as the Trustee is aware:

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

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

Adopted and signed for on behalf of the Trustee.

A handwritten signature in blue ink, appearing to read 'Jamie Ingham Clark', written on a light-colored background.

Jamie Ingham Clark FCA  
Chairman of Finance Committee  
of The City of London Corporation

Guildhall, London

28 January 2022

A handwritten signature in blue ink, appearing to read 'JP Mayhew', written on a light-colored background.

Jeremy Paul Mayhew MA MBA  
Deputy Chairman of Finance  
Committee of The City of London  
Corporation  
Guildhall, London

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF SIR THOMAS GRESHAM CHARITY

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of the Sir Thomas Gresham Charity ("the Charity") for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain independent of the Charity in accordance with the ethical requirements 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.

## Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast

significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: Origins of the charity; the Trustee's Annual Report section, which includes: Structure and governance, Achievements and performance, Financial review; the Trustee responsibilities; Reference and administration details. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate 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 Trustee**

As explained more fully in the Trustee's responsibilities statement, 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 have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

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 is detailed below:

- We obtained an understanding of the legal and regulatory framework applicable to the Charity. We focused on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity. The laws and regulations we considered in this context were United Kingdom Accounting Standards (Financial Reporting Standard 102), the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (FRS 102), and the Charities Act 2011.
- We understood how the Charity is complying with those legal and regulatory frameworks, by making enquiries to management, and the Trustee, of known or suspected instances of non-compliance with laws and regulations. We corroborated our enquiries through our review of key committee board minutes.
- We reviewed the financial statement disclosures to assess compliance with the relevant laws and regulations discussed above. We remained alert to any indications of non-compliance throughout the audit.
- We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur, by discussing with management and the Trustee to understand where it is considered there was a susceptibility of fraud.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, and determined that the principal risks were related to the override of controls by management including posting

of inappropriate journal entries, management bias in key accounting estimates, and the timing of income recognition.

- Audit procedures performed in response to the assessment above included: Enquiries of management; reviewing accounting estimates for bias and challenging assumptions made by management in their significant accounting estimates; Sample testing the recognition of income; Sample testing the appropriateness of journal entries.

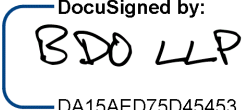
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://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 the Charities Act 2011. 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.

DocuSigned by:  
  
DA15AED75D45453...

BDO LLP, statutory auditor  
London, UK  
Date: 28 January 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Funds	Unrestricted Funds
	Notes	2020/21 £	2019/20 £
<b>Income from:</b>			
Grant from City of London Corporation	2	64,571	48,715
Investments	3	27	25
<b>Total income</b>		<b>64,598</b>	<b>48,740</b>
<b>Expenditure on:</b>			
Charitable activities	4	66,647	50,180
<b>Total expenditure</b>		<b>66,647</b>	<b>50,180</b>
Net gains/(losses) on investments	7	129	(120)
<b>Net (expenditure) and net movement in funds</b>		<b>(1,920)</b>	<b>(1,560)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	9	144,525	146,085
<b>Total funds carried forward</b>	9	<b>142,605</b>	<b>144,525</b>

All of the above results are derived from continuing activities.

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

The notes on pages 15 to 21 form part of these financial statements.

**BALANCE SHEET****AS AT 31 MARCH 2021**

	Notes	<b>2021 Total £</b>	<b>2020 Total £</b>
<b>Fixed assets</b>			
Investments	7	<b>654</b>	525
<b>Total fixed assets</b>		<b>654</b>	525
<b>Long term assets</b>			
Debtor - operating lease	8	<b>141,951</b>	144,000
<b>Total net assets</b>	8	<b>142,605</b>	144,525
<b>The funds of the charity:</b>			
Designated funds	9	<b>141,951</b>	144,000
Unrestricted income funds	9	<b>654</b>	525
<b>Total funds</b>		<b>142,605</b>	144,525

The notes on pages 15 to 21 form part of these financial statements

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

28 January 2022



## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

#### (a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

#### (b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. Funding is provided from the City of London Corporation's City's Cash. The Trustee considers the level of grant funding received and plans activities as a result of this. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has given regard to the ongoing impact of the Covid-19 pandemic on the future income levels and the liquidity of the charity over the next 12-month period from the date of these financial statements being signed, and has not identified any indication that the charity will not be able to meet liabilities, including planned liabilities, as they fall due. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

#### (c) Key management judgements and assumptions

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

#### **(d) Statement of Cash Flows**

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirements to produce a statement of cash flows on the grounds that it is a small charity.

#### **(e) Income**

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

The City of London Corporation's City's Cash Fund meets the deficit on running expenses of the charity. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed and is recognised in the SOFA at this point.

#### **(f) Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under the category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. From 2021/22 the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities.

#### **(g) Taxation**

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

#### **(h) Investments**

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

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

#### **(i) Funds structure**

Income, expenditure and gains/losses are allocated to the unrestricted general fund, the purpose of which is shown below:

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

**Unrestricted designated funds** – these funds represent the value of the lease of the Almshouses site.

**(j) Lease of Almshouses site**

The City of London Almshouses (CoLA, charity number 1005857) owns the site on which the Gresham Almshouses are situated. An agreement was entered into with CoLA dated 7 December 1994 for the lease of the site for the next 123 years for the sum of £180,000 (with no further rent payable). The value of the lease is amortised on a straight-line basis to the end of the term in 2118/19, with the remaining value recorded as a long-term debtor as set out in note 8. The Trustee considers the upfront payment to be a prepayment of rent over the life of the lease, and so considers the treatment as a debtor (as opposed to a tangible fixed asset) to be appropriate

**(k) Indemnity insurance**

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

## 2. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds <b>2020/21</b> £	Unrestricted funds 2019/20 £
Revenue grant from City of London Corporation	<b>64,571</b>	48,715

## 3. INCOME FROM INVESTMENTS

	Unrestricted funds <b>2020/21</b> £	Unrestricted funds 2019/20 £
Interest	<b>27</b>	25

#### 4. EXPENDITURE

	<b>Total 2020/21 £</b>	<b>Total 2019/20 £</b>
Almshouses running costs	<b>57,532</b>	41,065
Almsfolk allowances	<b>8,715</b>	8,715
Mandatory element of lecturers' fees	<b>400</b>	400
<b>Total</b>	<b>66,647</b>	50,180

#### 5. AUDITOR'S REMUNERATION

BDO are the auditors of the City of London's Cash Fund and all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of these charities. In 2020/21 no audit fee was recharged (2019/20: £nil). No other services were provided to the charity by its auditors during the year (2019/20: £nil).

#### 6. TRUSTEE EXPENSES

Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2020/21 (2019/20: nil).

#### 7. INVESTMENTS

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

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

	<b>2021 £</b>	<b>2020 £</b>
Market value 1 April	525	645
Gain/(loss) for the year	129	(120)
<b>Market value 31 March</b>	<b>654</b>	525
<b>Cost 31 March</b>	366	366
Units held in Charities Pool	<b>74</b>	74

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

	Held in the UK £	Held outside the UK £	<b>Total at 31 March 2021 £</b>	Held in the UK £	Held outside the UK £	<b>Total at 31 March 2020 £</b>
Equities	505	76	<b>581</b>	405	61	466
Pooled Units	47	-	<b>47</b>	38	-	38
Cash held by Fund Manager	26	-	<b>26</b>	21	-	21
<b>Total</b>	<b>578</b>	<b>76</b>	<b>654</b>	<b>464</b>	<b>61</b>	<b>525</b>

## 8. ANALYSIS OF NET ASSETS BY FUND

<b>At 31 March 2021</b>	Unrestricted funds <b>Total at 31 March 2021</b> £	Unrestricted funds Total at 31 March 2020 £
Fixed assets - investments	<b>654</b>	525
Long term assets - debtor	<b>141,951</b>	144,000
<b>Total</b>	<b>142,605</b>	144,525

<b>At 31 March 2020</b>	Unrestricted funds Total at 31 March 2020 £	Unrestricted funds Total at 31 March 2019 £
Fixed assets - investments	525	645
Long term assets - debtor	144,000	145,440
<b>Total</b>	<b>144,525</b>	<b>146,085</b>

**Long term assets – debtor:** CoLA owns the site on which the Gresham Almshouses are situated. An agreement was entered into with CoLA dated 7 December 1994 for the lease of the site for the next 123 years for the sum of £180,000. The value of the lease is amortised on a straight-line basis to the end of the term in 2118/19, with the remaining value recorded as a long-term debtor.

## 9. MOVEMENT IN FUNDS

<b>At 31 March 2021</b>	<b>Total as at 1 April 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains &amp; (losses) £</b>	<b>Total as at 31 March 2021 £</b>
Unrestricted funds:					
General funds	525	64,598	(64,598)	129	<b>654</b>
Designated funds	144,000	-	(2,049)	-	<b>141,951</b>

<b>At 31 March 2020</b>	<b>Total as at 1 April 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains &amp; (losses) £</b>	<b>Total as at 31 March 2020 £</b>
Unrestricted funds:					
General funds	645	48,740	(48,740)	(120)	525
Designated funds	145,440	-	(1,440)	-	144,000

The designated fund represents the remaining value of the lease of the Almshouse site.

## 10. RELATED PARTY TRANSACTIONS

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

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

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

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

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

Related party	Connected party	2020/21 £	2019/20 £	Detail of transaction
City of London Almshouses (CoLA)	The City of London Corporation is the Trustee for CoLA, which owns the site on which the Gresham Almshouses are situated	2,049 (nil)	1,440 (nil)	The charity entered into a 125 year lease of the site from CoLA as per the agreement dated 7 December 1994
City of London Corporation	The City of London Corporation is the Trustee for the charity	64,571 income, 34,279 expenditure (nil)	48,715 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity (income of £64,571), and recharges expenditure on staff time (£32,441) and other administrative costs (£1,838)
Charities Pool	The Trustee of the Charity	27 (nil)	25 (nil)	Distribution from the Charities Pool

## REFERENCE AND ADMINISTRATION DETAILS

**CHARITY NAME:** Sir Thomas Gresham Charity

Registered charity number: 221982

**PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:**

Guildhall, London, EC2P 2EJ

**TRUSTEE:**

The Mayor and Commonalty & Citizens of the City of London

**SENIOR MANAGEMENT:**

**Chief Executive**

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

**Treasurer**

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane – The Chamberlain of the City of London Corporation (retired 30 April 2021)

**Solicitor**

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

**Community and Children's Services**

Andrew Carter – Director of Community and Children's Services

**AUDITORS:**

BDO LLP, 55 Baker Street, London, W1U 7EU

**BANKERS:**

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

**INVESTMENT ADVISORS:**

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

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

[PA-DeputyChamberlain@cityoflondon.gov.uk](mailto:PA-DeputyChamberlain@cityoflondon.gov.uk)