THE COVENTRY FREEMEN'S CHARITY

England & Wales · Charity number 229237

Details

Status	Registered
Legal form	Other
Registered	1978-12-29
Register	View on the Charity Commission register

Contact

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Activities

Objects: Clause 30 “Application of income – subject to the payments aforesaid the Trustees shall apply the income of the Charity in the making of discretionary payments known as Scheme Benefit Payments or for relief in need in accordance with the provisions hereafter contained.”Clause 32 “Qualifications of Scheme Benefit Payment recipients – The Scheme Benefit Payment recipients shall be needy freemen of the City of Coventry and their dependents and the widows, widowers or other former dependents of a deceased freeman of the said city who are resident within the United Kingdom. Preference shall be given to persons qualified as aforesaid who are aged.”Clause 33 – “Scheme Benefit Payments – (1) There shall be paid to each recipient under clause 32, out of the income of the Charity, a discretionary Scheme Benefit Payment of an amount to be determined by the Trustees from time to time – provided that instead of paying the whole of the Scheme Benefit Payment to any recipient in money, the Trustees may expend all or part thereof for the recipient’s benefit in such ways as they think fit.”(2) The Trustees shall review every Scheme Benefit Payment on a regular basis and upon review may continue or discontinue the payment.(3) Nothing in this clause shall preclude the payment of different amounts of the Scheme Benefit Payment being paid to qualified applicants.”Clause 37 – “Relief of need – (1) The Trustees shall apply the income of the Charity for the prevention or relief of poverty or financial hardship by making grants of money or providing or paying for items, services or facilities to individuals in need including but not limited to:-(i) either generally or individually, persons having like qualifications to the recipients of the Scheme Benefit Payments (whether or not such persons are already in receipt of a Scheme Benefit Payment); and/or(ii) charities, or other organisations working to prevent or relieve poverty or financial hardship.(2) Without limitation to the generality of the foregoing in (1), for the prevention or relief of poverty or financial hardship, the Trustees may pay for such items, services or facilities by way of donations or subscriptions to institutions or organisations which provide or which may undertake in return to provide, for such items, services or facilities for such persons."

Activities: The payment of charity benefits or to provide relief in need to needy Freemen of the City of Coventry and the widows, widowers and other direct dependants of a deceased Freeman, who are resident within the UK.

Classification

- **How:** Makes Grants To Individuals
- **What:** The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** SEE OBJECTS
- Coventry City
- Warwickshire

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,193,321	£1,089,774	£19,625,956	0
2023-12-31	£1,169,198	£897,232	£19,352,724	1
2022-12-31	£972,731	£871,387	£18,926,210	1
2021-12-31	£933,769	£771,387	£18,962,139	1
2020-12-31	£912,806	£1,061,341	£15,950,382	0

Trustees

Name	Role	Appointed
John Wilkinson	Chair	2022-11-25
DAVID BULLMAN		2015-09-14
DAVID MANDER		2017-12-01
GEORGE WILKINSON		2017-07-28
MICHAEL RAWSON		
MR DAVID HANDFORD		
Peter Gordon Rosier		2019-07-26
Raj Bansal		2022-11-25
Steven John Rawson		2022-11-25

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THE COVENTRY FREEMEN'S CHARITY

England & Wales - Charity number 229237

Accounts

Charity registration number 229237

COVENTRY FREEMEN'S CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

COVENTRY FREEMEN'S CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Handford Mr J Parry Mr M Rawson Mr G M Wilkinson Mr D Bullman Mr D C Mander Mr P Rosier Mr R Bansal Mr J Wilkinson Mr S J Rawson
Charity number	229237
Registered office	3Mc Middlemarch Business Park Siskin Drive Coventry CV3 4FJ
Auditor	Dafferns Audit Limited Harry Weston Road Binley Business Park Coventry United Kingdom CV3 2UB
Bankers	HSBC 5-6 High Street Coventry CV1 5RE
Solicitors	Mander Hadley Limited Solicitors 1 The Quadrant Coventry West Midlands United Kingdom CV1 2DW
Investment advisors	Quilter Cheviot Ltd Provincial House 37 New Walk Leicester LE1 6TU United Kingdom

COVENTRY FREEMEN'S CHARITY

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COVENTRY FREEMEN'S CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (effective 1 January 2019).

Objectives and activities
The aims and objectives of the Charity for the period under review were as follows:-

a] The payment of scheme benefits to needy Freemen of the City of Coventry and their dependants and the widows, widowers and other former dependants of a deceased Freeman, who are resident within the existing boundary of the City of Coventry, or within a radius of seven miles from St Mary's Hall.

b] Relief in need, relieving either generally or individually, persons having similar types of qualifications to the scheme benefit recipients of the Charity.

The trustees have considered the Charity Commission's general guidance on public benefit and consider that the charity has achieved its objectives during the period under review.
The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance
Scheme Benefit Recipients
The number of persons receiving the scheme under (a) above at 31 December 2024 was 2,395. This was made up of Freemen and women 1,730, Widows 657, and special cases 8.

Payments made to the scheme benefit recipients totalled £516,572 which compares with £525,812 in 2023.

During the year no additional relief was granted (2023 - nil).

After discharging all liabilities and taking into account adjustments for gains and losses on both investments and investment properties, the Charity was left with a surplus of £273,232 as shown in the Statement of Financial Activities, on page 8.

The rest of the Charity's Financial Statements are explained in the notes on pages 11 to 19 and there are no items requiring special attention.

Fundraising Regulator Statement of Compliance
Coventry Freemen's Charity does not contract with a third party to undertake any fundraising on its behalf. Hence, we have received no fundraising complaints during the year.

Investment performance
The charity continued to perform well when measured against its targets and objectives for the year.

The principal objective of paying scheme benefit payments and hardship alleviation to freemen was made possible by the continuing generation of income from the property and investment portfolio. The portfolios of property and investments continued to generate sufficient returns to enable the principal objectives to be met, and the trustees consider that performance was satisfactory for the year.

Bad debts relating to rental income of £31,275 (2023, £11,668) were written off during the year.

Financial review

Investment policy and objectives
There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees for a period of five years and takes account of recent demand for funds. The Trustees consider the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the endowment fund is to be invested in low and medium risk investments with a view to ensuring that capital appreciation of the fund exceeds inflation over each five year period. The unrestricted and restricted funds may be invested in any type of investment. Our strategy is reviewed with our investment managers annually.

The Charity has a broad based investment policy and relies on the advice of its brokers Quilter Cheviot Limited for the management of its investments. The instructions given are to invest for income and medium to low risk stocks. The Charity has considerable investments in properties which are managed by the surveyors, Loveitts. The Trustees are satisfied that the income and capital value of all investments has risen during the year in line with known market indices.

The Charity's investment managers are committed to responsible investment and consider social, environmental and ethical factors in their investment strategy.

Reserves policy
The endowment funds represent the capital of the Charity upon formation which is to be maintained indefinitely. It is intended that the level of unrestricted funds represented by accumulated surpluses are to equate to at least one year's expenditure but not more than two. This is considered a prudent level of unrestricted reserves, since it allows current commitments to be met whilst maintaining the flexibility to deal with unforeseen events.

The current reserves are £1,953,056 in the unrestricted fund which are the free reserves and £17,672,900 on the endowment fund. The total funds held were £19,625,956. These are held to enable the charity to meet its ongoing commitment to scheme benefit recipients. No funds had been designated as at the year end. There were no programme related investments at the year end. The unrestricted funds held are in accordance with the reserves policy,

Sources of funding
The main source of funding continued to be the property and investment portfolio.

Risk management
The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risk management is reviewed annually by the Trustees.

New and future developments
The trustees of the charity are currently in consultation with the charity's commission to determine the future direction of the charity and review its objectives and distribution policy. It is likely that going forward there will be some changes implemented within the scheme benefit.

Structure, governance and management
The Charity is constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978 embracing the charities formerly known as:

a. The Freemen's Seniority Fund
b. The Estates of the Freemen and Widows of Freemen of the City of Coventry
c. The Estates of the Freemen of the City of Coventry.

Trustees
The trustees who served during the year were:

Mr D Handford	
Mr D Mason	(Resigned 15 November 2024)
Mr J Parry	
Mr M Rawson	
Mr R Smith	(Resigned 16 July 2024)
Mr G M Wilkinson	
Mr D Bullman	
Mr D C Mander	
Mr P Rosier	
Mr R Bansal	
Mr J Wilkinson	
Mr S J Rawson	
Mr D Evans	(Appointed 8 September 2024 and resigned 7 November 2024)

How decisions are made
The board of trustees meets regularly for the purposes of discussing the charity's affairs and decision making.

Induction and training of trustees
New trustees undergo a period of orientation to brief them on their legal obligations under charity law, the content of the governing document, the committee and decision making processes, the business plan and recent financial performance of the Charity. During the induction they meet key personnel and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The trustees' report was approved by the Board of Trustees.

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Trustee
Dated: 26/9/2025

COVENTRY FREEMEN'S CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees are responsible for preparing the Trustees' Report 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

COVENTRY FREEMEN'S CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Opinion

We have audited the financial statements of Coventry Freemen's Charity (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dafferns Audit Limited

3 October 2025

Dafferns Audit Limited

Chartered Accountants
Statutory Auditor

Harry Weston Road
Binley Business Park
Coventry
United Kingdom
CV3 2UB

Dafferns Audit Limited 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend 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 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 is detailed below:

- Enquiry of management and those charged with governance around actual and potential litifation and claims
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations/
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 FRC's website at: https://www.frc.org.uk/auditorsresponsibilities .This description forms part of our auditor's report.

COVENTRY FREEMEN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	58,232	-	58,232	70,000	-	70,000
Investments	4	1,135,089	-	1,135,089	1,099,198	-	1,099,198
Total income		1,193,321	-	1,193,321	1,169,198	-	1,169,198
Expenditure on:							
Charitable activities	5	1,089,774	-	1,089,774	897,232	-	897,232
Net gains/(losses) on investments	9	89,037	80,648	169,685	72,574	81,974	154,548
Net movement in funds		192,584	80,648	273,232	344,540	81,974	426,514
Fund balances at 1 January 2024		1,760,472	17,592,252	19,352,724	1,415,932	17,510,278	18,926,210
Fund balances at 31 December 2024		1,953,056	17,672,900	19,625,956	1,760,472	17,592,252	19,352,724

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

COVENTRY FREEMEN'S CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Investment property	11		16,262,427		16,262,427
Investments	12		2,898,671		2,789,953
			19,161,098		19,052,380
Current assets					
Debtors	14	82,797		51,317	
Cash at bank and in hand		431,785		292,219	
		514,582		343,536	
Creditors: amounts falling due within one year	15	(49,724)		(43,192)	
Net current assets			464,858		300,344
Total assets less current liabilities			19,625,956		19,352,724
Capital funds					
Endowment funds - general	16		17,672,900		17,592,252
Income funds					
Unrestricted funds			1,953,056		1,760,472
			19,625,956		19,352,724

The financial statements were approved by the Trustees on 26/9/2025

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Trustee

COVENTRY FREEMEN'S CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(1,056,490)		(829,740)
Investing activities					
Investment income		1,032,474		1,000,564	
Income from listed investments		94,344		95,357	
Interest receivable		8,271		3,277	
Purchase of investment property		-		(199,185)	
Purchase of other investments		(161,252)		(343,658)	
Proceeds on disposal of other investments		222,219		436,400	
Net cash generated from investing activities			1,196,056		992,755
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			139,566		163,015
Cash and cash equivalents at beginning of year			292,219		129,204
Cash and cash equivalents at end of year			431,785		292,219
Analysis of cash and cash equivalents					
Bank balances and short term deposits			431,785		292,219

1 Accounting policies

Charity information

Coventry Freemen's Charity is a charitable trust constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978. See reference in the trustees' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

Rental income from operating leases is recognised in the statement of financial activities on a straight-line basis over the lease term

1 Accounting policies **(Continued)**

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.
- Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 6.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The charity is not liable to income tax on it's charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Legacies received	58,232	70,000

4 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	1,032,290	1,000,380
Income from listed investments	94,344	95,357
Building leases	60	60
Acknowledgements	124	124
Interest receivable	8,271	3,277
	1,135,089	1,099,198

Income from investment income was wholly attributable to unrestricted funds in the current and preceding year.

5 Charitable activities

	2024 £	2023 £
Investment brokers	5,414	5,391
Commissions paid	85,750	82,853
Property repairs	336,029	123,300
Rates and water	3,661	1,971
Light and heat	1,482	3,929
Surveyors fees	16,153	37,209
Legal fees	13,212	12,672
Seniority payments	516,572	525,812
Insurance	35,819	44,102
Bad debt	31,275	11,668
	1,045,367	848,907
Share of support costs (see note 6)	21,937	26,755
Share of governance costs (see note 6)	22,470	21,570
	1,089,774	897,232

Expenses within charitable activities was wholly attributable to unrestricted funds in the current and preceding year.

6 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Seniority software	480	-	480	480	-	480
Sundry expenses	2,018	-	2,018	2,817	-	2,817
Clerk and finance costs	15,450	-	15,450	14,880	-	14,880
Legal expenses	1,415	-	1,415	7,109	-	7,109
Bank charges	2,574	-	2,574	1,469	-	1,469
Audit fees	-	7,020	7,020	-	6,690	6,690
Clerk and finance costs	-	15,450	15,450	-	14,880	14,880
	21,937	22,470	44,407	26,755	21,570	48,325
Analysed between						
Charitable activities	21,937	22,470	44,407	26,755	21,570	48,325

Governance costs includes payments to the auditors of £7,020 (2023- £6,690) for audit fees.

7 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor 2023.

Trustees' expenses

None of the trustees received any expenses in the year ended 31 December 2024 nor 2023.

8 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Clerk	-	1

There were no employees whose annual remuneration was more than £60,000.

9 Net gains/(losses) on investments

	Unrestricted funds 2024 £	Endowment funds general 2024 £	Total 2024 £	Total 2023 £
Revaluation of investments	89,037	80,648	169,685	154,548
For the year ended 31 December 2023	72,574	81,974		154,548

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Investment property

	2024 £
Fair value	
At 1 January 2024 and 31 December 2024	16,262,427

The land and buildings were re-valued by Loveitts, Chartered Surveyors, as at 31st December 2021 on an open market basis in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors.

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	2,789,953
Additions	161,252
Valuation changes	169,198
Disposals	(221,732)
At 31 December 2024	2,898,671
Carrying amount	
At 31 December 2024	2,898,671
At 31 December 2023	2,789,953

13 Financial instruments

	2024	2023
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	82,797	51,317
Equity instruments measured at fair value	2,898,671	2,789,953
Carrying amount of financial liabilities		
Measured at amortised cost	46,909	37,694

14 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Other debtors	82,797	51,317

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	2,815	5,498
Other creditors	24,431	26,568
Accruals and deferred income	22,478	11,126
	49,724	43,192

16 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

Balance at 1 January 2023	Revaluations gains and losses	1 January 2024 Balance at	Revaluations gains and losses	Balance at 31 December 2024
£	£	£	£	£
17,510,278	81,974	17,592,252	80,648	17,672,900
17,510,278	81,974	17,592,252	80,648	17,672,900

This fund consists of the original endowment incorporated in the Inclosure Awards dated 2nd November 1860 and dated 22nd June 1875 together with the accumulated gains or losses arising on disposal of the Charity's investments and may only be applied in the acquisition of other investments.

17 Analysis of net assets between funds

	Unrestricted 2024	Endowment 2024	Total 2024	Unrestricted 2023	Endowment 2023	Total 2023
	£	£	£	£	£	£
Fund balances at 31 December 2024 are represented by:						
Investment properties	-	16,262,427	16,262,427	-	16,262,427	16,262,427
Investments	1,479,809	1,418,862	2,898,671	1,460,128	1,329,825	2,789,953
Current assets/(liabilities)	464,858	-	464,858	300,344	-	300,344
	1,944,667	17,681,289	19,625,956	1,760,472	17,592,252	19,352,724

18 Financial commitments, guarantees and contingent liabilities

Commitments of £18,729 (2023: £56,938) for repairs on two properties owned by the charity have been contracted but not provided for in the financial statements.

19 Operating lease commitments

Lessor

The operating leases represent leases of varying terms to third parties. Some of the leases include a provision for periodic upward rent reviews according to prevailing market conditions.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2024	2023
	£	£
Within one year	488,636	472,631
Between two and five years	1,123,164	1,077,264
In over five years	2,497,995	2,369,138
	4,109,795	3,919,033

20 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

P Rosier a trustee of the charity was a shareholder of Loveitts (the property management company) until 30 April 2024, Loveitts charged management commission and fees of £31,540 up to this date (2023 - £120,061).

21	Cash generated from operations	2024	2023
		£	£
	Surplus for the year	273,232	426,514
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,135,089)	(1,099,198)
	Fair value gains and losses on investments	(169,685)	(154,548)
	Movements in working capital:		
	(Increase) in debtors	(31,480)	(5,428)
	Increase in creditors	6,532	2,920
	Cash absorbed by operations	(1,056,490)	(829,740)

22 Analysis of changes in net funds

	At 1 January 2024	Cash flows	At 31 December 2024
	£	£	£
Cash at bank and in hand	292,219	139,566	431,785
	292,219	139,566	431,785
	292,219	139,566	431,785

THE COVENTRY FREEMEN'S CHARITY

England & Wales - Charity number 229237

Accounts

Charity registration number 229237

COVENTRY FREEMEN'S CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

COVENTRY FREEMEN'S CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Handford Mr D Mason Mr J Parry Mr M Rawson Mr R Smith Mr G M Wilkinson Mr D Bullman Mr D C Mander Mr P Rosier Mr R Bansal Mr J Wilkinson Mr S J Rawson
Charity number	229237
Registered office	3Mc Middlemarch Business Park Siskin Drive Coventry CV3 4FJ
Auditor	Dafferns LLP Harry Weston Road Binley Business Park Coventry United Kingdom CV3 2UB
Bankers	HSBC 55 Corporation Street Coventry CV1 1QJ
Solicitors	Mander Hadley Limited Solicitors 1 The Quadrant Coventry West Midlands United Kingdom CV1 2DW
Investment advisors	Quilter Cheviot Ltd Provincial House 37 New Walk Leicester LE1 6TU United Kingdom

COVENTRY FREEMEN'S CHARITY

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COVENTRY FREEMEN'S CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (effective 1 January 2019).

Objectives and activities
The aims and objectives of the Charity for the period under review were as follows:-

a] The payment of pensions to needy Freemen of the City of Coventry and their dependants and the widows, widowers and other former dependants of a deceased Freeman, who are resident within the existing boundary of the City of Coventry, or within a radius of seven miles from St Mary's Hall.

b] Relief in need, relieving either generally or individually, persons having similar types of qualifications to the pensioners of the Charity.

The trustees have considered the Charity Commission's general guidance on public benefit and consider that the charity has achieved its objectives during the period under review.
The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance
Pensioners
The number of persons receiving pensions under (a) above at 31st December 2023 was 2,403. This was made up of Freemen and women 1,772, Widows 623, and special cases 8.

Payments made to pensioners totalled £525,812 which compares with £511,364 in 2022.

During the year no additional relief was granted (2022 - nil).

After discharging all liabilities and taking into account adjustments for gains and losses on both investments and investment properties, the Charity was left with a surplus of £426,514 as shown in the Statement of Financial Activities, on page 8.

The rest of the Charity's Financial Statements are explained in the notes on pages 11 to 19 and there are no items requiring special attention.

Fundraising Regulator Statement of Compliance
Coventry Freemen's Charity does not contract with a third party to undertake any fundraising on its behalf. Hence, we have received no fundraising complaints during the year.

Investment performance
The charity continued to perform well when measured against its targets and objectives for the year.

The principal objective of paying pensions and hardship alleviation to freemen was made possible by the continuing generation of income from the property and investment portfolio. The portfolios of property and investments continued to generate sufficient returns to enable the principal objectives to be met, and the trustees consider that performance was satisfactory for the year.

Bad debts relating to rental income of £11,668 (2022, £9,821) were written off during the year.

Financial review

Investment policy and objectives
There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees for a period of five years and takes account of recent demand for funds. The Trustees consider the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the endowment fund is to be invested in low and medium risk investments with a view to ensuring that capital appreciation of the fund exceeds inflation over each five year period. The unrestricted and restricted funds may be invested in any type of investment. Our strategy is reviewed with our investment managers annually.

The Charity has a broad based investment policy and relies on the advice of its brokers Quilter Cheviot Limited for the management of its investments. The instructions given are to invest for income and medium to low risk stocks. The Charity has considerable investments in properties which are managed by the surveyors, Loveitts. The Trustees are satisfied that the income and capital value of all investments has risen during the year in line with known market indices.

The Charity's investment managers are committed to responsible investment and consider social, environmental and ethical factors in their investment strategy.

Reserves policy
The endowment funds represent the capital of the Charity upon formation which is to be maintained indefinitely. It is intended that the level of unrestricted funds represented by accumulated surpluses are to equate to at least one year's expenditure but not more than two. This is considered a prudent level of unrestricted reserves, since it allows current commitments to be met whilst maintaining the flexibility to deal with unforeseen events.

The current reserves are £1,760,472 in the unrestricted fund which are the free reserves and £17,592,252 on the endowment fund. The total funds held were £19,352,724. These are held to enable the charity to meet its ongoing commitment to members. No funds had been designated as at the year end. There were no programme related investments at the year end. The unrestricted funds held are in accordance with the reserves policy,

Sources of funding
The main source of funding continued to be the property and investment portfolio.

Risk management
The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risk management is reviewed annually by the Trustees.

New and future developments
There have been no major new developments in the year and the Trustees at present envisage that the Charity will continue to operate in the future in its present form.

Structure, governance and management
The Charity is constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978 embracing the charities formerly known as:

a. The Freemen's Seniority Fund
b. The Estates of the Freemen and Widows of Freemen of the City of Coventry
c. The Estates of the Freemen of the City of Coventry.

Trustees
The trustees who served during the year were:
Mr D Handford
Mr D Mason
Mr J Parry
Mr M Rawson
Mr R Smith
Mr G M Wilkinson
Mr D Bullman
Mr D C Mander
Mr P Rosier
Mr R Bansal
Mr J Wilkinson
Mr S J Rawson

How decisions are made
The board of trustees meets regularly for the purposes of discussing the charity's affairs and decision making.

Induction and training of trustees
New trustees undergo a period of orientation to brief them on their legal obligations under charity law, the content of the governing document, the committee and decision making processes, the business plan and recent financial performance of the Charity. During the induction they meet key personnel and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The trustees' report was approved by the Board of Trustees.

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Trustee
Dated: 17/7/2024

COVENTRY FREEMEN'S CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees are responsible for preparing the Trustees' Report 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

COVENTRY FREEMEN'S CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Opinion

We have audited the financial statements of Coventry Freemen's Charity (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend 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 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 is detailed below:

- Enquiry of management and those charged with governance around actual and potential litifation and claims
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations/
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 FRC's website at: https://www.frc.org.uk/auditorsresponsibilities .This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dafferns LLP

17 July 2024

Chartered Accountants
Statutory Auditor

Harry Weston Road
Binley Business Park
Coventry
United Kingdom
CV3 2UB

Dafferns 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.

COVENTRY FREEMEN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	70,000	-	70,000	-	-	-
Investments	4	1,099,198	-	1,099,198	972,731	-	972,731
Total income		1,169,198	-	1,169,198	972,731	-	972,731
Expenditure on:							
Charitable activities	5	897,232	-	897,232	871,387	-	871,387
Net gains/(losses) on investments	9	72,574	81,974	154,548	(57,847)	(79,426)	(137,273)
Net movement in funds		344,540	81,974	426,514	43,497	(79,426)	(35,929)
Fund balances at 1 January 2023		1,415,932	17,510,278	18,926,210	1,372,435	17,589,704	18,962,139
Fund balances at 31 December 2023		1,760,472	17,592,252	19,352,724	1,415,932	17,510,278	18,926,210

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

COVENTRY FREEMEN'S CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investment property	11		16,262,427		16,063,242
Investments	12		2,789,953		2,728,147
			19,052,380		18,791,389
Current assets					
Debtors	14	51,317		45,889	
Cash at bank and in hand		292,219		129,204	
		343,536		175,093	
Creditors: amounts falling due within one year	15	(43,192)		(40,272)	
Net current assets			300,344		134,821
Total assets less current liabilities			19,352,724		18,926,210
Capital funds					
Endowment funds - general	16		17,592,252		17,510,278
Income funds					
Unrestricted funds			1,760,472		1,415,932
			19,352,724		18,926,210

The financial statements were approved by the Trustees on 17/7/2024

.....

Trustee

COVENTRY FREEMEN'S CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(829,740)		(875,295)
Investing activities					
Investment income		1,000,564		880,728	
Income from listed investments		95,357		91,643	
Interest receivable		3,277		360	
Purchase of investment property		(199,185)		(173,242)	
Purchase of other investments		(343,658)		(460,010)	
Proceeds on disposal of other investments		436,400		532,225	
Net cash generated from investing activities			992,755		871,704
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			163,015		(3,591)
Cash and cash equivalents at beginning of year			129,204		132,795
Cash and cash equivalents at end of year			292,219		129,204
Analysis of cash and cash equivalents					
Bank balances and short term deposits			292,219		129,204

1 Accounting policies

Charity information

Coventry Freemen's Charity is a charitable trust constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978. See reference in the trustees' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

Rental income from operating leases is recognised in the statement of financial activities on a straight-line basis over the lease term

1 **Accounting policies** **(Continued)**

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.
- Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

1.6 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The charity is not liable to income tax on it's charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Total
	2023	2022
	£	£
Legacies received	70,000	-

4 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	1,000,380	880,544
Income from listed investments	95,357	91,643
Building leases	60	60
Acknowledgements	124	124
Interest receivable	3,277	360
	1,099,198	972,731

Income from investment income was wholly attributable to unrestricted funds in the current and preceding year.

5 Charitable activities

	2023 £	2022 £
Investment brokers	5,391	5,511
Commissions paid	82,853	73,845
Property repairs	123,300	117,812
Rates and water	1,971	12,050
Light and heat	3,929	2,571
Surveyors fees	37,209	34,834
Legal fees	12,672	21,311
Seniority payments	525,812	511,364
Insurance	44,102	37,962
Bad debt	11,668	9,821
	848,907	827,081
Share of support costs (see note 6)	26,755	23,654
Share of governance costs (see note 6)	21,570	20,652
	897,232	871,387

Expenses within charitable activities was wholly attributable to unrestricted funds in the current and preceding year.

6 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Seniority software	480	-	480	360	-	360
Sundry expenses	2,817	-	2,817	697	-	697
Clerk and finance costs	14,880	-	14,880	14,280	-	14,280
Legal expenses	7,109	-	7,109	6,872	-	6,872
Bank charges	1,469	-	1,469	1,445	-	1,445
Audit fees	-	6,690	6,690	-	6,372	6,372
Clerk and finance costs	-	14,880	14,880	-	14,280	14,280
	26,755	21,570	48,325	23,654	20,652	44,306
Analysed between						
Charitable activities	26,755	21,570	48,325	23,654	20,652	44,306

Governance costs includes payments to the auditors of £6,690 (2022- £6,372) for audit fees.

7 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor 2022.

Trustees' expenses

None of the trustees received any expenses in the year ended 31 December 2023 nor 2022.

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Clerk	1	1

There were no employees whose annual remuneration was more than £60,000.

9 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Endowment funds general 2023 £	Total 2023 £	Total 2022 £
Revaluation of investments	72,574	81,974	154,548	(137,273)
For the year ended 31 December 2022	(57,847)	(79,426)		(137,273)

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Investment property

	2023 £
Fair value	
At 1 January 2023	16,063,242
Additions through external acquisition	199,185
At 31 December 2023	16,262,427

The land and buildings were re-valued by Loveitts, Chartered Surveyors, as at 31st December 2021 on an open market basis in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors.

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	2,728,147
Additions	343,658
Valuation changes	154,548
Disposals	(436,400)
At 31 December 2023	2,789,953
Carrying amount	
At 31 December 2023	2,789,953
At 31 December 2022	2,728,147

13 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	51,317	45,889
Equity instruments measured at fair value	2,789,953	2,728,147
Carrying amount of financial liabilities		
Measured at amortised cost	37,694	38,702

14 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Other debtors	51,317	45,889

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	5,498	1,570
Other creditors	26,568	27,609
Accruals and deferred income	11,126	11,093
	43,192	40,272

16 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

Balance at 1 January 2022	Revaluations gains and losses	Balance at 1 January 2023	Revaluations gains and losses	Balance at 31 December 2023
£	£	£	£	£
17,589,704	(79,426)	17,510,278	81,974	17,592,252
17,589,704	(79,426)	17,510,278	81,974	17,592,252

This fund consists of the original endowment incorporated in the Inclosure Awards dated 2nd November 1860 and dated 22nd June 1875 together with the accumulated gains or losses arising on disposal of the Charity's investments and may only be applied in the acquisition of other investments.

17 Analysis of net assets between funds

	Unrestricted 2023 £	Endowment 2023 £	Total 2023 £	Unrestricted 2022 £	Endowment 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:						
Investment properties	-	16,262,427	16,262,427	-	16,063,242	16,063,242
Investments	1,460,128	1,329,825	2,789,953	1,281,111	1,447,036	2,728,147
Current assets/(liabilities)	300,344	-	300,344	134,821	-	134,821
	1,760,472	17,592,252	19,352,724	1,415,932	17,510,278	18,926,210

18 Financial commitments, guarantees and contingent liabilities

Commitments of £56,938 (2022: nil) for a replacement roof on a property owned by the charity have been contracted but not provided for in the financial statements.

19 Operating lease commitments

Lessor

The operating leases represent leases of varying terms to third parties. Some of the leases include a provision for periodic upward rent reviews according to prevailing market conditions.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2023 £	2022 £
Within one year	472,631	373,901
Between two and five years	1,077,264	992,842
In over five years	2,369,138	2,472,782
	3,919,033	3,839,525

20 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

P Rosier a trustee of the charity is a shareholder of Loveitts, the property management company. Loveitts charged management commission and fees of £120,061 (2022 - £125,233).

At the balance sheet date, Loveitts owed the charity £1,640 (2022 - £0) in fee credits. Loveitts also hold £5,000 (2022 - £5,000) within a client account for the charity.

21	Cash generated from operations	2023	2022
		£	£
	Surplus/(deficit) for the year	426,514	(35,929)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,099,198)	(972,731)
	Fair value gains and losses on investments	(154,548)	137,273
	Movements in working capital:		
	(Increase) in debtors	(5,428)	(9,266)
	Increase in creditors	2,920	5,358
	Cash absorbed by operations	(829,740)	(875,295)

22 Analysis of changes in net funds

	At 1 January 2023	Cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	129,204	163,015	292,219
	129,204	163,015	292,219
	129,204	163,015	292,219

THE COVENTRY FREEMEN'S CHARITY

England & Wales - Charity number 229237

Accounts

Charity registration number 229237

COVENTRY FREEMEN'S CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

COVENTRY FREEMEN'S CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Handford	
	Mr D Mason	
	Mr J Parry	
	Mr M Rawson	
	Mr R Smith	
	Mr G M Wilkinson	
	Mr D Bullman	
	Mr D C Mander	
	Mr P Rosier	
	Mr R Bansal	(Appointed 25 November 2022)
	Mr J Wilkinson	(Appointed 25 November 2022)
	Mr S J Rawson	(Appointed 25 November 2022)
Charity number	229237	
Registered office	3Mc Middlemarch Business Park Siskin Drive Coventry CV3 4FJ	
Auditor	Dafferns LLP Harry Weston Road Binley Business Park Coventry United Kingdom CV3 2UB	
Bankers	HSBC 55 Corporation Street Coventry CV1 1QJ	
Solicitors	Mander Hadley Limited Solicitors 1 The Quadrant Coventry West Midlands United Kingdom CV1 2DW	
Investment advisors	Quilter Cheviot Ltd Provincial House 37 New Walk Leicester LE1 6TU United Kingdom	

COVENTRY FREEMEN'S CHARITY

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Balance sheet	9
Statement of cash flows	10
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COVENTRY FREEMEN'S CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (effective 1 January 2019).

Objectives and activities

The aims and objectives of the Charity for the period under review were as follows:-

a] The payment of pensions to needy Freemen of the City of Coventry and their dependants and the widows, widowers and other former dependants of a deceased Freeman, who are resident within the existing boundary of the City of Coventry, or within a radius of seven miles from St Mary's Hall.

b] Relief in need, relieving either generally or individually, persons having similar types of qualifications to the pensioners of the Charity.

The trustees have considered the Charity Commission's general guidance on public benefit and consider that the charity has achieved its objectives during the period under review.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Pensioners

The number of persons receiving pensions under (a) above at 31st December 2022 was 2,563. This was made up of Freemen and women 1,929, Widows 626, and special cases 8.

Payments made to pensioners totalled £511,364 which compares with £524,090 in 2021.

During the year no additional relief was granted (2021 - nil).

After discharging all liabilities and taking into account adjustments for gains and losses on both investments and investment properties, the Charity was left with a deficit of £35,929 as shown in the Statement of Financial Activities, on page 7.

The rest of the Charity's Financial Statements are explained in the notes on pages 10 to 19 and there are no items requiring special attention.

Fundraising Regulator Statement of Compliance

Coventry Freemen's Charity does not contract with a third party to undertake any fundraising on its behalf. Hence, we have received no fundraising complaints during the year.

Investment performance

The charity continued to perform well when measured against its targets and objectives for the year.

The principal objective of paying pensions and hardship alleviation to freemen was made possible by the continuing generation of income from the property and investment portfolio. The portfolios of property and investments continued to generate sufficient returns to enable the principal objectives to be met, and the trustees consider that performance was satisfactory for the year.

Bad debts relating to rental income of £9,821 (2021, £0) were written off during the year.

Financial review

Investment policy and objectives
There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees for a period of five years and takes account of recent demand for funds. The Trustees consider the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the endowment fund is to be invested in low and medium risk investments with a view to ensuring that capital appreciation of the fund exceeds inflation over each five year period. The unrestricted and restricted funds may be invested in any type of investment. Our strategy is reviewed with our investment managers annually.

The Charity has a broad based investment policy and relies on the advice of its brokers Quilter Cheviot Limited for the management of its investments. The instructions given are to invest for income and medium to low risk stocks. The Charity has considerable investments in properties which are managed by the surveyors, Loveitts. The Trustees are satisfied that the income and capital value of all investments has risen during the year in line with known market indices.

The Charity's investment managers are committed to responsible investment and consider social, environmental and ethical factors in their investment strategy.

Reserves policy
The endowment funds represent the capital of the Charity upon formation which is to be maintained indefinitely. It is intended that the level of unrestricted funds represented by accumulated surpluses are to equate to at least one year's expenditure but not more than two. This is considered a prudent level of unrestricted reserves, since it allows current commitments to be met whilst maintaining the flexibility to deal with unforeseen events.

The current reserves are £1,415,932 in the unrestricted fund which are the free reserves and £17,510,278 on the endowment fund. The total funds held were £18,926,210. These are held to enable the charity to meet its ongoing commitment to members. No funds had been designated as at the year end. There were no programme related investments at the year end. The unrestricted funds held are in accordance with the reserves policy,

Sources of funding
The main source of funding continued to be the property and investment portfolio.

Risk management
The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risk management is reviewed annually by the Trustees.

New and future developments
There have been no major new developments in the year and the Trustees at present envisage that the Charity will continue to operate in the future in its present form.

Structure, governance and management
The Charity is constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978 embracing the charities formerly known as:

a. The Freemen's Seniority Fund
b. The Estates of the Freemen and Widows of Freemen of the City of Coventry
c. The Estates of the Freemen of the City of Coventry.

COVENTRY FREEMEN'S CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees
The trustees who served during the year were:

Mr D Handford	
Mr D Mason	
Mr J Parry	
Mr M Rawson	
Mr K Talbot	(Resigned 25 March 2022)
Mr R Taylor	(Resigned 25 March 2022)
Mr R Smith	
Mr G M Wilkinson	
Mr D Bullman	
Mr D C Mander	
Mr P Rosier	
Mr R Bansal	(Appointed 25 November 2022)
Mr J Wilkinson	(Appointed 25 November 2022)
Mr S J Rawson	(Appointed 25 November 2022)

How decisions are made
The board of trustees meets regularly for the purposes of discussing the charity's affairs and decision making.

Induction and training of trustees
New trustees undergo a period of orientation to brief them on their legal obligations under charity law, the content of the governing document, the committee and decision making processes, the business plan and recent financial performance of the Charity. During the induction they meet key personnel and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The trustees' report was approved by the Board of Trustees.

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Trustee
Dated: 28.07.23

COVENTRY FREEMEN'S CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees are responsible for preparing the Trustees' Report 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

COVENTRY FREEMEN'S CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Opinion

We have audited the financial statements of Coventry Freemen's Charity (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend 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 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 is detailed below:

- Enquiry of management and those charged with governance around actual and potential litifation and claims
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations/
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 responsibiiities is available on the FRC's website at: https://www.frc.org.uk/ auditorsresponsibilities .This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dafferns LLP

.....

Chartered Accountants
Statutory Auditor

Harry Weston Road
Binley Business Park
Coventry
United Kingdom
CV3 2UB

Dafferns 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.

COVENTRY FREEMEN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Income from:							
Investments	3	972,731	-	972,731	933,769	-	933,769
Expenditure on:							
Charitable activities	4	871,387	-	871,387	771,387	-	771,387
Net gains/(losses) on investments	8	(57,847)	(79,426)	(137,273)	95,270	2,754,105	2,849,375
Net movement in funds		43,497	(79,426)	(35,929)	257,652	2,754,105	3,011,757
Fund balances at 1 January 2022		1,372,435	17,589,704	18,962,139	1,114,783	14,835,599	15,950,382
Fund balances at 31 December 2022		1,415,932	17,510,278	18,926,210	1,372,435	17,589,704	18,962,139

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

COVENTRY FREEMEN'S CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investment properties	9		16,063,242		15,890,000
Investments	10		2,728,147		2,937,635
			18,791,389		18,827,635
Current assets					
Debtors	12	45,889		36,623	
Cash at bank and in hand		129,204		132,795	
		175,093		169,418	
Creditors: amounts falling due within one year	13	(40,272)		(34,914)	
Net current assets			134,821		134,504
Total assets less current liabilities			18,926,210		18,962,139
Capital funds					
Endowment funds - general	14		17,510,278		17,589,704
Income funds					
Unrestricted funds			1,415,932		1,372,435
			18,926,210		18,962,139

The financial statements were approved by the Trustees on 28.07.23

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Trustee

COVENTRY FREEMEN'S CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash absorbed by operations	18		(875,295)		(767,573)
Investing activities					
Investment income		880,728		829,026	
Income from listed investments		91,643		104,293	
Interest receivable		360		450	
Purchase of investment property		(173,242)		(725,491)	
Purchase of other investments		(460,010)		(299,393)	
Proceeds on disposal of other investments		532,225		849,219	
Net cash generated from investing activities			871,704		758,104
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(3,591)		(9,469)
Cash and cash equivalents at beginning of year			132,795		142,264
Cash and cash equivalents at end of year			129,204		132,795

1 Accounting policies

Charity information

Coventry Freemen's Charity is a charitable trust constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978. See reference in the trustees' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

Rental income from operating leases is recognised in the statement of financial activities on a straight-line basis over the lease term

1 Accounting policies **(Continued)**

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.
- Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The charity is not liable to income tax on it's charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Rental income	880,544	828,842
Income from listed investments	91,643	104,293
Building leases	60	60
Acknowledgements	124	124
Interest receivable	360	450
	972,731	933,769

Income from investment income was wholly attributable to unrestricted funds in the current and preceding year.

4 Charitable activities

	2022 £	2021 £
Investment brokers	5,511	5,944
Commissions paid	73,845	73,944
Property repairs	117,812	72,353
Rates and water	12,050	12,023
Light and heat	2,571	1,511
Surveyors fees	34,834	12,490
Legal fees	21,311	(6,854)
Seniority payments	511,364	524,090
Insurance	37,962	35,633
Bad debt	9,821	-
	827,081	731,134
Share of support costs (see note 5)	23,654	19,697
Share of governance costs (see note 5)	20,652	20,556
	871,387	771,387

Expenses within charitable activities was wholly attributable to unrestricted funds in the current and preceding year.

5 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Seniority software	360	-	360	360	-	360
Sundry expenses	697	-	697	-	-	-
Clerk's salary	14,280	-	14,280	13,680	-	13,680
Legal expenses	6,872	-	6,872	4,248	-	4,248
Bank charges	1,445	-	1,445	1,409	-	1,409
Audit fees	-	6,372	6,372	-	6,876	6,876
Clerk's salary	-	14,280	14,280	-	13,680	13,680
	23,654	20,652	44,306	19,697	20,556	40,253
Analysed between						
Charitable activities	23,654	20,652	44,306	19,697	20,556	40,253

Governance costs includes payments to the auditors of £6,372 (2021- £6,876) for audit fees.

6 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor 2021.

Trustees' expenses

None of the trustees received any expenses in the year ended 31 December 2022 nor 2021.

7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Clerk	1	1

There were no employees whose annual remuneration was more than £60,000.

8 Net gains/(losses) on investments

	Unrestricted funds 2022 £	Endowment funds general 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds general 2021 £	Total 2021 £
Revaluation of investments	(57,847)	(79,426)	(137,273)	95,270	218,407	313,677
Revaluation of investment properties	-	-	-	-	2,535,698	2,535,698
	(57,847)	(79,426)	(137,273)	95,270	2,754,105	2,849,375

9 Investment property

	2022 £
Fair value	
At 1 January 2022	15,890,000
Additions through external acquisition	173,242
At 31 December 2022	16,063,242

The land and buildings were re-valued by Loveitts, Chartered Surveyors, as at 31st December 2021 on an open market basis in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors.

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	2,937,635
Additions	460,010
Valuation changes	(137,273)
Disposals	(532,225)
At 31 December 2022	2,728,147
Carrying amount	
At 31 December 2022	2,728,147
At 31 December 2021	2,937,635

11	**Financial instruments**	**2022**	**2021**
		£	**£**
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	45,889	36,623
	Equity instruments measured at fair value	2,728,147	2,937,635
	Carrying amount of financial liabilities		
	Measured at fair value through profit or loss		
	Measured at amortised cost	38,702	33,560

12	**Debtors**		
		2022	**2021**
	Amounts falling due within one year:	**£**	**£**
	Other debtors	45,889	36,623

13	**Creditors: amounts falling due within one year**		
		2022	**2021**
		£	**£**
	Other taxation and social security	1,570	1,354
	Other creditors	27,609	18,706
	Accruals and deferred income	11,093	14,854
		40,272	34,914

14 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment fu
of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fu

	Movement in funds					Mc	
Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and1 losses	Balance at January 2022	Incoming resources	Re e:
£	£	£	£	£	£	£	
14,835,599	-	-	-	2,754,105	17,589,704	-	
14,835,599	-	-	-	2,754,105	17,589,704	-	

This fund consists of the original endowment incorporated in the Inclosure Awards dated 2nd November 1860 and datec
gains or losses arising on disposal of the Charity's investments and may only be applied in the acquisition of other invest

15 Analysis of net assets between funds

	Unrestricted 2022	Endowment 2022	Total 2022	Unrestricted 2021	Endowment 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:						
Investment properties	-	16,063,242	16,063,242	-	15,890,000	15,890,000
Investments	1,281,295	1,446,852	2,728,147	1,237,931	1,699,704	2,937,635
Current assets/(liabilities)	134,821	-	134,821	134,504	-	134,504
	1,416,116	17,510,094	18,926,210	1,372,435	17,589,704	18,962,139

16 Operating lease commitments

Lessor

The operating leases represent leases of varying terms to third parties. Some of the leases include a provision for periodic upward rent reviews according to prevailing market conditions.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2022	2021
	£	£
Within one year	373,901	392,772
Between two and five years	992,842	847,952
In over five years	2,472,782	2,099,154
	3,839,525	3,339,878

17 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

P Rosier a trustee of the charity is a shareholder of Loveitts, the property management company. Loveitts charged management commission and fees of £125,233 (2021 - £86,434).

18	Cash generated from operations	2022 £	2021 £
	(Deficit)/surplus for the year	(35,929)	3,011,757
	Adjustments for:		
	Investment income recognised in statement of financial activities	(972,731)	(933,769)
	Fair value gains and losses on investment properties	-	(2,535,698)
	Fair value gains and losses on investments	137,273	(313,677)
	Movements in working capital:		
	(Increase)/decrease in debtors	(9,266)	5,491
	Increase/(decrease) in creditors	5,358	(1,677)
	Cash absorbed by operations	(875,295)	(767,573)

THE COVENTRY FREEMEN'S CHARITY

England & Wales - Charity number 229237

Accounts

Charity Registration No. 229237

COVENTRY FREEMEN'S CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

COVENTRY FREEMEN'S CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Handford Mr D Mason Mr J Parry Mr M Rawson Mr R Smith Mr G M Wilkinson Mr D Bullman Mr D C Mander Mr P Rosier
Charity number	229237
Registered office	3Mc Middlemarch Business Park Siskin Drive Coventry CV3 4FJ
Auditor	Dafferns LLP Harry Weston Road Binley Business Park Coventry United Kingdom CV3 2UB
Bankers	HSBC 55 Corporation Street Coventry CV1 1QJ
Solicitors	Mander Hadley Limited Solicitors 1 The Quadrant Coventry West Midlands United Kingdom CV1 2DW
Investment advisors	Quilter Cheviot Ltd Provincial House 37 New Walk Leicester LE1 6TU United Kingdom

COVENTRY FREEMEN'S CHARITY

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COVENTRY FREEMEN'S CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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) (effective 1 January 2019)".

Objectives and activities

The aims and objectives of the Charity for the period under review were as follows:-

a] The payment of pensions to needy Freemen of the City of Coventry and their dependants and the widows, widowers and other former dependants of a deceased Freeman, who are resident within the existing boundary of the City of Coventry, or within a radius of seven miles from St Mary's Hall.

b] Relief in need, relieving either generally or individually, persons having similar types of qualifications to the pensioners of the Charity.

The trustees have considered the Charity Commission's general guidance on public benefit and consider that the charity has achieved its objectives during the period under review.
The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Pensioners

The number of persons receiving pensions under (a) above at 31st December 2021 was 2,618. This was made up of Freemen and women 1,989, Widows 621, and special cases 8.

Payments made to pensioners totalled £524,090 which compares with £568,812 in 2020.

During the year no additional relief was granted (2020 - nil).

After discharging all liabilities and taking into account adjustments for gains and losses on both investments and investment properties, the Charity was left with a surplus of £3,011,757 as shown in the Statement of Financial Activities, on page 8.

The rest of the Charity's Financial Statements are explained in the notes on pages 11 to 20 and there are no items requiring special attention.

Fundraising Regulator Statement of Compliance

Coventry Freemen's Charity does not contract with a third party to undertake any fundraising on its behalf. Hence, we have received no fundraising complaints during the year.

Investment performance

The charity continued to perform well when measured against its targets and objectives for the year.

The principal objective of paying pensions and hardship alleviation to freemen was made possible by the continuing generation of income from the property and investment portfolio. The portfolios of property and investments continued to generate sufficient returns to enable the principal objectives to be met, and the trustees consider that performance was satisfactory for the year.

Bad debts relating to ground rents of £0 (2020, £40) were written off during the year.

Financial review

Investment policy and objectives
There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees for a period of five years and takes account of recent demand for funds. The Trustees consider the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the endowment fund is to be invested in low and medium risk investments with a view to ensuring that capital appreciation of the fund exceeds inflation over each five year period. The unrestricted and restricted funds may be invested in any type of investment. Our strategy is reviewed with our investment managers annually.

The Charity has a broad based investment policy and relies on the advice of its brokers Quilter Cheviot Limited for the management of its investments. The instructions given are to invest for income and medium to low risk stocks. The Charity has considerable investments in properties which are managed by the surveyors, Loveitts. The Trustees are satisfied that the income and capital value of all investments has risen during the year in line with known market indices.

Reserves policy
The endowment funds represent the capital of the Charity upon formation which is to be maintained indefinitely. It is intended that the level of unrestricted funds represented by accumulated surpluses are to equate to at least one year's expenditure but not more than two. This is considered a prudent level of unrestricted reserves, since it allows current commitments to be met whilst maintaining the flexibility to deal with unforeseen events.

The current reserves are £1,372,435 in the unrestricted fund which are the free reserves and £17,589,704 on the endowment fund. The total funds held were £18,962,139. These are held to enable the charity to meet its ongoing commitment to members. No funds had been designated as at the year end. There were no programme related investments at the year end. The unrestricted funds held are in accordance with the reserves policy,

Sources of funding
The main source of funding continued to be the property and investment portfolio.

Risk management
The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risk management is reviewed annually by the Trustees.

New and future developments
There have been no major new developments in the year and the Trustees at present envisage that the Charity will continue to operate in the future in its present form.

Structure, governance and management
The Charity is constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978 embracing the charities formerly known as:

a. The Freemen's Seniority Fund
b. The Estates of the Freemen and Widows of Freemen of the City of Coventry
c. The Estates of the Freemen of the City of Coventry.

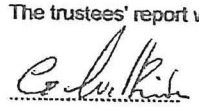
Trustees
The trustees who served during the year were:

Mr D Handford	
Mr D Mason	
Mr J Milne	(Resigned 26 November 2021)
Mr J Parry	
Mr M Rawson	
Mr K Talbot	(Resigned 25 March 2022)
Mr R Taylor	(Resigned 25 March 2022)
Mr R Smith	
Mr G M Wilkinson	
Mr D Bullman	
Mr D F Evans	(Resigned 28 May 2021)
Mr D C Mander	
Mr P Rosier	

How decisions are made
The board of trustees meets regularly for the purposes of discussing the charity's affairs and decision making.

Induction and training of trustees
New trustees undergo a period of orientation to brief them on their legal obligations under charity law, the content of the governing document, the committee and decision making processes, the business plan and recent financial performance of the Charity. During the induction they meet key personnel and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The trustees' report was approved by the Board of Trustees.



Trustee
Dated: 13.10.22

COVENTRY FREEMEN'S CHARITY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Trustees' Report 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

COVENTRY FREEMEN'S CHARITY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Opinion

We have audited the financial statements of Coventry Freemen's Charity (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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.

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 trustees' 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 trustees 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend 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 regulations 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dafferns LLP

13 October 2022

Chartered Accountants
Statutory Auditor

Harry Weston Road
Binley Business Park
Coventry
United Kingdom
CV3 2UB

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

COVENTRY FREEMEN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Income from:							
Investments	3	933,769	-	933,769	912,806	-	912,806
Expenditure on:							
Charitable activities	4	771,387	-	771,387	1,061,341	-	1,061,341
Net gains/(losses) on investments	8	95,270	2,754,105	2,849,375	(59,001)	(123,633)	(182,634)
Net movement in funds		257,652	2,754,105	3,011,757	(207,536)	(123,633)	(331,169)
Fund balances at 1 January 2021		1,114,783	14,835,599	15,950,382	1,322,319	14,959,232	16,281,551
Fund balances at 31 December 2021		1,372,435	17,589,704	18,962,139	1,114,783	14,835,599	15,950,382

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

COVENTRY FREEMEN'S CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investment properties	9		15,890,000		12,628,811
Investments	10		2,937,635		3,173,784
			18,827,635		15,802,595
Current assets					
Debtors	12	36,623		42,114	
Cash at bank and in hand		132,795		142,264	
		169,418		184,378	
Creditors: amounts falling due within one year	13	(34,914)		(36,591)	
Net current assets			134,504		147,787
Total assets less current liabilities			18,962,139		15,950,382
Capital funds					
Endowment funds - general	14		17,589,704		14,835,599
Income funds					
Unrestricted funds			1,372,435		1,114,783
			18,962,139		15,950,382

The financial statements were approved by the Trustees on 13.10.22

Trustee

COVENTRY FREEMEN'S CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash absorbed by operations	18		(767,573)		(950,017)
Investing activities					
Purchase of investment property		(725,491)		-	
Purchase of other investments		(299,393)		(183,627)	
Proceeds on disposal of other investments		849,219		262,488	
Investment income received		933,769		912,806	
Net cash generated from investing activities			758,104		991,667
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(9,469)		41,650
Cash and cash equivalents at beginning of year			142,264		100,614
Cash and cash equivalents at end of year			132,795		142,264

1 Accounting policies

Charity information

Coventry Freemen's Charity is a charitable trust constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978. See reference in the trustees' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.
- Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.
The analysis of these costs is included in note 5.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The charity is not liable to income tax on it's charitable activities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Rental income	828,842	814,516
Income from listed investments	104,293	97,457
Building leases	60	60
Acknowledgements	124	124
Interest receivable	450	649
	933,769	912,806

Income from investment income was wholly attributable to unrestricted funds in the current and preceding year.

4 Charitable activities

	2021	**2020**
	£	**£**
Investment brokers	5,944	5,906
Commissions paid	73,944	72,732
Property repairs	72,353	278,350
Rates and water	12,023	4,301
Light and heat	1,511	4,012
Surveyors fees	12,490	25,760
Legal fees	(6,854)	22,509
Seniority payments	524,090	543,312
Death benefit payments	-	25,500
Insurance	35,633	34,173
Bad debt	-	40
	731,134	1,016,595
Share of support costs (see note 5)	19,697	25,726
Share of governance costs (see note 5)	20,556	19,020
	771,387	1,061,341

Expenses within charitable activities was wholly attributable to unrestricted funds in the current and preceding year.

5 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Seniority software	360	-	360	360	-	360
Sundry expenses	-	-	-	3,889	-	3,889
Clerk's salary	13,680	-	13,680	13,680	-	13,680
Legal expenses	4,248	-	4,248	7,073	-	7,073
Bank charges	1,409	-	1,409	724	-	724
Audit fees	-	6,876	6,876	-	5,340	5,340
Clerk's salary	-	13,680	13,680	-	13,680	13,680
	19,697	20,556	40,253	25,726	19,020	44,746
Analysed between						
Charitable activities	19,697	20,556	40,253	25,726	19,020	44,746

Governance costs includes payments to the auditors of £6,876 (2020- £5,340) for audit fees.

6 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor 2020.

Trustees' expenses
None of the trustees received any expenses in the year ended 31 December 2021 nor 2020.

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Clerk	1	1

There were no employees whose annual remuneration was £60,000 or more.

8 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Endowment funds general 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds general 2020 £	Total 2020 £
Revaluation of investments	95,270	218,407	313,677	(59,001)	(123,633)	(182,634)
Revaluation of investment properties	-	2,535,698	2,535,698	-	-	-
	95,270	2,754,105	2,849,375	(59,001)	(123,633)	(182,634)

9 Investment property

	2021 £
Fair value	
At 1 January 2021	12,628,811
Additions through external acquisition	725,491
Net gains or losses through fair value adjustments	2,535,698
At 31 December 2021	15,890,000

The land and buildings were re-valued by Loveitts, Chartered Surveyors, as at 31st December 2021 on an open market basis in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors.

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	3,173,784
Additions	299,393
Valuation changes	313,677
Disposals	(849,219)
At 31 December 2021	2,937,635
Carrying amount	
At 31 December 2021	2,937,635
At 31 December 2020	3,173,784

11 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	36,623	42,114
Equity instruments measured at fair value	2,937,635	3,173,784
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
Measured at amortised cost	33,560	33,565

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	36,623	42,114

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,354	3,026
Other creditors	18,706	18,545
Accruals and deferred income	14,854	15,020
	34,914	36,591

14 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Movement in funds				
Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 December 2021
£	£	£	£	£	£	£	£	£	£	£
14,959,232	-	-	-	132,632	14,835,599	-	-	-	2,754,105	17,589,704
14,959,232	-	-	-	132,632	14,835,599	-	-	-	2,754,105	17,589,704

This fund consists of the original endowment incorporated in the Inclosure Awards dated 2nd November 1860 and dated 22nd June 1875 together with the accumulated gains or losses arising on disposal of the Charity's investments and may only be applied in the acquisition of other investments.

15 Analysis of net assets between funds

	Unrestricted 2021	Endowment 2021	Total 2021	Unrestricted 2020	Endowment 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Investment properties	-	15,890,000	15,890,000	-	12,628,811	12,628,811
Investments	1,237,931	1,699,704	2,937,635	966,996	2,206,788	3,173,784
Current assets/ (liabilities)	134,504	-	134,504	147,787	-	147,787
	1,372,435	17,589,704	18,962,139	1,114,783	14,835,599	15,950,382

16 **Operating lease commitments**

Lessor

The operating leases represent leases of varying terms to third parties. Some of the leases include a provision for periodic upward rent reviews according to prevailing market conditions.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2021	2020
	£	£
Within one year	392,772	356,355
Between two and five years	847,952	999,395
In over five years	2,099,154	2,273,704
	3,339,878	3,629,454

17 **Related party transactions**

Transactions with related parties

P Rosier a trustee of the charity is a shareholder of Loveitts, the property management company. Loveitts charged management commission and fees of £86,434 (2020 - £98,492).

18	**Cash generated from operations**	**2021**	**2020**
		£	**£**
	Surplus/(deficit) for the year	3,011,757	(331,170)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(933,769)	(912,806)
	Fair value gains and losses on investment properties	(2,535,698)	-
	Fair value gains and losses on investments	(313,677)	182,634
	Movements in working capital:		
	Decrease in debtors	5,491	116,631
	(Decrease) in creditors	(1,677)	(5,306)
	Cash absorbed by operations	(767,573)	(950,017)

The Coventry Freemen's Charity

c/o Azets Holdings Limited
3Mc Middlemarch Business Park
Siskin Drive
Coventry
CV3 4FJ

Dafferns LLP
Chartered Accountants
One Eastwood
Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

12th October 2022

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charity's financial statements for the year ended 31 December 2021. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

1 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 14 April 2021, under the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

2 All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.

3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.

4 The financial statements are free of material misstatements, including omissions.

5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

9 The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.

10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

12 We are satisfied that all additions to and disposals of investments made in the year have been recognised in these financial statements.

13 Rent ledger arrears as at 31 December 2021 of £28,325 are considered to be collectable, none of which has been provided against as a bad debt.

14 No accrual is required for Change IT expenditure invoiced after the year-end relating to the refurbishment of 68/70 Albany Road.

Accounting estimates

15 The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Legal claims

16 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Law and regulations

17 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

18 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

19 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

20 We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

21 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

.....

Signed on behalf of the board of trustees

Date 13.10.2022

Coventry Freemen's Charity
Year ended 31 December 2021
Appendix 1 - Unadjusted differences

	If corrected, adjustment would have the following effects:		
	Increase / (decrease) Balance Sheet value	Increase / (decrease) in surplus	Unadjusted
Per statutory accounts	**18,962,139**	**3,011,757**	
No unadjusted differences in year			
	18,962,139	**3,011,757**	(-)

Coventry Freemen's Charity
Year ended 31 December 2021
Appendix 2 - Audit adjustments

		Surplus / deficit	Tax	Retained funds
Surplus / deficit per draft accounts		394,831		16,345,213
1	Property revaluation	2,535,698		2,535,698
2	Capitalisation of refurbishment costs	70,679		70,679
3	Increase in rent arrears owed	10,549		10,549
Surplus / deficit per statutory accounts		**3,011,757**		**18,962,139**

THE COVENTRY FREEMEN'S CHARITY

England & Wales - Charity number 229237

Accounts

Charity Registration No. 229237

COVENTRY FREEMEN'S CHARITY,

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

COVENTRY FREEMEN'S CHARITY,

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Handford Mr D Mason Mr J Milne Mr J Parry Mr M Rawson Mr K Talbot Mr R Taylor Mr R Smith Mr G M Wilkinson Mr D Bullman Mr D F Evans Mr D C Mander Mr P Rosier
Charity number	229237
Registered office	3Mc Middlemarch Business Park Siskin Drive Coventry CV3 4FJ
Auditor	Dafferns LLP Harry Weston Road Binley Business Park Coventry CV3 2UB
Bankers	HSBC 55 Corporation Street Coventry CV1 1QJ
Solicitors	Mander Hadley Limited Solicitors 1 The Quadrant Coventry West Midlands CV1 2DW
Investment advisors	Quilter Cheviot Ltd Provincial House 37 New Walk Leicester LE1 6TU

COVENTRY FREEMEN'S CHARITY,

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COVENTRY FREEMEN'S CHARITY,

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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) (effective 1 January 2019)".

Objectives and activities
The aims and objectives of the Charity for the period under review were as follows:-

a] The payment of pensions to needy Freemen of the City of Coventry and their dependants and the widows, widowers and other former dependants of a deceased Freeman, who are resident within the existing boundary of the City of Coventry, or within a radius of seven miles from St Mary's Hall.

b] Relief in need, relieving either generally or individually, persons having similar types of qualifications to the pensioners of the Charity.

The trustees have considered the Charity Commission's general guidance on public benefit and consider that the charity has achieved its objectives during the period under review.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance
Pensioners
The number of persons receiving pensions under (a) above at 31st December 2020 was 2,671. This was made up of Freemen and women 2,039, Widows 624, and special cases 8.

Payments made to pensioners totalled £568,812 which compares with £584,098 in 2019.

During the year no additional relief was granted compared with £1,000 in 2019.

After discharging all liabilities and taking into account adjustments for gains and losses on both investments and investment properties, the Charity was left with a deficit of £331,169 as shown in the Statement of Financial Activities, on page 8.

The rest of the Charity's Financial Statements are explained in the notes on pages 11 to 19 and there are no items requiring special attention.

Fundraising Regulator Statement of Compliance
Coventry Freemen's Charity does not contract with a third party to undertake any fundraising on its behalf. Hence, we have received no fundraising complaints during the year.

Investment performance
The charity continued to perform well when measured against its targets and objectives for the year.

The principal objective of paying pensions and hardship alleviation to freemen was made possible by the continuing generation of income from the property and investment portfolio. The portfolios of property and investments continued to generate sufficient returns to enable the principal objectives to be met, and the trustees consider that performance was satisfactory for the year.

Bad debts relating to ground rents of £40 (2019, £0) were written off during the year.

Financial review

Investment policy and objectives
There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees for a period of five years and takes account of recent demand for funds. The Trustees consider the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the endowment fund is to be invested in low and medium risk investments with a view to ensuring that capital appreciation of the fund exceeds inflation over each five year period. The unrestricted and restricted funds may be invested in any type of investment. Our strategy is reviewed with our investment managers annually.

The Charity has a broad based investment policy and relies on the advice of its brokers Quilter Cheviot Limited for the management of its investments. The instructions given are to invest for income and medium to low risk stocks. The Charity has considerable investments in properties which are managed by the surveyors, Loveitts. The Trustees are satisfied that the income and capital value of all investments has risen during the year in line with known market indices.

Reserves policy
The endowment funds represent the capital of the Charity upon formation which is to be maintained indefinitely. It is intended that the level of unrestricted funds represented by accumulated surpluses are to equate to at least one year's expenditure but not more than two. This is considered a prudent level of unrestricted reserves, since it allows current commitments to be met whilst maintaining the flexibility to deal with unforeseen events.

The current reserves are £1,114,783 in the unrestricted fund which are the free reserves and £14,835,599 on the endowment fund. The total funds held were £15,950,382. These are held to enable the charity to meet its ongoing commitment to members. No funds had been designated as at the year end. There were no programme related investments at the year end. The unrestricted funds held are in accordance with the reserves policy,

Sources of funding
The main source of funding continued to be the property and investment portfolio.

Risk management
The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risk management is reviewed annually by the Trustees.

New and future developments
There have been no major new developments in the year and the Trustees at present envisage that the Charity will continue to operate in the future in its present form.

Structure, governance and management
The Charity is constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978 embracing the charities formerly known as:

a. The Freemen's Seniority Fund
b. The Estates of the Freemen and Widows of Freemen of the City of Coventry
c. The Estates of the Freemen of the City of Coventry.

Trustees
The trustees who served during the year were:
Mr D Handford
Mr D Mason
Mr J Milne
Mr J Parry
Mr M Rawson
Mr K Talbot
Mr R Taylor
Mr R Smith
Mr G M Wilkinson
Mr D Bullman
Mr D F Evans
Mr D C Mander
Mr P Rosier

How decisions are made
The board of trustees meets regularly for the purposes of discussing the charity's affairs and decision making.

Induction and training of trustees
New trustees undergo a period of orientation to brief them on their legal obligations under charity law, the content of the governing document, the committee and decision making processes, the business plan and recent financial performance of the Charity. During the induction they meet key personnel and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The trustees' report was approved by the Board of Trustees.

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Trustee
Dated: 24/9/21

COVENTRY FREEMEN'S CHARITY,

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees are responsible for preparing the Trustees' Report 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

COVENTRY FREEMEN'S CHARITY,

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COVENTRY FREEMEN'S CHARITY,

Opinion

We have audited the financial statements of Coventry Freemen's Charity, (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' 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 trustees 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend 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 regulations 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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: 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 trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dafferns LLP

18/10/2021

Dafferns LLP

Chartered Accountants
Statutory Auditor

Harry Weston Road
Binley Business Park
Coventry
CV3 2UB

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

COVENTRY FREEMEN'S CHARITY,

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
Income from:					
Investments	3	912,806	-	912,806	909,737
Expenditure on:					
Charitable activities	4	1,061,341	-	1,061,341	900,656
Net of incoming and outgoings		(148,535)	-	(148,535)	9,081
Net gains/(losses) on investments	8	(59,001)	(123,633)	(182,634)	413,302
Net movement in funds		(207,536)	(123,633)	(331,169)	422,383
Fund balances at 1 January 2020		1,322,319	14,959,232	16,281,551	15,859,167
Fund balances at 31 December 2020		1,114,783	14,835,599	15,950,382	16,281,550

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

COVENTRY FREEMEN'S CHARITY,

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Investment properties	9		12,628,811		12,628,811
Investments	10		3,173,784		3,435,277
			15,802,595		16,064,088
Current assets					
Debtors	12	42,114		158,745	
Cash at bank and in hand		142,264		100,614	
		184,378		259,359	
Creditors: amounts falling due within one year	13	(36,591)		(41,897)	
Net current assets			147,787		217,462
Total assets less current liabilities			15,950,382		16,281,550
Capital funds					
Endowment funds - general	14		14,835,599		14,959,231
Income funds					
Unrestricted funds			1,114,783		1,322,319
Total charity funds			15,950,382		16,281,550

The accounts were approved by the Trustees on 21/9/21

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Trustee

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Trustee

COVENTRY FREEMEN'S CHARITY,

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash absorbed by operations	18		(950,016)		(962,335)
Investing activities					
Investment income		912,806		909,737	
Purchase of investments		(183,628)		(718,795)	
Proceeds on disposal of investments		262,488		720,995	
Net cash generated from investing activities			991,666		911,937
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			41,650		(50,398)
Cash and cash equivalents at beginning of year			100,614		151,012
Cash and cash equivalents at end of year			142,264		100,614

1 Accounting policies

Charity information

Coventry Freemen's Charity, is a charitable trust constituted under a scheme ordered by the Charity Commissioners for England and Wales sealed on 29th December 1978. See reference in the trustees' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.
- Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.
The analysis of these costs is included in note 5.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The charity is not liable to income tax on it's charitable activities.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Rental income	814,516	781,034
Investment income	97,457	128,062
Building leases	60	60
Acknowledgements	124	124
Interest receivable	649	457
	912,806	909,737

Income from investment income was wholly attributable to unrestricted funds in the current and preceding year.

4 Charitable activities

	2020	**2019**
	£	**£**
Investment brokers	5,906	6,065
Commissions paid	72,732	69,087
Property repairs	278,350	103,463
Rates and water	4,301	470
Light and heat	4,012	2,884
Surveyors fees	25,760	16,909
Legal fees	22,509	43,814
Seniority payments	543,312	558,098
Death benefit payments	25,500	26,000
Insurance	34,173	32,131
Bad debt	40	-
	1,016,595	858,921
Share of support costs (see note 5)	25,726	22,715
Share of governance costs (see note 5)	19,020	19,020
	1,061,341	900,656

Expenses within charitable activities was wholly attributable to unrestricted funds in the current and preceding year.

5 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Seniority software	360	-	360	360	Actual
Sundry expenses	3,889	-	3,889	554	Actual
Clerk's salary	13,680	-	13,680	13,680	Actual
Legal expenses	7,073	-	7,073	7,237	Actual
Bank charges	724	-	724	884	Actual
Audit fees	-	5,340	5,340	5,340	Governance
Clerk's salary	-	13,680	13,680	13,680	Governance
	25,726	19,020	44,746	41,735	
Analysed between					
Charitable activities	25,726	19,020	44,746	41,735	

Governance costs includes payments to the auditors of £5,340 (2019- £5,340) for audit fees.

6 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor 2019.

Trustees' expenses
None of the trustees received any expenses in the year ended 31 December 2020 nor 2019.

7 Employees

Number of employees
The average monthly number of employees during the year was:

	2020 Number	2019 Number
Clerk	1	1

There were no employees whose annual remuneration was £60,000 or more.

8 Net gains/(losses) on investments

	Unrestricted funds	Endowment funds general	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Revaluation of investments	(59,001)	(123,633)	(182,634)	413,302
For the year ended 31 December 2019	132,874	280,428		413,302

9 Investment property

	2020
	£
Fair value	
Net gains or losses through fair value adjustments	-
At 1 January 2020 and 31 December 2020	12,628,811

The land and buildings were re-valued by Loveitts, Chartered Surveyors, as at 31st December 2017 on an open market basis in accordance with the guidelines issued by the Royal Institution of Chartered Surveyors. Due to the COVID pandemic the trustees have been able unable to obtain a revised up to date valuation on the land and buildings which was due this year, therefore a formal revaluation will take place in the next financial year.

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	3,435,277
Additions	183,627
Valuation changes	(183,448)
Disposals	(261,672)
At 31 December 2020	3,173,784
Carrying amount	
At 31 December 2020	3,173,784
At 31 December 2019	3,435,277

11 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	42,114	158,745
Equity instruments measured at cost less impairment	3,173,784	3,435,277
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
Measured at amortised cost	33,565	38,779

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	42,114	158,745

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	3,026	3,118
Other creditors	18,545	13,268
Accruals and deferred income	15,020	25,511
	36,591	41,897

14 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

		Movement in funds			
Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 December 2020
£	£	£	£	£	£
14,959,231	-	(123,632)	-	-	14,835,599
14,959,231	-	(123,632)	-	-	14,835,599

This fund consists of the original endowment incorporated in the Inclosure Awards dated 2nd November 1860 and dated 22nd June 1875 together with the accumulated gains or losses arising on disposal of the Charity's investments and may only be applied in the acquisition of other investments.

15 Analysis of net assets between funds

	Unrestricted	Endowment	Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Investment properties		12,628,811	12,628,811
Investments	966,996	2,206,788	3,173,784
Current assets/(liabilities)	147,787	-	147,787
	1,114,783	14,835,599	15,950,382

16 Operating lease commitments

Lessor

The operating leases represent leases of varying terms to third parties. Some of the leases include a provision for periodic upward rent reviews according to prevailing market conditions.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2020	2019
	£	£
Within one year	818,934	769,633
Between two and five years	999,395	883,154
In over five years	2,273,705	2,405,833
	4,092,034	4,058,620

17 Related party transactions

There were no transactions with related parties within the current or preceding year.

18 Cash generated from operations	2020	2019
	£	£
(Deficit)/surpus for the year	(331,169)	422,383
Adjustments for:		
Investment income recognised in statement of financial activities	(912,806)	(909,737)
Fair value gains and losses on investments	182,634	(413,302)
Movements in working capital:		
Decrease/(increase) in debtors	116,631	(69,814)
(Decrease)/increase in creditors	(5,306)	8,135
Cash absorbed by operations	(950,016)	(962,335)