

THE METROPOLITAN AND CITY POLICE ORPHANS FUND

England & Wales · Charity number 234787

Details

Status Registered

Legal form Other

Registered 1964-05-01

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

Contact

Address METROPOLITAN & CITY OF LONDON
Police Orphans Fun
30 Hazlewell Road
London
SW15 6LH

Phone 02087885140

Email OFFICE@MET-CITYORPHANS.ORG.UK

Website www.met-cityorphans.org.uk

Activities

Objects: (1) TO RELIEVE BENEFICIARIES IN CASES OF NEED OR HARDSHIP.(2) TO ADVANCE THE EDUCATION, PROFESSIONAL OR VOCATIONAL TRAINING OF BENEFICIARIES IN NEED OF FINANCIAL ASSISTANCE, TO INCLUDE EDUCATION AT SCHOOL, COLLEGE OR UNIVERSITY AND EDUCATION OR TRAINING IN MUSIC OR THE ARTS.(3) TO PROMOTE THE HEALTH OF AND RELIEVE SICKNESS, INFIRMITY OR DISABILITY AMONG BENEFICIARIES IN CASES OF NEED, BY THE PROVISION OF MEDICAL TREATMENT AND FINANCIAL ASSISTANCE TO ENABLE THEM TO PARTICIPATE IN HEALTHY RECREATIONAL ACTIVITIES(4) TO HELP THE BENEFICIARIES, ESPECIALLY BUT NOT EXCLUSIVELY, THROUGH LEISURE TIME ACTIVITIES, SO AS TO DEVELOP THEIR SKILLS, CAPACITIES AND CAPABILITIES, TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS MATURE AND RESPONSIBLE INDIVIDUALS.

Activities: To providing grants to necessitous orphans of members of the Metropolitan and City Police Officers to further their educational and welfare needs.

Classification

- **How:** Makes Grants To Individuals
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, People With Disabilities

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,184,565	£1,145,076	£30,834,226	2
2023-12-31	£1,249,938	£1,180,972	£29,520,961	2
2022-12-31	£1,207,961	£1,207,239	£27,479,816	2
2021-12-31	£1,418,138	£1,124,886	£31,336,451	2
2020-12-31	£1,120,192	£1,162,080	£27,755,909	2

Trustees

Name	Role	Appointed
Stephen Davies	Chair	2018-09-18
Andrea O'Donnell		2023-08-01
CONSTABLE DEBBIE DAVIES		2013-08-12
GLEN SMYTH		
GRAHAM GILBERT		2014-08-01
Gavin Gaskain		2018-01-01
Helen Isaac		2023-01-01
Keith Malda		2021-01-01
Lisa Hayden		2024-01-01
Nicholas John		2024-09-01
PETER SMYTH		2012-06-12
Paula Dodds		2020-01-01
Stephen Charles		2025-08-01
Steven George		2025-01-01

Linked charities

- WAR MEMORIAL FUND (234787-1)
- WAR MEMORIAL HOSPITAL FUND (234787-2)
- TWELLS MEMORIAL FUND (234787-3)

THE METROPOLITAN AND CITY POLICE ORPHANS FUND

England & Wales - Charity number 234787

Accounts

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024
FOR
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 6
Report of the Independent Auditors	7 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 22
Detailed Statement of Financial Activities	23 to 24

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

TRUSTEES	G Gilbert D Lawes A O'Donnell G Smyth Q.P.M J Howard (resigned 1.5.25) S Davies G Gaskain K Malda K Gordon (resigned 1.3.24) M Reed P Dodds A Picton (resigned 1.12.24) S Cundy H Isaac D Slade L Hayden N John (appointed 14.1.25) S George (appointed 14.1.25)
PRINCIPAL ADDRESS	30 Hazlewell Road Putney London SW15 6LH
REGISTERED CHARITY NUMBER	234787
AUDITORS	George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street London SW1V 4PS
WEBSITE:	https://www.met-cityorphans.org.uk/
CHIEF EXECUTIVE OFFICER (CEO):	P. Smyth
DEPUTY CEO:	D. Davies

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees present their report with the financial statements of the charity for the year ended 31st December 2024. The trustees have adopted the provisions of 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).

ORIGINS

The Charity (**Charity Number 234787**) was founded in 1870, and was formerly known as **THE METROPOLITAN AND CITY POLICE ORPHANAGE**. With the approval of the Charity Commission, the orphanage closed on 31st July 1937. On the following day the **Metropolitan and City Police Orphans Fund** came into being.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To relieve beneficiaries in cases of need or hardship.
2. To advance the education, professional or vocational training of beneficiaries in need of financial assistance, to include education at school, college or university and education or training in music or the arts.
3. To promote the health of and relieve sickness, infirmity or disability among beneficiaries in cases of need, by the provision of medical treatment and financial assistance to enable them to participate in healthy recreational activities.
4. To help the beneficiaries, especially but not exclusively, through leisure time activities, so as to develop their skills, capacities and capabilities, to enable them to participate in society as mature and responsible individuals.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In order to carry out the Charity's aim for the public benefit, the Trustees award grants and allowances to cover the different circumstances of those in need:

Bereavement Payment is given to families immediately upon the death of a serving officer.

Compassionate Allowance is awarded to children of police officers of the Metropolitan Police Service ("the MPS") and the City of London Police who have not completed their education where one or both of whose police parent are dead, disabled or incapacitated, or in the judgement of the Trustees, is incapable of materially contributing to their own family's support due to sickness, infirmity or disability; or in exceptional cases, persons who have ceased to be beneficiaries on completion of their education but who in the opinion of the Trustees remain in need of assistance.

Education Grants are awarded to children for any educational purpose which in the opinion of the Trustees is likely to contribute to the spiritual, moral, mental or physical development of the child. We also award a Discretionary Grant to help with the payment of tuition fees.

Clothing Grant is awarded to children who are leaving full time education to seek employment. The grant is awarded for financial assistance in the purchase of clothing for employment interviews.

Holiday Grant is awarded to our families who are on the lowest incomes.

Family Support is awarded to families on a higher income and are small payments given to such families twice per year, at summer holidays and Christmas, to assist with maintaining the children's wellbeing. Such payments are felt necessary to ensure that all police officers children receive an acknowledgement of the contributions made by their police parent.

For 2024 the Fund received a donation of £10,000 from NARPO and the Board agreed to decided to introduce a "one off" payment per child in December 2024.

Payments made:	2024	2023
- Compassionate Allowance	£632,993	£580,287
- Education Grants (includes tuition fee grants)	£52,982	£59,323
- Clothing Grant	£9,247	£5,250
- Holiday Grant	£80,485	£132,300
- Family Support	£71,795	£93,909
- Bereavement	£Nil	£44,000
- Grants to institutions	£Nil	£10,000
TOTAL	£855,982	£925,069

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Charity continues to remain focused on the educational needs of our orphans. The Grants paid by the Fund go to individuals and not to corporate bodies. The Trustees are of the opinion that the Fund's responsibility under the Charity's Deed of Trust is to provide educational funding in order that our orphans are given the best possible educational advantage.

In making grants (£855,982) during the year; the Trustees' are of the opinion that they have discharged their duties under the Charity's Deed of Trust.

Investment performance

Our investments are managed by CCLA Investment Management Limited and Close Brothers Asset Management with the objective of maximizing the income receivable whilst allowing a degree of capital growth. We will continue to have quarterly reports provided on the performance of our investments, in light of our continued policy of reducing the exposure to UK equities in favour of a greater allocation to markets overseas. In our view, the enhanced allocation to international investment increases the opportunities to generate attractive long term returns and reduces the risks that arise from too great an exposure to a single market.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

FINANCIAL REVIEW

Financial position

The accounts have been prepared in accordance with the revised Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019).

The net result show a net cash surplus of £223,990 compared to a surplus of £24,022 in 2023.

Expenditure in 2024 decreased by £35,896 on the previous year. Prior to 2021 had seen small deficits in expenditure over income, but the last 2 years report a surplus. In 2019 with the assistance of Metropolitan Police Pensions Branch we undertook a major effort to try and trace families who were eligible for assistance but not currently claiming. This resulted in an additional 37 children coming onto the fund.

With the assistance of the Metropolitan and City Police Federations, the National Association of Retired Police Officers (London Branch) we are trying to ensure that no families are missed in future.

Compassionate Allowance and Miscellaneous Grants; which represented 75% of the Funds expenditure, decreased by £69,087 to £855,982 compared to 2023.

Raising funds; increased by £8,235 to £99,559, details of this expenditure can be found in the notes to the financial statements, under the heading 'Raising Funds'.

Gains on investments amounted to £1,273,776 compared to £1,972,179 in 2023. Taking into account these gains means that the Fund increased by £1,313,265 in 2024.

Principal funding sources

Income; in 2024 decreased by £65,373 on the previous year, and due to the gain in value of our investments (unrealised) and the charities funds increased by £1,313,265.

Police Subscriptions; which produced 23% of our income for 2024 and decreased by £99,106 to £275,465 compared to £374,571 in the previous year.

Donations; increased from £69,208 to £83,015. Donations accounted for 7% of our income.

Donations through Collecting Boxes; decreased by £143 to £2,049 compared to 2023. Collection Boxes were a significant income stream for us in the past and used to regularly bring in £20k per annum. The closure of so many police station front counters and the move to telephone and internet reporting has greatly reduced the effectiveness of this method of income generation.

Legacies; There was no legacy in the year (2023: £Nil) that was invested in our Unrestricted Funds Account.

Investment Income; which produced 70% of our income; increased by £20,069 to £824,036.

Reserves policy

The current level of reserves is £30,834,226. The Fund is increasingly reliant upon the income generated by these reserves to fulfil its charitable objectives. In 2023 the reserves generated 70% of Income. The policy on reserves is reviewed annually. The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term projections.

The Trustees regularly review the level of reserves to ensure that they are appropriate, taking into account projections of:

- a) The amount of police officer subscriptions
- b) The number of recipients of the allowances
- c) The level of inflation
- d) Income and Capital growth yields available from the investment portfolio.

The current policy of the Trustees is to maintain the current level of reserves and to try and achieve small increases in reserves to alleviate the effects of inflation. The income generated from our reserves is expended for the benefit of our unfortunate orphans. Other sources of income are insufficient to support our charitable aims, without the income from reserves. The current level of reserves is therefore needed to meet the capital requirements of the Charity.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

FUTURE PLANS

The charity was founded in 1870 thanks to the generosity of serving officers contributing from pay. Direct contributions from serving officers has always been the largest source of donated income. The substantial reserves that have been built up over our 150 plus years now provide the largest proportion of our income. The contributions of serving officers still provide around 30% of our income and are therefore extremely significant to our finances.

In 1961, the Metropolitan Police decided that there were too many different deduction from pay schemes, they therefore consolidated the charitable deductions into one scheme known as the Metropolitan Police Benevolent Fund (MPBF). Officers contributions to the MPBF are administered by the MPBF and then shared out amongst the constituent charities of which we are one.

In December 2024 we were informed that the MPBF had restored its normal level of funding to the Orphans Fund for 2025 (which was cut out by £100,000 for 2024). We are aware though that if the number of officers contributing to the MPBF does not increase cuts to our funding could occur in the future.

In 2025 we continue to offer our assistance to the MPBF and the Metropolitan Police Federation to try and increase the number of officers contributing to the MPBF.

Given the background of the world situation, the fund had a successful year, we hope to continue this in the coming years by increasing the level of support to the children of police officers serving or retired who have died or are so incapacitated that they are unable to contribute financially to the upkeep of their families.

We are now supporting more children than at any point since the years following the two World Wars. This is mainly due to our efforts to trace families who for whatever reason had not applied to the fund previously. By liaising with Police Pension Branch we were able to trace a number of families who had up until then missed out on our support.

We will endeavour to continue to support children who otherwise would be faced with financial hardships in their family life. We continue to review our finances to ensure we can maximise the amounts we can provide in support of families.

As a Charity we rely very heavily on voluntary contributions. The money donated by serving officers in both forces is by far the largest source of donated income. I would like to thank all our donors and subscribers for their financial generosity. Without their on-going commitment we would not have been able to provide the same level of support in caring for our unfortunate orphans.

We are very proud of the achievements of the children we support it never ceases to amaze me of the resilience of young people and the fantastic results they attain, often in the face of adversity and tragic family loss. Many of the young people we support go on to attain qualifications to assist them in life and benefit their communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Declaration of Trust dated 31st August 1918 and Scheme of 12th October 1937 and adopted 8th May 1964 as amended 28th June 1967, 23rd May 1968, 28th May 1970, 26th September 1983, 14th November 2002, 10th June 2009, 17th January 2017 and 9th May 2023.

Organisational structure

The overall governance of the Fund is vested in the Trustees, there are currently fourteen members, two nominated by the Metropolitan Police Commissioner and one by the Commissioner of the City of London Police, with the remainder nominated by Staff Associations within the Services. The Board of Management meet at the Fund's office each month to consider applications and variations in the circumstances of recipients. Regular checks for changes are made by way of correspondence, enquiries of parents and educational establishments. The Board of Management recently changed the rules to allow more retired officers the Fund is now permitted to have sixteen Trustees.

The day to day running of the Fund is delegated to the Chief Executive Officer (CEO) and Deputy Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management and control of the administration of the charitable funds and reports monthly to the Board of Management. The CEO ensures that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board of Management.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations, to improve their knowledge of charity law and their responsibilities as trustees.

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finance of the Fund, and are satisfied that systems are in place to mitigate their exposure to major risks. A review of the Charity's risk management process is undertaken on a quarterly basis. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

ACKNOWLEDGEMENTS

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2024.

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
M Reed - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Opinion

We have audited the financial statements of Metropolitan and City Police Orphans Fund (the 'charity') for the year ended 31st December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 31st 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Responsibilities of trustees

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

In preparing the financial statements, the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company's operations, we identified that the principal risks of non-compliance with laws and regulations relates to grant making. We considered the extent to which non-compliance might have a material effect on the financial statements that results in the situation that no further grant funding can be provided. We also considered the relevant laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined there were no principal risks directly impacting the Fund's revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws, regulation, and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

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.

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

Date:

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	360,529	-	360,529	445,971
Investment income	3	818,168	5,868	824,036	803,967
Total		<u>1,178,697</u>	<u>5,868</u>	<u>1,184,565</u>	<u>1,249,938</u>
EXPENDITURE ON					
Raising funds	4	99,559	-	99,559	91,324
Charitable activities	5				
Compassionate allowances		632,992	-	632,992	580,287
Miscellaneous grants		222,990	-	222,990	344,782
Direct costs		189,535	-	189,535	163,284
Other		-	-	-	1,295
Total		<u>1,145,076</u>	<u>-</u>	<u>1,145,076</u>	<u>1,180,972</u>
Net gains on investments		<u>1,268,402</u>	<u>5,374</u>	<u>1,273,776</u>	<u>1,972,179</u>
NET INCOME		1,302,023	11,242	1,313,265	2,041,145
RECONCILIATION OF FUNDS					
Total funds brought forward		29,240,069	280,892	29,520,961	27,479,816
TOTAL FUNDS CARRIED FORWARD		<u><u>30,542,092</u></u>	<u><u>292,134</u></u>	<u><u>30,834,226</u></u>	<u><u>29,520,961</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**BALANCE SHEET
31ST DECEMBER 2024**

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	11	1,693	1,693
Investments	12	29,750,715	28,681,744
		29,752,408	28,683,437
CURRENT ASSETS			
Debtors	13	143,327	142,057
Cash at bank		972,900	748,910
		1,116,227	890,967
CREDITORS			
Amounts falling due within one year	14	(34,409)	(53,443)
NET CURRENT ASSETS		1,081,818	837,524
TOTAL ASSETS LESS CURRENT LIABILITIES		30,834,226	29,520,961
NET ASSETS		30,834,226	29,520,961
FUNDS	16		
Unrestricted funds		30,542,092	29,240,069
Restricted funds		292,134	280,892
TOTAL FUNDS		30,834,226	29,520,961

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Trustee

.....
Trustee

.....
Trustee

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	19,185	82,438
Net cash provided by operating activities		<u>19,185</u>	<u>82,438</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(1,014,407)	(1,134,270)
Sale of fixed asset investments		1,219,212	1,075,854
Net cash provided by/(used in) investing activities		<u>204,805</u>	<u>(58,416)</u>
Change in cash and cash equivalents in the reporting period		<u>223,990</u>	<u>24,022</u>
Cash and cash equivalents at the beginning of the reporting period		<u>748,910</u>	<u>724,888</u>
Cash and cash equivalents at the end of the reporting period		<u><u>972,900</u></u>	<u><u>748,910</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,313,265	2,041,145
Adjustments for:		
Gain on investments	(1,273,776)	(1,972,179)
Increase in debtors	(1,270)	(2,866)
(Decrease)/increase in creditors	(19,034)	16,338
Net cash provided by operations	<u>19,185</u>	<u>82,438</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
Net cash			
Cash at bank	748,910	223,990	972,900
	<u>748,910</u>	<u>223,990</u>	<u>972,900</u>
Total	<u>748,910</u>	<u>223,990</u>	<u>972,900</u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All incoming resources are recognised once the Fund has entitlement to the resources.

Subscription income is recognised on a receivable basis.

Donations are recognised as and when they received as cleared funds in the bank.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of the incoming resources is known.

Investment income is recognised on a receivable basis.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds comprises costs associated with attracting voluntary income and investment management costs.

Direct costs include central functions allocated to activity cost categories on a basis consistent with the use of resources, and governance costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fees and costs linked to the strategic management of the Charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without conditions or the recipient has a reasonable expectation that they will receive a grant.

Tangible fixed assets

Freehold property held for the Charity's use is valued at cost. No depreciation has been charged, as it is the Trustees' policy to maintain the building in a continual state of sound repair. The Trustees consider that the life of this asset is so long and its residual value so high that its depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds comprise those funds held on trust to be applied for restrictive purposes.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. ACCOUNTING POLICIES - continued

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Police subscriptions	275,465	374,571
Donations	83,015	69,208
Collecting boxes	2,049	2,192
	<u>360,529</u>	<u>445,971</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Investment income	<u>824,036</u>	<u>803,967</u>

4. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Fundraising events	<u>1,512</u>	<u>2,856</u>

Investment management costs

	2024	2023
	£	£
Investment management costs	<u>98,047</u>	<u>88,468</u>
Aggregate amounts	<u>99,559</u>	<u>91,324</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Compassionate allowances	-	632,992	-	632,992
Miscellaneous grants	-	222,990	-	222,990
Direct costs	27,211	-	162,324	189,535
	<u>27,211</u>	<u>855,982</u>	<u>162,324</u>	<u>1,045,517</u>

6. GRANTS PAYABLE

	2024 £	2023 £
Compassionate allowances	632,992	580,287
Miscellaneous grants	222,990	344,782
	<u>855,982</u>	<u>925,069</u>

The total grants paid to institutions during the year was as follows:

	2024 £	2023 £
Family support	-	10,000
	<u>-</u>	<u>10,000</u>

The total grants paid to individuals during the year was as follows:

	2024 £	2023 £
Compassionate allowances	632,993	580,287
Clothing	9,247	5,250
Education	52,982	59,323
Holiday	80,485	132,300
Family support	71,795	93,909
Bereavement	-	44,000
NARPO	8,480	-
	<u>855,982</u>	<u>915,069</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

7. SUPPORT COSTS

	Governance costs
	£
Direct costs	162,324
	<u> </u>

Support costs, included in the above, are as follows:

Governance costs

	2024 Direct costs £	2023 Total activities £
Staff salaries and pensions	151,170	124,520
Auditors' remuneration	10,974	10,986
Legal and professional	180	6,596
	<u>162,324</u>	<u>142,102</u>

8. AUDITORS' REMUNERATION

	2024 £	2023 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>10,974</u>	<u>10,986</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees received no remuneration during this year or the previous year and there were no expenses reimbursed during this year or in the previous year. The Charity has taken out a Trustee indemnity insurance policy and paid a premium of £1,211 (2023: £1,155).

10. STAFF COSTS

	2024 £	2023 £
Wages and salaries	151,170	124,520
	<u>151,170</u>	<u>124,520</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Administration	<u>2</u>	<u>2</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	-
£70,001 - £80,000	1	-
	<u>2</u>	<u>-</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st January 2024 and 31st December 2024	1,693
NET BOOK VALUE	
At 31st December 2024	1,693
At 31st December 2023	1,693

The freehold property at 30 Hazlewood Road, Putney was purchased in 1937 and is used as the Fund's Office. The property was valued on 1st April 2003 by Foxtons, Estate Agents at £1.5m. The market value of the property is now believed to be in the region of £2m. This value has not been incorporated into the financial statements. The property is subject to a covenant whereby it cannot be sold without the prior consent of the Charity Commission.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2024	28,681,744
Additions	1,014,407
Disposals	(1,529,024)
Revaluations	1,583,588
At 31st December 2024	29,750,715
NET BOOK VALUE	
At 31st December 2024	29,750,715
At 31st December 2023	28,681,744

Investment assets held outside the UK total £7,402,672 (2023: £5,687,132).

The value of the following investments represents more than 5% of the total market value as at 31st December 2024:

CCLA Revenue Reserve - £8,657,484 (29%)
CCLA General Fund - £7,222,445 (24%)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other debtors	2,080	1,955
Accrued income	141,247	140,102
	<u>143,327</u>	<u>142,057</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other creditors	34,409	53,443
	<u>34,409</u>	<u>53,443</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
Fixed assets	1,693	-	1,693	1,693
Investments	29,507,416	243,299	29,750,715	28,681,744
Current assets	1,067,392	48,835	1,116,227	890,967
Current liabilities	(34,409)	-	(34,409)	(53,443)
	<u>30,542,092</u>	<u>292,134</u>	<u>30,834,226</u>	<u>29,520,961</u>

16. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	29,240,069	1,302,023	30,542,092
Restricted funds			
Education	104,087	4,165	108,252
War memorial fund	86,360	3,455	89,815
War memorial hospital	67,754	2,713	70,467
Twells memorial	8,969	360	9,329
Sir Edmund Henderson	13,722	549	14,271
	<u>280,892</u>	<u>11,242</u>	<u>292,134</u>
TOTAL FUNDS	<u>29,520,961</u>	<u>1,313,265</u>	<u>30,834,226</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,178,697	(1,145,076)	1,268,402	1,302,023
Restricted funds				
Education	2,174	-	1,991	4,165
War memorial fund	1,803	-	1,652	3,455
War memorial hospital	1,416	-	1,297	2,713
Twells memorial	188	-	172	360
Sir Edmund Henderson	287	-	262	549
	<u>5,868</u>	<u>-</u>	<u>5,374</u>	<u>11,242</u>
TOTAL FUNDS	<u><u>1,184,565</u></u>	<u><u>(1,145,076)</u></u>	<u><u>1,273,776</u></u>	<u><u>1,313,265</u></u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	27,224,700	2,015,369	29,240,069
Restricted funds			
Education	94,520	9,547	104,067
War memorial fund	78,417	7,938	86,355
War memorial hospital	61,558	6,212	67,770
Twells memorial	8,169	814	8,983
Sir Edmund Henderson	12,452	1,265	13,717
	<u>255,116</u>	<u>25,776</u>	<u>280,892</u>
TOTAL FUNDS	<u><u>27,479,816</u></u>	<u><u>2,041,145</u></u>	<u><u>29,520,961</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,244,185	(1,180,972)	1,952,156	2,015,369
Restricted funds				
Education	2,128	-	7,419	9,547
War memorial fund	1,784	-	6,154	7,938
War memorial hospital	1,380	-	4,832	6,212
Twells memorial	173	-	641	814
Sir Edmund Henderson	288	-	977	1,265
	<u>5,753</u>	<u>-</u>	<u>20,023</u>	<u>25,776</u>
TOTAL FUNDS	<u><u>1,249,938</u></u>	<u><u>(1,180,972)</u></u>	<u><u>1,972,179</u></u>	<u><u>2,041,145</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	27,224,700	3,317,392	30,542,092
Restricted funds			
Education	94,520	13,712	108,232
War memorial fund	78,417	11,393	89,810
War memorial hospital	61,558	8,925	70,483
Twells memorial	8,169	1,174	9,343
Sir Edmund Henderson	12,452	1,814	14,266
	<u>255,116</u>	<u>37,018</u>	<u>292,134</u>
TOTAL FUNDS	<u><u>27,479,816</u></u>	<u><u>3,354,410</u></u>	<u><u>30,834,226</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,422,882	(2,326,048)	3,220,558	3,317,392
Restricted funds				
Education	4,302	-	9,410	13,712
War memorial fund	3,587	-	7,806	11,393
War memorial hospital	2,796	-	6,129	8,925
Twells memorial	361	-	813	1,174
Sir Edmund Henderson	575	-	1,239	1,814
	11,621	-	25,397	37,018
TOTAL FUNDS	2,434,503	(2,326,048)	3,245,955	3,354,410

Unrestricted funds comprise those funds which the Trustees are free to use in furtherance of the general objective of the Charity.

Restricted funds comprise of the following funds:

Education Fund: Income of the fund provides grants to orphans for education purposes.

War Memorial Fund: Income of the fund provides allowances for benefit of necessitous orphans.

War Memorial Hospital Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Twells Memorial Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Sir Edmund Henderson: Income of the fund provides education grants to orphans.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2024.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Police subscriptions	275,465	374,571
Donations	83,015	69,208
Collecting boxes	2,049	2,192
	360,529	445,971
Investment income		
Investment income	824,036	803,967
Total incoming resources	1,184,565	1,249,938
 EXPENDITURE		
Raising donations and legacies		
Fundraising events	1,512	2,856
Investment management costs		
Investment management costs	98,047	88,468
Charitable activities		
Rates	2,971	1,874
Insurance	4,201	2,688
Other premises costs	9,131	3,463
Telephone	1,717	1,475
Postage and stationery	142	60
Computer expenses	6,244	12,691
Miscellaneous costs	2,805	226
Grants to institutions	-	10,000
Grants to individuals	855,982	915,069
	883,193	947,546
Support costs		
Governance costs		
Staff salaries and pensions	151,170	124,520
Auditors' remuneration	10,974	10,986
Legal and professional	180	6,596
	162,324	142,102
Total resources expended	1,145,076	1,180,972
Net income before gains and losses	39,489	68,966
Realised recognised gains and losses		
Carried forward	39,489	68,966

This page does not form part of the statutory financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	2024	2023
	£	£
Realised recognised gains and losses		
Brought forward	39,489	68,966
Realised gains/(losses) on fixed asset investments	(309,812)	460,506
Net (expenditure)/income	(270,323)	529,472

This page does not form part of the statutory financial statements

METROPOLITAN AND CITY POLICE ORPHANS FUND

Registered Charity Number 234787

ANNUAL REPORT & ACCOUNTS 2024



George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

METROPOLITAN AND CITY POLICE ORPHANS
FUND

PATRON



H.R.H The Prince of Wales KG, KT, PC, ADC

METROPOLITAN AND CITY POLICE ORPHANS FUND
PRESIDENT



SIR MARK ROWLEY QPM
COMMISSIONER METROPOLITAN POLICE

VICE PRESIDENT



PETER O'DOHERTY
COMMISSIONER CITY of LONDON POLICE

METROPOLITAN AND CITY POLICE ORPHANS FUND

CHAIRMAN'S REPORT

I am delighted to present my third Annual Report and Annual Accounts as Chair of the Metropolitan & City Police Orphan's Fund, it was an honour to be appointed as Chair of the fund which is the oldest Police Charity in the world..

I would also wish to place on record our enormous thanks to the sponsors of our Annual Luncheon, George Burrows Insurance, Reynolds Dawson Solicitors and ARC Legal Insurance. Their support for our luncheon and indeed their support throughout the year is of huge assistance to the Fund.

Also, I would like to thank the members of the Board of Management, they give up their time for no other benefit but to help others, I thank them for their commitment to the fund.

Thankfully Investments have largely recovered from the Covid-19 epidemic and the war in Ukraine. However growth has been slow and the value of our investments is only very slightly up from pre epidemic levels.

Working in close liaison with our investment advisers, CCLA and Close Brothers, we closely monitor the performance of our investments and in particular the dividend payments that are our lifeblood as a charity. We are pleased that the income from our investments has continued to increase. Our sincere thanks go to Antonia Cavalieri at CCLA and Adam Griffin at Close Brothers for their patience and advice. They made steering our way through the pandemic and the Global financial situation so much easier.

The Board took the view that it is the income that is important to support our families. Growth leads to a better-looking balance sheet, but increased valuations do not necessarily mean increased income. In the last 5 years our investments have grown by around 40% which is great but in the same period our investment income has grown by around 10%, barely keeping up with inflation. The Board have decided that extra income is preferable to extra in valuations.

The trustees present their report with the financial statements of the charity for the year ended 31st December 2024. The trustees have adopted the provisions of 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).

M. Reed
Chair

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024
FOR
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 6
Report of the Independent Auditors	7 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 22
Detailed Statement of Financial Activities	23 to 24

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

TRUSTEES	G Gilbert D Lawes A O'Donnell G Smyth Q.P.M J Howard (resigned 1.5.25) S Davies G Gaskain K Malda K Gordon (resigned 1.3.24) M Reed P Dodds A Picton (resigned 1.12.24) S Cundy H Isaac D Slade L Hayden N John (appointed 14.1.25) S George (appointed 14.1.25)
PRINCIPAL ADDRESS	30 Hazlewell Road Putney London SW15 6LH
REGISTERED CHARITY NUMBER	234787
AUDITORS	George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street London SW1V 4PS
WEBSITE:	https://www.met-cityorphans.org.uk/
CHIEF EXECUTIVE OFFICER (CEO):	P. Smyth
DEPUTY CEO:	D. Davies

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees present their report with the financial statements of the charity for the year ended 31st December 2024. The trustees have adopted the provisions of 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).

ORIGINS

The Charity (**Charity Number 234787**) was founded in 1870, and was formerly known as **THE METROPOLITAN AND CITY POLICE ORPHANAGE**. With the approval of the Charity Commission, the orphanage closed on 31st July 1937. On the following day the **Metropolitan and City Police Orphans Fund** came into being.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To relieve beneficiaries in cases of need or hardship.
2. To advance the education, professional or vocational training of beneficiaries in need of financial assistance, to include education at school, college or university and education or training in music or the arts.
3. To promote the health of and relieve sickness, infirmity or disability among beneficiaries in cases of need, by the provision of medical treatment and financial assistance to enable them to participate in healthy recreational activities.
4. To help the beneficiaries, especially but not exclusively, through leisure time activities, so as to develop their skills, capacities and capabilities, to enable them to participate in society as mature and responsible individuals.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In order to carry out the Charity's aim for the public benefit, the Trustees award grants and allowances to cover the different circumstances of those in need:

Bereavement Payment is given to families immediately upon the death of a serving officer.

Compassionate Allowance is awarded to children of police officers of the Metropolitan Police Service ("the MPS") and the City of London Police who have not completed their education where one or both of whose police parent are dead, disabled or incapacitated, or in the judgement of the Trustees, is incapable of materially contributing to their own family's support due to sickness, infirmity or disability; or in exceptional cases, persons who have ceased to be beneficiaries on completion of their education but who in the opinion of the Trustees remain in need of assistance.

Education Grants are awarded to children for any educational purpose which in the opinion of the Trustees is likely to contribute to the spiritual, moral, mental or physical development of the child. We also award a Discretionary Grant to help with the payment of tuition fees.

Clothing Grant is awarded to children who are leaving full time education to seek employment. The grant is awarded for financial assistance in the purchase of clothing for employment interviews.

Holiday Grant is awarded to our families who are on the lowest incomes.

Family Support is awarded to families on a higher income and are small payments given to such families twice per year, at summer holidays and Christmas, to assist with maintaining the children's wellbeing. Such payments are felt necessary to ensure that all police officers children receive an acknowledgement of the contributions made by their police parent.

For 2024 the Fund received a donation of £10,000 from NARPO and the Board agreed to decided to introduce a "one off" payment per child in December 2024.

Payments made:	2024	2023
- Compassionate Allowance	£632,993	£580,287
- Education Grants (includes tuition fee grants)	£52,982	£59,323
- Clothing Grant	£9,247	£5,250
- Holiday Grant	£80,485	£132,300
- Family Support	£71,795	£93,909
- Bereavement	£Nil	£44,000
- Grants to institutions	£Nil	£10,000
TOTAL	£855,982	£925,069

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Charity continues to remain focused on the educational needs of our orphans. The Grants paid by the Fund go to individuals and not to corporate bodies. The Trustees are of the opinion that the Fund's responsibility under the Charity's Deed of Trust is to provide educational funding in order that our orphans are given the best possible educational advantage.

In making grants (£855,982) during the year; the Trustees' are of the opinion that they have discharged their duties under the Charity's Deed of Trust.

Investment performance

Our investments are managed by CCLA Investment Management Limited and Close Brothers Asset Management with the objective of maximizing the income receivable whilst allowing a degree of capital growth. We will continue to have quarterly reports provided on the performance of our investments, in light of our continued policy of reducing the exposure to UK equities in favour of a greater allocation to markets overseas. In our view, the enhanced allocation to international investment increases the opportunities to generate attractive long term returns and reduces the risks that arise from too great an exposure to a single market.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

FINANCIAL REVIEW

Financial position

The accounts have been prepared in accordance with the revised Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019).

The net result show a net cash surplus of £223,990 compared to a surplus of £24,022 in 2023.

Expenditure in 2024 decreased by £35,896 on the previous year. Prior to 2021 had seen small deficits in expenditure over income, but the last 2 years report a surplus. In 2019 with the assistance of Metropolitan Police Pensions Branch we undertook a major effort to try and trace families who were eligible for assistance but not currently claiming. This resulted in an additional 37 children coming onto the fund.

With the assistance of the Metropolitan and City Police Federations, the National Association of Retired Police Officers (London Branch) we are trying to ensure that no families are missed in future.

Compassionate Allowance and Miscellaneous Grants; which represented 75% of the Funds expenditure, decreased by £69,087 to £855,982 compared to 2023.

Raising funds; increased by £8,235 to £99,559, details of this expenditure can be found in the notes to the financial statements, under the heading 'Raising Funds'.

Gains on investments amounted to £1,273,776 compared to £1,972,179 in 2023. Taking into account these gains means that the Fund increased by £1,313,265 in 2024.

Principal funding sources

Income; in 2024 decreased by £65,373 on the previous year, and due to the gain in value of our investments (unrealised) and the charities funds increased by £1,313,265.

Police Subscriptions; which produced 23% of our income for 2024 and decreased by £99,106 to £275,465 compared to £374,571 in the previous year.

Donations; increased from £69,208 to £83,015. Donations accounted for 7% of our income.

Donations through Collecting Boxes; decreased by £143 to £2,049 compared to 2023. Collection Boxes were a significant income stream for us in the past and used to regularly bring in £20k per annum. The closure of so many police station front counters and the move to telephone and internet reporting has greatly reduced the effectiveness of this method of income generation.

Legacies; There was no legacy in the year (2023: £Nil) that was invested in our Unrestricted Funds Account.

Investment Income; which produced 70% of our income; increased by £20,069 to £824,036.

Reserves policy

The current level of reserves is £30,834,226. The Fund is increasingly reliant upon the income generated by these reserves to fulfil its charitable objectives. In 2023 the reserves generated 70% of Income. The policy on reserves is reviewed annually. The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term projections.

The Trustees regularly review the level of reserves to ensure that they are appropriate, taking into account projections of:

- a) The amount of police officer subscriptions
- b) The number of recipients of the allowances
- c) The level of inflation
- d) Income and Capital growth yields available from the investment portfolio.

The current policy of the Trustees is to maintain the current level of reserves and to try and achieve small increases in reserves to alleviate the effects of inflation. The income generated from our reserves is expended for the benefit of our unfortunate orphans. Other sources of income are insufficient to support our charitable aims, without the income from reserves. The current level of reserves is therefore needed to meet the capital requirements of the Charity.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2024

FUTURE PLANS

The charity was founded in 1870 thanks to the generosity of serving officers contributing from pay. Direct contributions from serving officers has always been the largest source of donated income. The substantial reserves that have been built up over our 150 plus years now provide the largest proportion of our income. The contributions of serving officers still provide around 30% of our income and are therefore extremely significant to our finances.

In 1961, the Metropolitan Police decided that there were too many different deduction from pay schemes, they therefore consolidated the charitable deductions into one scheme known as the Metropolitan Police Benevolent Fund (MPBF). Officers contributions to the MPBF are administered by the MPBF and then shared out amongst the constituent charities of which we are one.

In December 2024 we were informed that the MPBF had restored its normal level of funding to the Orphans Fund for 2025 (which was cut out by £100,000 for 2024). We are aware though that if the number of officers contributing to the MPBF does not increase cuts to our funding could occur in the future.

In 2025 we continue to offer our assistance to the MPBF and the Metropolitan Police Federation to try and increase the number of officers contributing to the MPBF.

Given the background of the world situation, the fund had a successful year, we hope to continue this in the coming years by increasing the level of support to the children of police officers serving or retired who have died or are so incapacitated that they are unable to contribute financially to the upkeep of their families.

We are now supporting more children than at any point since the years following the two World Wars. This is mainly due to our efforts to trace families who for whatever reason had not applied to the fund previously. By liaising with Police Pension Branch we were able to trace a number of families who had up until then missed out on our support.

We will endeavour to continue to support children who otherwise would be faced with financial hardships in their family life. We continue to review our finances to ensure we can maximise the amounts we can provide in support of families.

As a Charity we rely very heavily on voluntary contributions. The money donated by serving officers in both forces is by far the largest source of donated income. I would like to thank all our donors and subscribers for their financial generosity. Without their on-going commitment we would not have been able to provide the same level of support in caring for our unfortunate orphans.

We are very proud of the achievements of the children we support it never ceases to amaze me of the resilience of young people and the fantastic results they attain, often in the face of adversity and tragic family loss. Many of the young people we support go on to attain qualifications to assist them in life and benefit their communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Declaration of Trust dated 31st August 1918 and Scheme of 12th October 1937 and adopted 8th May 1964 as amended 28th June 1967, 23rd May 1968, 28th May 1970, 26th September 1983, 14th November 2002, 10th June 2009, 17th January 2017 and 9th May 2023.

Organisational structure

The overall governance of the Fund is vested in the Trustees, there are currently fourteen members, two nominated by the Metropolitan Police Commissioner and one by the Commissioner of the City of London Police, with the remainder nominated by Staff Associations within the Services. The Board of Management meet at the Fund's office each month to consider applications and variations in the circumstances of recipients. Regular checks for changes are made by way of correspondence, enquiries of parents and educational establishments. The Board of Management recently changed the rules to allow more retired officers the Fund is now permitted to have sixteen Trustees.

The day to day running of the Fund is delegated to the Chief Executive Officer (CEO) and Deputy Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management and control of the administration of the charitable funds and reports monthly to the Board of Management. The CEO ensures that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board of Management.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations, to improve their knowledge of charity law and their responsibilities as trustees.

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finance of the Fund, and are satisfied that systems are in place to mitigate their exposure to major risks. A review of the Charity's risk management process is undertaken on a quarterly basis. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

ACKNOWLEDGEMENTS

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2024.

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
M Reed - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Opinion

We have audited the financial statements of Metropolitan and City Police Orphans Fund (the 'charity') for the year ended 31st December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 31st 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Responsibilities of trustees

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

In preparing the financial statements, the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company's operations, we identified that the principal risks of non-compliance with laws and regulations relates to grant making. We considered the extent to which non-compliance might have a material effect on the financial statements that results in the situation that no further grant funding can be provided. We also considered the relevant laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined there were no principal risks directly impacting the Fund's revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws, regulation, and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

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.

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

Date:

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	360,529	-	360,529	445,971
Investment income	3	818,168	5,868	824,036	803,967
Total		<u>1,178,697</u>	<u>5,868</u>	<u>1,184,565</u>	<u>1,249,938</u>
EXPENDITURE ON					
Raising funds	4	99,559	-	99,559	91,324
Charitable activities	5				
Compassionate allowances		632,992	-	632,992	580,287
Miscellaneous grants		222,990	-	222,990	344,782
Direct costs		189,535	-	189,535	163,284
Other		-	-	-	1,295
Total		<u>1,145,076</u>	<u>-</u>	<u>1,145,076</u>	<u>1,180,972</u>
Net gains on investments		<u>1,268,402</u>	<u>5,374</u>	<u>1,273,776</u>	<u>1,972,179</u>
NET INCOME		1,302,023	11,242	1,313,265	2,041,145
RECONCILIATION OF FUNDS					
Total funds brought forward		29,240,069	280,892	29,520,961	27,479,816
TOTAL FUNDS CARRIED FORWARD		<u><u>30,542,092</u></u>	<u><u>292,134</u></u>	<u><u>30,834,226</u></u>	<u><u>29,520,961</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**BALANCE SHEET
31ST DECEMBER 2024**

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	11	1,693	1,693
Investments	12	29,750,715	28,681,744
		29,752,408	28,683,437
CURRENT ASSETS			
Debtors	13	143,327	142,057
Cash at bank		972,900	748,910
		1,116,227	890,967
CREDITORS			
Amounts falling due within one year	14	(34,409)	(53,443)
NET CURRENT ASSETS		1,081,818	837,524
TOTAL ASSETS LESS CURRENT LIABILITIES		30,834,226	29,520,961
NET ASSETS		30,834,226	29,520,961
FUNDS	16		
Unrestricted funds		30,542,092	29,240,069
Restricted funds		292,134	280,892
TOTAL FUNDS		30,834,226	29,520,961

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Trustee

.....
Trustee

.....
Trustee

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	19,185	82,438
Net cash provided by operating activities		<u>19,185</u>	<u>82,438</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(1,014,407)	(1,134,270)
Sale of fixed asset investments		1,219,212	1,075,854
Net cash provided by/(used in) investing activities		<u>204,805</u>	<u>(58,416)</u>
Change in cash and cash equivalents in the reporting period		<u>223,990</u>	<u>24,022</u>
Cash and cash equivalents at the beginning of the reporting period		<u>748,910</u>	<u>724,888</u>
Cash and cash equivalents at the end of the reporting period		<u><u>972,900</u></u>	<u><u>748,910</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,313,265	2,041,145
Adjustments for:		
Gain on investments	(1,273,776)	(1,972,179)
Increase in debtors	(1,270)	(2,866)
(Decrease)/increase in creditors	(19,034)	16,338
Net cash provided by operations	<u>19,185</u>	<u>82,438</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
Net cash			
Cash at bank	748,910	223,990	972,900
	<u>748,910</u>	<u>223,990</u>	<u>972,900</u>
Total	<u>748,910</u>	<u>223,990</u>	<u>972,900</u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All incoming resources are recognised once the Fund has entitlement to the resources.

Subscription income is recognised on a receivable basis.

Donations are recognised as and when they received as cleared funds in the bank.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of the incoming resources is known.

Investment income is recognised on a receivable basis.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds comprises costs associated with attracting voluntary income and investment management costs.

Direct costs include central functions allocated to activity cost categories on a basis consistent with the use of resources, and governance costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fees and costs linked to the strategic management of the Charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without conditions or the recipient has a reasonable expectation that they will receive a grant.

Tangible fixed assets

Freehold property held for the Charity's use is valued at cost. No depreciation has been charged, as it is the Trustees' policy to maintain the building in a continual state of sound repair. The Trustees consider that the life of this asset is so long and its residual value so high that its depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds comprise those funds held on trust to be applied for restrictive purposes.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. ACCOUNTING POLICIES - continued

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Police subscriptions	275,465	374,571
Donations	83,015	69,208
Collecting boxes	2,049	2,192
	<u>360,529</u>	<u>445,971</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Investment income	<u>824,036</u>	<u>803,967</u>

4. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Fundraising events	<u>1,512</u>	<u>2,856</u>

Investment management costs

	2024	2023
	£	£
Investment management costs	<u>98,047</u>	<u>88,468</u>
Aggregate amounts	<u>99,559</u>	<u>91,324</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Compassionate allowances	-	632,992	-	632,992
Miscellaneous grants	-	222,990	-	222,990
Direct costs	27,211	-	162,324	189,535
	<u>27,211</u>	<u>855,982</u>	<u>162,324</u>	<u>1,045,517</u>

6. GRANTS PAYABLE

	2024 £	2023 £
Compassionate allowances	632,992	580,287
Miscellaneous grants	222,990	344,782
	<u>855,982</u>	<u>925,069</u>

The total grants paid to institutions during the year was as follows:

	2024 £	2023 £
Family support	-	10,000
	<u>-</u>	<u>10,000</u>

The total grants paid to individuals during the year was as follows:

	2024 £	2023 £
Compassionate allowances	632,993	580,287
Clothing	9,247	5,250
Education	52,982	59,323
Holiday	80,485	132,300
Family support	71,795	93,909
Bereavement	-	44,000
NARPO	8,480	-
	<u>855,982</u>	<u>915,069</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

7. SUPPORT COSTS

	Governance costs
	£
Direct costs	162,324
	<u> </u>

Support costs, included in the above, are as follows:

Governance costs

	2024 Direct costs £	2023 Total activities £
Staff salaries and pensions	151,170	124,520
Auditors' remuneration	10,974	10,986
Legal and professional	180	6,596
	<u>162,324</u>	<u>142,102</u>

8. AUDITORS' REMUNERATION

	2024 £	2023 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>10,974</u>	<u>10,986</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees received no remuneration during this year or the previous year and there were no expenses reimbursed during this year or in the previous year. The Charity has taken out a Trustee indemnity insurance policy and paid a premium of £1,211 (2023: £1,155).

10. STAFF COSTS

	2024 £	2023 £
Wages and salaries	151,170	124,520
	<u>151,170</u>	<u>124,520</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Administration	<u>2</u>	<u>2</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	-
£70,001 - £80,000	1	-
	<u>2</u>	<u>-</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st January 2024 and 31st December 2024	1,693
NET BOOK VALUE	
At 31st December 2024	1,693
At 31st December 2023	1,693

The freehold property at 30 Hazlewood Road, Putney was purchased in 1937 and is used as the Fund's Office. The property was valued on 1st April 2003 by Foxtons, Estate Agents at £1.5m. The market value of the property is now believed to be in the region of £2m. This value has not been incorporated into the financial statements. The property is subject to a covenant whereby it cannot be sold without the prior consent of the Charity Commission.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2024	28,681,744
Additions	1,014,407
Disposals	(1,529,024)
Revaluations	1,583,588
At 31st December 2024	29,750,715
NET BOOK VALUE	
At 31st December 2024	29,750,715
At 31st December 2023	28,681,744

Investment assets held outside the UK total £7,402,672 (2023: £5,687,132).

The value of the following investments represents more than 5% of the total market value as at 31st December 2024:

CCLA Revenue Reserve - £8,657,484 (29%)
CCLA General Fund - £7,222,445 (24%)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other debtors	2,080	1,955
Accrued income	141,247	140,102
	<u>143,327</u>	<u>142,057</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other creditors	34,409	53,443
	<u>34,409</u>	<u>53,443</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
Fixed assets	1,693	-	1,693	1,693
Investments	29,507,416	243,299	29,750,715	28,681,744
Current assets	1,067,392	48,835	1,116,227	890,967
Current liabilities	(34,409)	-	(34,409)	(53,443)
	<u>30,542,092</u>	<u>292,134</u>	<u>30,834,226</u>	<u>29,520,961</u>

16. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	29,240,069	1,302,023	30,542,092
Restricted funds			
Education	104,087	4,165	108,252
War memorial fund	86,360	3,455	89,815
War memorial hospital	67,754	2,713	70,467
Twells memorial	8,969	360	9,329
Sir Edmund Henderson	13,722	549	14,271
	<u>280,892</u>	<u>11,242</u>	<u>292,134</u>
TOTAL FUNDS	<u>29,520,961</u>	<u>1,313,265</u>	<u>30,834,226</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,178,697	(1,145,076)	1,268,402	1,302,023
Restricted funds				
Education	2,174	-	1,991	4,165
War memorial fund	1,803	-	1,652	3,455
War memorial hospital	1,416	-	1,297	2,713
Twells memorial	188	-	172	360
Sir Edmund Henderson	287	-	262	549
	<u>5,868</u>	<u>-</u>	<u>5,374</u>	<u>11,242</u>
TOTAL FUNDS	<u><u>1,184,565</u></u>	<u><u>(1,145,076)</u></u>	<u><u>1,273,776</u></u>	<u><u>1,313,265</u></u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	27,224,700	2,015,369	29,240,069
Restricted funds			
Education	94,520	9,547	104,067
War memorial fund	78,417	7,938	86,355
War memorial hospital	61,558	6,212	67,770
Twells memorial	8,169	814	8,983
Sir Edmund Henderson	12,452	1,265	13,717
	<u>255,116</u>	<u>25,776</u>	<u>280,892</u>
TOTAL FUNDS	<u><u>27,479,816</u></u>	<u><u>2,041,145</u></u>	<u><u>29,520,961</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,244,185	(1,180,972)	1,952,156	2,015,369
Restricted funds				
Education	2,128	-	7,419	9,547
War memorial fund	1,784	-	6,154	7,938
War memorial hospital	1,380	-	4,832	6,212
Twells memorial	173	-	641	814
Sir Edmund Henderson	288	-	977	1,265
	<u>5,753</u>	<u>-</u>	<u>20,023</u>	<u>25,776</u>
TOTAL FUNDS	<u><u>1,249,938</u></u>	<u><u>(1,180,972)</u></u>	<u><u>1,972,179</u></u>	<u><u>2,041,145</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	27,224,700	3,317,392	30,542,092
Restricted funds			
Education	94,520	13,712	108,232
War memorial fund	78,417	11,393	89,810
War memorial hospital	61,558	8,925	70,483
Twells memorial	8,169	1,174	9,343
Sir Edmund Henderson	12,452	1,814	14,266
	<u>255,116</u>	<u>37,018</u>	<u>292,134</u>
TOTAL FUNDS	<u><u>27,479,816</u></u>	<u><u>3,354,410</u></u>	<u><u>30,834,226</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,422,882	(2,326,048)	3,220,558	3,317,392
Restricted funds				
Education	4,302	-	9,410	13,712
War memorial fund	3,587	-	7,806	11,393
War memorial hospital	2,796	-	6,129	8,925
Twells memorial	361	-	813	1,174
Sir Edmund Henderson	575	-	1,239	1,814
	11,621	-	25,397	37,018
TOTAL FUNDS	2,434,503	(2,326,048)	3,245,955	3,354,410

Unrestricted funds comprise those funds which the Trustees are free to use in furtherance of the general objective of the Charity.

Restricted funds comprise of the following funds:

Education Fund: Income of the fund provides grants to orphans for education purposes.

War Memorial Fund: Income of the fund provides allowances for benefit of necessitous orphans.

War Memorial Hospital Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Twells Memorial Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Sir Edmund Henderson: Income of the fund provides education grants to orphans.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2024.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Police subscriptions	275,465	374,571
Donations	83,015	69,208
Collecting boxes	2,049	2,192
	360,529	445,971
Investment income		
Investment income	824,036	803,967
Total incoming resources	1,184,565	1,249,938
 EXPENDITURE		
Raising donations and legacies		
Fundraising events	1,512	2,856
Investment management costs		
Investment management costs	98,047	88,468
Charitable activities		
Rates	2,971	1,874
Insurance	4,201	2,688
Other premises costs	9,131	3,463
Telephone	1,717	1,475
Postage and stationery	142	60
Computer expenses	6,244	12,691
Miscellaneous costs	2,805	226
Grants to institutions	-	10,000
Grants to individuals	855,982	915,069
	883,193	947,546
Support costs		
Governance costs		
Staff salaries and pensions	151,170	124,520
Auditors' remuneration	10,974	10,986
Legal and professional	180	6,596
	162,324	142,102
Total resources expended	1,145,076	1,180,972
Net income before gains and losses	39,489	68,966
Realised recognised gains and losses		
Carried forward	39,489	68,966

This page does not form part of the statutory financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024**

	2024	2023
	£	£
Realised recognised gains and losses		
Brought forward	39,489	68,966
Realised gains/(losses) on fixed asset investments	(309,812)	460,506
Net (expenditure)/income	(270,323)	529,472

THE METROPOLITAN AND CITY POLICE ORPHANS FUND

England & Wales - Charity number 234787

Accounts

METROPOLITAN AND CITY POLICE ORPHANS FUND

Registered Charity Number 234787

ANNUAL REPORT & ACCOUNTS 2023



George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PATRON



H.R.H The Prince of Wales KG, KT, PC, ADC

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PRESIDENT



**SIR MARK ROWLEY QPM
COMMISSIONER METROPOLITAN POLICE**

VICE PRESIDENT



**ANGELA MCLAREN
COMMISSIONER CITY of LONDON POLICE**

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Page
Reference and Administrative Details	1
Chairman's Report	2
Report of the Trustees	3 to 8
Report of the Independent Auditors	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 24
Detailed Statement of Financial Activities	25 to 26

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

TRUSTEES	D Davies (resigned 1.6.23) G Gilbert D Lawes (appointed 12.7.23) D Lawes (appointed 12.7.23) A O'Donnell (appointed 12.7.23) S Ovens (resigned 1.6.23) G Smyth Q.P.M J Howard N Jerome (resigned 1.7.23) S Davies G Gaskain K Malda K Gordon M Reed P Dodds A Picton (appointed 1.10.23) A Picton (appointed 1.10.23) S Cundy (appointed 1.7.23) H Isaac (appointed 1.4.23) D Slade (appointed 1.6.23) L Hayden (appointed 1.9.23)
PRINCIPAL ADDRESS	30 Hazlewell Road Putney London SW15 6LH
REGISTERED CHARITY NUMBER	234787
AUDITORS	George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street London SW1V 4PS
WEBSITE:	https://www.met-cityorphans.org.uk/
CHIEF EXECUTIVE OFFICER (CEO):	P. Smyth
DEPUTY CEO:	M. Cooper (passed away May 2023) D. Davies (from October 2023)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

I am delighted to present my second Annual Report and Annual Accounts as Chair of the Metropolitan & City Police Orphan's Fund, it was an honour to be appointed as Chair of the fund which is the oldest Police Charity in the world. I would like to take this opportunity of thanking my predecessor Simon Ovens, who retired during 2023, for the years of dedicated service he gave to the Fund. It is a tribute to his leadership that the Fund is in such a healthy position, whilst having achieved record levels of charitable giving.

Unfortunately I also have to report that our Deputy Chief Executive Malcolm Cooper passed away in May 2023. Malcolm had worked for the fund for just a couple of months short of 10 years. Over that time he helped hundreds of families with compassion and empathy. He will be sadly missed.

I would also wish to place on record our enormous thanks to the sponsors of our Annual Luncheon, George Burrows Insurance, Reynolds Dawson Solicitors and ARC Legal Insurance. Their support for our luncheon and indeed their support throughout the year is of huge assistance to the Fund.

Also I would like to thank the members of the Board of Management, they give up their time for no other benefit but to help others, I thank them for their commitment to the fund.

The COVID-19 pandemic had a major effect on our investments with sharp drops in valuations. We are pleased that by mid 2021 the value of our investments had largely recovered. We sincerely thank CCLA Investments and Close Brothers Asset Management for all their work in protecting our investments at such a volatile time. Subsequent events such as the war in Ukraine have led to higher inflation and steeply rising fuel costs. Investment valuations have been largely stagnant with some falls in value, but are now beginning to exhibit growth.

Working in close liaison with our investment advisers, CCLA and Close Brothers, we closely monitored the performance of our investments and in particular the dividend payments that are our lifeblood as a charity. Our sincere thanks go to Antonia Cavalieri at CCLA and Adam Griffin at Close Brothers for their patience and advice. They made steering our way through the pandemic and the Global financial situation so much easier.

We are pleased that dividends held up better than we could have hoped for, and have actually increased slightly.

The Board took the view that it is the income that is important to support our families. Growth leads to a better looking balance sheet but increased valuations do not necessarily mean increased income. In the last 5 years our investments have grown by around 50%, which is great but in the same period our investment income has grown by around 10%, barely keeping up with inflation. The Board have decided that extra income is preferable to extra in valuations.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2023

The trustees present their report with the financial statements of the charity for the year ended 31st December 2023. The trustees have adopted the provisions of 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).

ORIGINS

The Charity (**Charity Number 234787**) was founded in 1870, and was formerly known as **THE METROPOLITAN AND CITY POLICE ORPHANAGE**. With the approval of the Charity Commission, the orphanage closed on 31st July 1937. On the following day the **Metropolitan and City Police Orphans Fund** came into being.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To relieve beneficiaries in cases of need or hardship.
2. To advance the education, professional or vocational training of beneficiaries in need of financial assistance, to include education at school, college or university and education or training in music or the arts.
3. To promote the health of and relieve sickness, infirmity or disability among beneficiaries in cases of need, by the provision of medical treatment and financial assistance to enable them to participate in healthy recreational activities.
4. To help the beneficiaries, especially but not exclusively, through leisure time activities, so as to develop their skills, capacities and capabilities, to enable them to participate in society as mature and responsible individuals.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In order to carry out the Charity's aim for the public benefit, the Trustees award grants and allowances to cover the different circumstances of those in need:

Bereavement Payment is given to families immediately upon the death of a serving officer.

Compassionate Allowance is awarded to children of police officers of the Metropolitan Police Service ("the MPS") and the City of London Police who have not completed their education where one or both of whose police parent are dead, disabled or incapacitated, or in the judgement of the Trustees, is incapable of materially contributing to their own family's support due to sickness, infirmity or disability; or in exceptional cases, persons who have ceased to be beneficiaries on completion of their education but who in the opinion of the Trustees remain in need of assistance.

Education Grants are awarded to children for any educational purpose which in the opinion of the Trustees is likely to contribute to the spiritual, moral, mental or physical development of the child. We also award a Discretionary Grant to help with the payment of tuition fees.

Clothing Grant is awarded to children who are leaving full time education to seek employment. The grant is awarded for financial assistance in the purchase of clothing for employment interviews.

Holiday Grant is awarded to our families who are on the lowest incomes.

Family Support is awarded to families on a higher income and are small payments given to such families twice per year, at summer holidays and Christmas, to assist with maintaining the children's wellbeing. Such payments are felt necessary to ensure that all police officers children receive an acknowledgement of the contributions made by their police parent.

For 2022 the Fund mindful of the financial difficulties facing families coping with inflation and higher fuel costs, decided to introduce a "one off" winter fuel payment. This payment was paid per household rather than the normal payments which are paid per child.

Payments made:	2023	2022
- Compassionate Allowance	£580,287	£548,472
- Education Grants (includes tuition fee grants)	£59,323	£31,620
- Clothing Grant	£5,250	£18,000
- Holiday Grant	£132,300	£147,800
- Family Support	£93,909	£94,567
- Bereavement	£44,000	£44,000
- Winter Fuel	£Nil	£62,100
- Grants to institutions	£10,000	£12,136
TOTAL	£925,069	£958,695

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continues to remain focused on the educational needs of our orphans. The Grants paid by the Fund go to individuals and not to corporate bodies. The Trustees are of the opinion that the Fund's responsibility under the Charity's Deed of Trust is to provide educational funding in order that our orphans are given the best possible educational advantage.

In making grants (£925,069) during the year; the Trustees' are of the opinion that they have discharged their duties under the Charity's Deed of Trust.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

ACHIEVEMENT AND PERFORMANCE

Investment performance

Our investments are managed by CCLA Investment Management Limited and Close Brothers Asset Management with the objective of maximizing the income receivable whilst allowing a degree of capital growth. We will continue to have quarterly reports provided on the performance of our investments, in light of our continued policy of reducing the exposure to UK equities in favour of a greater allocation to markets overseas. In our view, the enhanced allocation to international investment increases the opportunities to generate attractive long term returns and reduces the risks that arise from too great an exposure to a single market.

FINANCIAL REVIEW

Financial position

The accounts have been prepared in accordance with the revised Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019).

The net result show a net cash surplus of £24,022 compared to a surplus of £6,965 in 2022.

Expenditure in 2023 decreased by £26,267 on the previous year. Prior to 2021 had seen small deficits in expenditure over income, but the last 2 years report a surplus. In 2019 with the assistance of Metropolitan Police Pensions Branch we undertook a major effort to try and trace families who were eligible for assistance but not currently claiming. This resulted in an additional 37 children coming onto the fund.

With the assistance of the Metropolitan and City Police Federations, the National Association of Retired Police Officers (London Branch) we are trying to ensure that no families are missed in future.

Compassionate Allowance and Miscellaneous Grants; which represented 78% of the Funds expenditure, decreased by £33,626 to £925,069 compared to 2022.

Raising funds; decreased by £6,573 to £91,324, details of this expenditure can be found in the notes to the financial statements, under the heading 'Raising Funds'.

Gains on investments amounted to £1,972,179 compared to a loss on investments of £3,856,635 in 2022. Taking into account these gains means that the Fund increased by £2,041,145 in 2023.

Principal funding sources

Income; in 2023 increased by £41,977 on the previous year , and due to the gain in value of our investments (unrealised) and the charities funds increased by £2,041,145.

Police Subscriptions; which produced 30% of our income for 2023 and increased by £21,825 to £374,571 compared to £352,746 in the previous year.

Donations; increased from £60,976 to £69,208. Donations accounted for 5% of our income.

Donations through Collecting Boxes; increased by £742 to £2,192 compared to 2022. Collection Boxes were a significant income stream for us in the past and used to regularly bring in £20k per annum. The closure of so many police station front counters and the move to telephone and internet reporting has greatly reduced the effectiveness of this method of income generation.

Legacies; There was no legacy in the year (2022: £2,000) that was invested in our Unrestricted Funds Account.

Investment Income; which produced 64% of our income; increased by £13,178 to £803,967.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2023

FINANCIAL REVIEW

Reserves policy

The current level of reserves is £29,520,961. The Fund is increasingly reliant upon the income generated by these reserves to fulfil its charitable objectives. In 2023 the reserves generated 64% of Income. The policy on reserves is reviewed annually. The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term projections.

The Trustees regularly review the level of reserves to ensure that they are appropriate, taking into account projections of:

- a) The amount of police officer subscriptions
- b) The number of recipients of the allowances
- c) The level of inflation
- d) Income and Capital growth yields available from the investment portfolio.

The current policy of the Trustees is to maintain the current level of reserves and to try and achieve small increases in reserves to alleviate the effects of inflation. The income generated from our reserves is expended for the benefit of our unfortunate orphans. Other sources of income are insufficient to support our charitable aims, without the income from reserves. The current level of reserves is therefore needed to meet the capital requirements of the Charity.

FUTURE PLANS

The charity was founded in 1870 thanks to the generosity of serving officers contributing from pay. Direct contributions from serving officers has always been the largest source of donated income. The substantial reserves that have been built up over our 150 plus years now provide the largest proportion of our income. The contributions of serving officers still provide around 30% of our income and are therefore extremely significant to our finances.

In 1961, the Metropolitan Police decided that there were too many different deduction from pay schemes, they therefore consolidated the charitable deductions into one scheme known as the Metropolitan Police Benevolent Fund (MPBF). Officers contributions to the MPBF are administered by the MPBF and then shared out amongst the constituent charities of which we are one.

In December 2023 we were informed that the number of serving officers contributing to the MPBF had fallen considerably. Due to this fall the MPBF were unable to provide the normal level of funding to the Orphans Fund and decided to cut our funding by £100,000 for 2024. We had no prior warning that our funding would be cut by such a large amount. We have also been warned that if the number of officers contributing to the MPBF does not increase, further cuts to our funding could occur.

In 2024 we will be offering our assistance to the MPBF and the Metropolitan Police Federation to try and increase the number of officers contributing to the MPBF.

Given the background of the Pandemic and the world situation, the fund had a successful year, we hope to continue this in the coming years by increasing the level of support to the children of police officers serving or retired who have died or are so incapacitated that they are unable to contribute financially to the upkeep of their families.

We are now supporting more children than at any point since the years following the two World Wars. This is mainly due to our efforts to trace families who for whatever reason had not applied to the fund previously. By liaising with Police Pension Branch we were able to trace a number of families who had up until then missed out on our support.

We will endeavour to continue to support children who otherwise would be faced with financial hardships in their family life. We continue to review our finances to ensure we can maximise the amounts we can provide in support of families.

As a Charity we rely very heavily on voluntary contributions. The money donated by serving officers in both forces is by far the largest source of donated income. I would like to thank all our donors and subscribers for their financial generosity. Without their on-going commitment we would not have been able to provide the same level of support in caring for our unfortunate orphans.

We are very proud of the achievements of the children we support it never ceases to amaze me of the resilience of young people and the fantastic results they attain, often in the face of adversity and tragic family loss. Many of the young people we support go on to attain qualifications to assist them in life and benefit their communities.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Declaration of Trust dated 31st August 1918 and Scheme of 12th October 1937 and adopted 8th May 1964 as amended 28th June 1967, 23rd May 1968, 28th May 1970, 26th September 1983, 14th November 2002, 10th June 2009, 17th January 2017 and 9th May 2023.

Organisational structure

The overall governance of the Fund is vested in the Trustees, there are currently fourteen members, two nominated by the Metropolitan Police Commissioner and one by the Commissioner of the City of London Police, with the remainder nominated by Staff Associations within the Services. The Board of Management meet at the Fund's office each month to consider applications and variations in the circumstances of recipients. Regular checks for changes are made by way of correspondence, enquiries of parents and educational establishments. The Board of Management recently changed the rules to allow more retired officers the Fund is now permitted to have sixteen Trustees.

The day to day running of the Fund is delegated to the Chief Executive Officer (CEO) and Deputy Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management and control of the administration of the charitable funds and reports monthly to the Board of Management. The CEO ensures that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board of Management.

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations, to improve their knowledge of charity law and their responsibilities as trustees.

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finance of the Fund, and are satisfied that systems are in place to mitigate their exposure to major risks. A review of the Charity's risk management process is undertaken on a quarterly basis. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

ACKNOWLEDGEMENTS

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2023.

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

The Trustees wish to convey their sincere condolences to the family of our Malcolm Cooper, who passed away in May 2023. The Trustees are grateful for his service to support and promote the Fund and to the Police family as a whole in his various roles over the years.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
M Reed - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

Opinion

We have audited the financial statements of Metropolitan and City Police Orphans Fund (the 'charity') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 31st 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Responsibilities of trustees

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

In preparing the financial statements, the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company's operations, we identified that the principal risks of non-compliance with laws and regulations relates to grant making. We considered the extent to which non-compliance might have a material effect on the financial statements that results in the situation that no further grant funding can be provided. We also considered the relevant laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined there were no principal risks directly impacting the Fund's revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

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.

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

Date:

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	445,971	-	445,971	417,172
Investment income	3	<u>798,214</u>	<u>5,753</u>	<u>803,967</u>	<u>790,789</u>
Total		<u>1,244,185</u>	<u>5,753</u>	<u>1,249,938</u>	<u>1,207,961</u>
EXPENDITURE ON					
Raising funds	4	91,324	-	91,324	97,897
Charitable activities	5				
Compassionate allowances		580,287	-	580,287	548,472
Miscellaneous grants		344,782	-	344,782	410,223
Direct costs		163,284	-	163,284	150,647
Other		<u>1,295</u>	<u>-</u>	<u>1,295</u>	<u>-</u>
Total		<u>1,180,972</u>	<u>-</u>	<u>1,180,972</u>	<u>1,207,239</u>
Net gains/(losses) on investments		<u>1,952,156</u>	<u>20,023</u>	<u>1,972,179</u>	<u>(3,857,357)</u>
NET INCOME/(EXPENDITURE)		2,015,369	25,776	2,041,145	(3,856,635)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>27,224,700</u>	<u>255,116</u>	<u>27,479,816</u>	<u>31,336,451</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>29,240,069</u></u>	<u><u>280,892</u></u>	<u><u>29,520,961</u></u>	<u><u>27,479,816</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**BALANCE SHEET
31ST DECEMBER 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	11	1,693	1,693
Investments	12	<u>28,681,744</u>	<u>26,651,149</u>
		28,683,437	26,652,842
CURRENT ASSETS			
Debtors	13	142,057	139,191
Cash at bank		<u>748,910</u>	<u>724,888</u>
		890,967	864,079
CREDITORS			
Amounts falling due within one year	14	(53,443)	(37,105)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>837,524</u>	<u>826,974</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>29,520,961</u>	<u>27,479,816</u>
NET ASSETS		<u>29,520,961</u>	<u>27,479,816</u>
FUNDS	16		
Unrestricted funds		29,240,069	27,224,700
Restricted funds		<u>280,892</u>	<u>255,116</u>
TOTAL FUNDS		<u>29,520,961</u>	<u>27,479,816</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8th October 2024 and were signed on its behalf by:

.....
Trustee

.....
Trustee

.....
Trustee

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>82,438</u>	<u>102,431</u>
Net cash provided by operating activities		<u>82,438</u>	<u>102,431</u>
 Cash flows from investing activities			
Purchase of fixed asset investments		(1,134,270)	(878,920)
Sale of fixed asset investments		<u>1,075,854</u>	<u>783,454</u>
Net cash used in investing activities		<u>(58,416)</u>	<u>(95,466)</u>
Change in cash and cash equivalents in the reporting period		24,022	6,965
Cash and cash equivalents at the beginning of the reporting period		<u>724,888</u>	<u>717,923</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>748,910</u></u>	<u><u>724,888</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2023**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2023	2022
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,041,145	(3,856,635)
Adjustments for:		
(Gain)/losses on investments	(1,972,179)	3,857,357
(Increase)/decrease in debtors	(2,866)	86,238
Increase in creditors	<u>16,338</u>	<u>15,471</u>
Net cash provided by operations	<u><u>82,438</u></u>	<u><u>102,431</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank	<u>724,888</u>	<u>24,022</u>	<u>748,910</u>
	<u>724,888</u>	<u>24,022</u>	<u>748,910</u>
Total	<u><u>724,888</u></u>	<u><u>24,022</u></u>	<u><u>748,910</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All incoming resources are recognised once the Fund has entitlement to the resources.

Subscription income is recognised on a receivable basis.

Donations are recognised as and when they received as cleared funds in the bank.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of the incoming resources is known.

Investment income is recognised on a receivable basis.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds comprises costs associated with attracting voluntary income and investment management costs.

Direct costs include central functions allocated to activity cost categories on a basis consistent with the use of resources, and governance costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fees and costs linked to the strategic management of the Charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without conditions or the recipient has a reasonable expectation that they will receive a grant.

Tangible fixed assets

Freehold property held for the Charity's use is valued at cost. No depreciation has been charged, as it is the Trustees' policy to maintain the building in a continual state of sound repair. The Trustees consider that the life of this asset is so long and its residual value so high that its depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds comprise those funds held on trust to be applied for restrictive purposes.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

1. ACCOUNTING POLICIES - continued

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Police subscriptions	374,571	352,746
Donations	69,208	60,976
Collecting boxes	2,192	1,450
Legacies	<u>-</u>	<u>2,000</u>
	<u><u>445,971</u></u>	<u><u>417,172</u></u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Investment income	<u>803,967</u>	<u>790,789</u>

4. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Fundraising events	<u>2,856</u>	<u>3,867</u>

Investment management costs

	2023	2022
	£	£
Investment management costs	<u>88,468</u>	<u>94,030</u>

Aggregate amounts	<u>91,324</u>	<u>97,897</u>
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**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Compassionate allowances	-	580,287	-	580,287
Miscellaneous grants	-	344,782	-	344,782
Direct costs	<u>22,477</u>	<u>-</u>	<u>140,807</u>	<u>163,284</u>
	<u>22,477</u>	<u>925,069</u>	<u>140,807</u>	<u>1,088,353</u>

6. GRANTS PAYABLE

	2023 £	2022 £
Compassionate allowances	580,287	548,472
Miscellaneous grants	<u>344,782</u>	<u>410,223</u>
	<u>925,069</u>	<u>958,695</u>

The total grants paid to institutions during the year was as follows:

	2023 £	2022 £
Family support	<u>10,000</u>	<u>12,136</u>

The total grants paid to individuals during the year was as follows:

	2023 £	2022 £
Compassionate allowances	580,287	548,472
Clothing	5,250	18,000
Education	59,323	31,620
Holiday	132,300	147,800
Family support	93,909	94,567
Bereavement	44,000	44,000
Winter fuel	<u>-</u>	<u>62,100</u>
	<u>915,069</u>	<u>946,559</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

7. SUPPORT COSTS

	Governance costs
	£
Other resources expended	1,295
Direct costs	<u>140,807</u>
	<u><u>142,102</u></u>

Support costs, included in the above, are as follows:

Governance costs

		2023	2022
	Other resources expended	Total activities	Total activities
	£	£	£
Staff salaries and pensions	-	124,520	126,981
Auditors' remuneration	1,295	10,986	9,755
Legal and professional	<u>-</u>	<u>6,596</u>	<u>278</u>
	<u><u>1,295</u></u>	<u><u>142,102</u></u>	<u><u>137,014</u></u>

8. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>10,986</u>	<u>9,755</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees received no remuneration during this year or the previous year and there were no expenses reimbursed during this year or in the previous year. The Charity has taken out a Trustee indemnity insurance policy and paid a premium of £1,155 (2022: £1,120).

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	<u>124,520</u>	<u>126,981</u>
	<u><u>124,520</u></u>	<u><u>126,981</u></u>

The average monthly number of employees during the year was as follows:

	2023	2022
		
Administration	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st January 2023 and 31st December 2023	<u>1,693</u>
NET BOOK VALUE	
At 31st December 2023	<u>1,693</u>
At 31st December 2022	<u>1,693</u>

The freehold property at 30 Hazlewood Road, Putney was purchased in 1937 and is used as the Fund's Office. The property was valued on 1st April 2003 by Foxtons, Estate Agents at £1.5m. The market value of the property is now believed to be in the region of £2m. This value has not been incorporated into the financial statements. The property is subject to a covenant whereby it cannot be sold without the prior consent of the Charity Commission.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2023	26,651,149
Additions	1,134,270
Disposals	(615,348)
Revaluations	<u>1,511,673</u>
At 31st December 2023	<u>28,681,744</u>
NET BOOK VALUE	
At 31st December 2023	<u>28,681,744</u>
At 31st December 2022	<u>26,651,149</u>

Investment assets held outside the UK total £5,687,132 (2022: £4,697,125).

The value of the following investments represents more than 5% of the total market value as at 31st December 2023:

CCLA Revenue Reserve - £8,466,231 (30%)
CCLA General Fund - £7,062,894 (25%)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	1,955	1,593
Accrued income	<u>140,102</u>	<u>137,598</u>
	<u><u>142,057</u></u>	<u><u>139,191</u></u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other creditors	<u>53,443</u>	<u>37,105</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	1,693	-	1,693	1,693
Investments	28,443,818	237,926	28,681,744	26,651,149
Current assets	848,001	42,966	890,967	864,079
Current liabilities	<u>(53,443)</u>	<u>-</u>	<u>(53,443)</u>	<u>(37,105)</u>
	<u><u>29,240,069</u></u>	<u><u>280,892</u></u>	<u><u>29,520,961</u></u>	<u><u>27,479,816</u></u>

16. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	27,224,700	2,015,369	29,240,069
Restricted funds			
Education	94,520	9,547	104,067
War memorial fund	78,417	7,938	86,355
War memorial hospital	61,558	6,212	67,770
Twells memorial	8,169	814	8,983
Sir Edmund Henderson	<u>12,452</u>	<u>1,265</u>	<u>13,717</u>
	<u>255,116</u>	<u>25,776</u>	<u>280,892</u>
TOTAL FUNDS	<u><u>27,479,816</u></u>	<u><u>2,041,145</u></u>	<u><u>29,520,961</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,244,185	(1,180,972)	1,952,156	2,015,369
Restricted funds				
Education	2,128	-	7,419	9,547
War memorial fund	1,784	-	6,154	7,938
War memorial hospital	1,380	-	4,832	6,212
Twells memorial	173	-	641	814
Sir Edmund Henderson	288	-	977	1,265
	<u>5,753</u>	<u>-</u>	<u>20,023</u>	<u>25,776</u>
TOTAL FUNDS	<u><u>1,249,938</u></u>	<u><u>(1,180,972)</u></u>	<u><u>1,972,179</u></u>	<u><u>2,041,145</u></u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	31,058,131	(3,833,431)	27,224,700
Restricted funds			
Education	103,117	(8,597)	94,520
War memorial fund	85,549	(7,132)	78,417
War memorial hospital	67,157	(5,599)	61,558
Twells memorial	8,912	(743)	8,169
Sir Edmund Henderson	13,585	(1,133)	12,452
	<u>278,320</u>	<u>(23,204)</u>	<u>255,116</u>
TOTAL FUNDS	<u><u>31,336,451</u></u>	<u><u>(3,856,635)</u></u>	<u><u>27,479,816</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,202,493	(1,207,239)	(3,828,685)	(3,833,431)
Restricted funds				
Education	2,026	-	(10,623)	(8,597)
War memorial fund	1,681	-	(8,813)	(7,132)
War memorial hospital	1,320	-	(6,919)	(5,599)
Twells memorial	175	-	(918)	(743)
Sir Edmund Henderson	266	-	(1,399)	(1,133)
	<u>5,468</u>	<u>-</u>	<u>(28,672)</u>	<u>(23,204)</u>
TOTAL FUNDS	<u><u>1,207,961</u></u>	<u><u>(1,207,239)</u></u>	<u><u>(3,857,357)</u></u>	<u><u>(3,856,635)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	31,058,131	(1,818,062)	29,240,069
Restricted funds			
Education	103,117	950	104,067
War memorial fund	85,549	806	86,355
War memorial hospital	67,157	613	67,770
Twells memorial	8,912	71	8,983
Sir Edmund Henderson	13,585	132	13,717
	<u>278,320</u>	<u>2,572</u>	<u>280,892</u>
TOTAL FUNDS	<u><u>31,336,451</u></u>	<u><u>(1,815,490)</u></u>	<u><u>29,520,961</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,446,678	(2,388,211)	(1,876,529)	(1,818,062)
Restricted funds				
Education	4,154	-	(3,204)	950
War memorial fund	3,465	-	(2,659)	806
War memorial hospital	2,700	-	(2,087)	613
Twells memorial	348	-	(277)	71
Sir Edmund Henderson	554	-	(422)	132
	<u>11,221</u>	<u>-</u>	<u>(8,649)</u>	<u>2,572</u>
TOTAL FUNDS	<u><u>2,457,899</u></u>	<u><u>(2,388,211)</u></u>	<u><u>(1,885,178)</u></u>	<u><u>(1,815,490)</u></u>

Unrestricted funds comprise those funds which the Trustees are free to use in furtherance of the general objective of the Charity.

Restricted funds comprise of the following funds:

Education Fund: Income of the fund provides grants to orphans for education purposes.

War Memorial Fund: Income of the fund provides allowances for benefit of necessitous orphans.

War Memorial Hospital Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Twells Memorial Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Sir Edmund Henderson: Income of the fund provides education grants to orphans.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2023.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Police subscriptions	374,571	352,746
Donations	69,208	60,976
Collecting boxes	2,192	1,450
Legacies	<u>-</u>	<u>2,000</u>
	445,971	417,172
Investment income		
Investment income	<u>803,967</u>	<u>790,789</u>
Total incoming resources	1,249,938	1,207,961
EXPENDITURE		
Raising donations and legacies		
Fundraising events	2,856	3,867
Investment management costs		
Investment management costs	88,468	94,030
Charitable activities		
Rates	1,874	1,782
Insurance	2,688	2,594
Other premises costs	3,463	6,798
Telephone	1,475	1,147
Postage and stationery	60	62
Computer expenses	12,691	158
Miscellaneous costs	226	1,092
Grants to institutions	10,000	12,136
Grants to individuals	<u>915,069</u>	<u>946,559</u>
	947,546	972,328
Support costs		
Governance costs		
Staff salaries and pensions	124,520	126,981
Auditors' remuneration	10,986	9,755
Legal and professional	<u>6,596</u>	<u>278</u>
	<u>142,102</u>	<u>137,014</u>
Total resources expended	<u>1,180,972</u>	<u>1,207,239</u>
Net income before gains and losses	68,966	722

This page does not form part of the statutory financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	2023	2022
	£	£
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>460,506</u>	<u>390,151</u>
Net income	<u><u>529,472</u></u>	<u><u>390,873</u></u>

THE METROPOLITAN AND CITY POLICE ORPHANS FUND

England & Wales - Charity number 234787

Accounts

METROPOLITAN AND CITY POLICE ORPHANS FUND

Registered Charity Number 234787

ANNUAL REPORT & ACCOUNTS 2022



George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PATRON



H.R.H The Prince of Wales KG, KT, PC, ADC

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PRESIDENT



**SIR MARK ROWLEY QPM
COMMISSIONER METROPOLITAN POLICE**

VICE PRESIDENT



**ANGELA MCLAREN
COMMISSIONER CITY of LONDON POLICE**

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Page
Reference and Administrative Details	1
Chairman's Report	2 to 3
Report of the Trustees	4 to 8
Report of the Independent Auditors	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 24
Detailed Statement of Financial Activities	25 to 26

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

TRUSTEES	D Davies (resigned 1.6.23) G Gilbert D Lawes (resigned 1.4.23) (reappointed 12.7.23) A O'Donnell (appointed 12.7.23) S Ovens (resigned 1.6.23) G Smyth Q.P.M J Howard N Jerome (resigned 1.7.23) S Davies G Gaskain K Malda K Gordon M Reed P Dodds A Picton (appointed 1.4.22) (resigned 1.6.23) S Cundy (appointed 1.7.23) H Isaac (appointed 1.4.23) D Slade (appointed 1.6.23)
PRINCIPAL ADDRESS	30 Hazlewell Road Putney London SW15 6LH
REGISTERED CHARITY NUMBER	234787
AUDITORS	George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street London SW1V 4PS
WEBSITE:	https://www.met-cityorphans.org.uk/
CHIEF EXECUTIVE OFFICER (CEO):	P. Smyth
DEPUTY CEO:	M. Cooper (passed away May 2023) D. Davies (from October 2023)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

I am delighted to present my first Annual Report and Annual Accounts as Chair of the Metropolitan & City Police Orphan's Fund, it was an honour to be appointed as Chair of the fund which is the oldest Police Charity in the world. I would like to take this opportunity of thanking my predecessor Simon Ovens for the years of dedicated service he gave to the Fund. It is a tribute to his leadership that the Fund is in such a healthy position, whilst having achieved record levels of charitable giving.

Unfortunately I also have to report that our Deputy Chief Executive Malcolm Cooper passed away in May. Malcolm had worked for the fund for just a couple of months short of 10 years. Over that time he helped hundreds of families with compassion and empathy. He will be sadly missed.

In 2022 we also had the death of our Queen, Elizabeth II. After over 60 years on the throne, most of us cannot remember any other Monarch. Our sympathies go to her family, including of course our Patron The Prince of Wales.

I would also wish to place on record our enormous thanks to the sponsors of our Annual Luncheon, George Burrows Insurance, Reynolds Dawson Solicitors and ARC Legal Insurance. Their support for our luncheon and indeed their support throughout the year is of huge assistance to the Fund.

Also I would like to thank the members of the Board of Management, they give up their time for no other benefit but to help others, I thank them for their commitment to the fund.

The COVID-19 pandemic had a major effect on our investments with sharp drops in valuations. We are pleased that by mid 2021 the value of our investments had largely recovered. We sincerely thank CCLA Investments and Close Brothers Asset Management for all their work in protecting our investments at such a volatile time. Subsequent events such as the war in Ukraine have led to higher inflation and steeply rising fuel costs. Investment valuations have been largely stagnant with some falls in value.

The Board were very conscious of the struggle that some families were experiencing in coping with the fuel crisis. In late 2021 we were very fortunate to receive a substantial sum of money via a legacy. The Board decided to make an extra payment to each household we support to help those families cope with increasing costs.

Working in close liaison with our investment advisers, CCLA and Close Brothers, we closely monitored the performance of our investments and in particular the dividend payments that are our lifeblood as a charity. Our sincere thanks go to Antonia Cavalieri at CCLA and Adam Griffin at Close Brothers for their patience and advice. They made steering our way through the pandemic so much easier.

We are pleased that dividends held up better than we could have hoped for, and have actually increased slightly.

The Board took the view that it is the income that is important to support our families. Growth leads to a better looking balance sheet but increased valuations do not necessarily mean increased income. In the last 5 years our investments have grown by around 50%, which is great but in the same period our investment income has grown by around 10%, barely keeping up with inflation. The Board have decided that extra income is preferable to extra in valuations.

As we enter 2023, it is pleasing to report that our income streams are steady and we anticipate all our grants and allowances being maintained at normal levels throughout 2023.

Given the background of the Pandemic and the world situation, the fund had a successful year, we hope to continue this in the coming years by increasing the level of support to the children of police officers serving or retired who have died or are so incapacitated that they are unable to contribute financially to the upkeep of their families.

We are now supporting more children than at any point since the years following the two World Wars. This is mainly due to our efforts to trace families who for whatever reason had not applied to the fund previously. By liaising with Police Pension Branch we were able to trace a number of families who had up until then missed out on our support.

We will endeavour to continue to support children who otherwise would be faced with financial hardships in their family life. We continue to review our finances to ensure we can maximise the amounts we can provide in support of families.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

As a Charity we rely very heavily on voluntary contributions. The money donated by serving officers in both forces is by far the largest source of donated income. I would like to thank all our donors and subscribers for their financial generosity. Without their on-going commitment we would not have been able to provide the same level of support in caring for our unfortunate orphans.

We are very proud of the achievements of the children we support it never ceases to amaze me of the resilience of young people and the fantastic results they attain, often in the face of adversity and tragic family loss. Many of the young people we support go on to attain qualifications to assist them in life and benefit their communities.

.....

M Reed
Chairman of the Board of Management

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

The trustees present their report with the financial statements of the charity for the year ended 31st December 2022. The trustees have adopted the provisions of 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).

ORIGINS

The Charity (**Charity Number 234787**) was founded in 1870, and was formerly known as **THE METROPOLITAN AND CITY POLICE ORPHANAGE**. With the approval of the Charity Commission, the orphanage closed on 31st July 1937. On the following day the **Metropolitan and City Police Orphans Fund** came into being.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To relieve beneficiaries in cases of need or hardship.
2. To advance the education, professional or vocational training of beneficiaries in need of financial assistance, to include education at school, college or university and education or training in music or the arts.
3. To promote the health of and relieve sickness, infirmity or disability among beneficiaries in cases of need, by the provision of medical treatment and financial assistance to enable them to participate in healthy recreational activities.
4. To help the beneficiaries, especially but not exclusively, through leisure time activities, so as to develop their skills, capacities and capabilities, to enable them to participate in society as mature and responsible individuals.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In order to carry out the Charity's aim for the public benefit, the Trustees award grants and allowances to cover the different circumstances of those in need:

Bereavement Payment is given to families immediately upon the death of a serving officer.

Compassionate Allowance is awarded to children of police officers of the Metropolitan Police Service ("the MPS") and the City of London Police who have not completed their education where one or both of whose police parent are dead, disabled or incapacitated, or in the judgement of the Trustees, is incapable of materially contributing to their own family's support due to sickness, infirmity or disability; or in exceptional cases, persons who have ceased to be beneficiaries on completion of their education but who in the opinion of the Trustees remain in need of assistance.

Education Grants are awarded to children for any educational purpose which in the opinion of the Trustees is likely to contribute to the spiritual, moral, mental or physical development of the child. We also award a Discretionary Grant to help with the payment of tuition fees.

Clothing Grant is awarded to children who are leaving full time education to seek employment. The grant is awarded for financial assistance in the purchase of clothing for employment interviews.

Holiday Grant is awarded to our families who are on the lowest incomes.

Family Support is awarded to families on a higher income and are small payments given to such families twice per year, at summer holidays and Christmas, to assist with maintaining the children's wellbeing. Such payments are felt necessary to ensure that all police officers children receive an acknowledgement of the contributions made by their police parent.

In 2022 the Fund mindful of the financial difficulties facing families coping with inflation and higher fuel costs, decided to introduce a "one off" winter fuel payment. This payment was paid per household rather than the normal payments which are paid per child.

Payments made:	2022	2021
- Compassionate Allowance	£548,472	£549,970
- Education Grants (includes tuition fee grants)	£31,620	£57,570
- Clothing Grant	£18,000	£6,750
- Holiday Grant	£147,800	£153,580
- Family Support	£94,567	£92,884
- Bereavement	£44,000	£16,000
- Winter Fuel	£62,100	£Nil
- Grants to institutions	£12,136	£Nil
TOTAL	£958,695	£876,754

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continues to remain focused on the educational needs of our orphans. The Grants paid by the Fund go to individuals and not to corporate bodies. The Trustees are of the opinion that the Fund's responsibility under the Charity's Deed of Trust is to provide educational funding in order that our orphans are given the best possible educational advantage.

In making grants (£958,695) during the year; the Trustees' are of the opinion that they have discharged their duties under the Charity's Deed of Trust.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

ACHIEVEMENT AND PERFORMANCE

Investment performance

Our investments are managed by CCLA Investment Management Limited and Close Brothers Asset Management with the objective of maximizing the income receivable whilst allowing a degree of capital growth. We will continue to have quarterly reports provided on the performance of our investments, in light of our continued policy of reducing the exposure to UK equities in favour of a greater allocation to markets overseas. In our view, the enhanced allocation to international investment increases the opportunities to generate attractive long term returns and reduces the risks that arise from too great an exposure to a single market.

FINANCIAL REVIEW

Financial position

The accounts have been prepared in accordance with the revised Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019).

The net result show a net cash surplus of £6,965 compared to a surplus of £228,281 in 2021.

Expenditure in 2022 increased by £82,353 on the previous year. Prior to 2021 had seen small deficits in expenditure over income, but the last 2 years report a surplus. In 2019 with the assistance of Metropolitan Police Pensions Branch we undertook a major effort to try and trace families who were eligible for assistance but not currently claiming. This resulted in an additional 37 children coming onto the fund.

With the assistance of the Metropolitan and City Police Federations, the National Association of Retired Police Officers (London Branch) we are trying to ensure that no families are missed in future.

Compassionate Allowance and Miscellaneous Grants; which represented 80% of the Funds expenditure, increased by £81,941 to £958,695 compared to 2021.

Other Costs; decreased by £2,859 to £97,897, details of this expenditure can be found in the notes to the financial statements, under the heading 'Total Resources Expended'.

Losses on investments amounted to £3,857,357 compared to a gain on investments of £3,281,450 in 2021. Taking into account these gains means that the Fund decreased by £3,856,635 in 2022.

Principal funding sources

Income; in 2022 decreased by £216,017 on the previous year (legacies fell by £265,434), and due to the loss in value of our investments (unrealised) and the charities funds decreased by £3,857,357.

Police Subscriptions; which produced 29% of our income for 2022 and decreased slightly to £352,746 compared to £356,464 in the previous year.

Donations; increased from £55,058 to £60,976. Donations accounted for 5% of our income.

Donations through Collecting Boxes; increased by £590 to £1,450 compared to 2021. Collection Boxes were a significant income stream for us in the past and used to regularly bring in £20k per annum. The closure of so many police station front counters and the move to telephone and internet reporting has greatly reduced the effectiveness of this method of income generation.

Legacies; There was one legacy totalling £2,000 (2021: £267,434) that was invested in our Unrestricted Funds Account.

Investment Income; which produced 65% of our income; increased by £46,627 to £790,789.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2022

FINANCIAL REVIEW

Reserves policy

The current level of unrestricted reserves is £27,479,816. The Fund is increasingly reliant upon the income generated by these reserves to fulfil its charitable objectives. In 2022 the reserves generated 65% of Income. The policy on reserves is reviewed annually. The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term projections.

The Trustees regularly review the level of reserves to ensure that they are appropriate, taking into account projections of:

- a) The amount of police officer subscriptions
- b) The number of recipients of the allowances
- c) The level of inflation
- d) Income and Capital growth yields available from the investment portfolio.

The current policy of the Trustees is to maintain the current level of reserves and to try and achieve small increases in reserves to alleviate the effects of inflation. The income generated from our reserves is expended for the benefit of our unfortunate orphans. Other sources of income are insufficient to support our charitable aims, without the income from reserves. The current level of reserves is therefore needed to meet the capital requirements of the Charity.

FUTURE PLANS

We intend to strengthen our links with our benefactors and donors to assist us in developing more effective initiatives to expand the general awareness of the Charity.

The Fund has signed up to organisations such as EasyFundraising, VirginMoneyGiving and Love2Donate in order to maximise opportunities for donations and to ensure that all due Gift aid is claimed.

We will continue to improve our performance by increasing the number of applicants registered with the Charity and therefore increase the amount of expenditure on grants payable.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Declaration of Trust dated 31st August 1918 and Scheme of 12th October 1937 and adopted 8th May 1964 as amended 28th June 1967, 23rd May 1968, 28th May 1970, 26th September 1983, 14th November 2002, 10th June 2009 and 17th January 2017.

Organisational structure

The overall governance of the Fund is vested in the Trustees, there are currently fourteen members, two nominated by the Metropolitan Police Commissioner and one by the Commissioner of the City of London Police, with the remainder nominated by Staff Associations within the Services. The Board of Management meet at the Fund's office each month to consider applications and variations in the circumstances of recipients. Regular checks for changes are made by way of correspondence, enquiries of parents and educational establishments. The Board of Management recently changed the rules to allow more retired officers the Fund is now permitted to have sixteen Trustees.

The day to day running of the Fund is delegated to the Chief Executive Officer (CEO) and Deputy Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management and control of the administration of the charitable funds and reports monthly to the Board of Management. The CEO ensures that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board of Management.

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations, to improve their knowledge of charity law and their responsibilities as trustees.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finance of the Fund, and are satisfied that systems are in place to mitigate their exposure to major risks. A review of the Charity's risk management process is undertaken on a quarterly basis. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

ACKNOWLEDGEMENTS

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2022.

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

I also wish to place on record my thanks to my fellow Board of Management members for their continued support and for finding the time in their busy working lives to attend meetings, at their own expense, I am very grateful for their unwavering commitment and dedication.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
M Reed - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Opinion

We have audited the financial statements of Metropolitan and City Police Orphans Fund (the 'charity') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 31st 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

Responsibilities of trustees

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

In preparing the financial statements, the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company's operations, we identified that the principal risks of non-compliance with laws and regulations relates to grant making. We considered the extent to which non-compliance might have a material effect on the financial statements that results in the situation that no further grant funding can be provided. We also considered the relevant laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined there were no principal risks directly impacting the Fund's revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

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.

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

Date:

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	417,172	-	417,172	679,816
Investment income	3	<u>785,321</u>	<u>5,468</u>	<u>790,789</u>	<u>744,162</u>
Total		<u>1,202,493</u>	<u>5,468</u>	<u>1,207,961</u>	<u>1,423,978</u>
EXPENDITURE ON					
Raising funds	4	97,897	-	97,897	100,756
Charitable activities	5				
Compassionate allowances		548,472	-	548,472	549,970
Miscellaneous grants		410,223	-	410,223	326,784
Direct costs		<u>150,647</u>	<u>-</u>	<u>150,647</u>	<u>147,376</u>
Total		<u>1,207,239</u>	<u>-</u>	<u>1,207,239</u>	<u>1,124,886</u>
Net gains/(losses) on investments		<u>(3,828,685)</u>	<u>(28,672)</u>	<u>(3,857,357)</u>	<u>3,281,450</u>
NET INCOME/(EXPENDITURE)		(3,833,431)	(23,204)	(3,856,635)	3,580,542
RECONCILIATION OF FUNDS					
Total funds brought forward		31,058,131	278,320	31,336,451	27,755,909
TOTAL FUNDS CARRIED FORWARD		<u><u>27,224,700</u></u>	<u><u>255,116</u></u>	<u><u>27,479,816</u></u>	<u><u>31,336,451</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**BALANCE SHEET
31ST DECEMBER 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	11	1,693	1,693
Investments	12	<u>26,651,149</u>	<u>30,413,040</u>
		26,652,842	30,414,733
CURRENT ASSETS			
Debtors	13	139,191	225,429
Cash at bank		<u>724,888</u>	<u>717,923</u>
		864,079	943,352
CREDITORS			
Amounts falling due within one year	14	<u>(37,105)</u>	<u>(21,634)</u>
NET CURRENT ASSETS		<u>826,974</u>	<u>921,718</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>27,479,816</u>	<u>31,336,451</u>
NET ASSETS		<u><u>27,479,816</u></u>	<u><u>31,336,451</u></u>
FUNDS	16		
Unrestricted funds		27,224,700	31,058,131
Restricted funds		<u>255,116</u>	<u>278,320</u>
TOTAL FUNDS		<u><u>27,479,816</u></u>	<u><u>31,336,451</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Trustee

.....
Trustee

.....
Trustee

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>102,431</u>	<u>202,902</u>
Net cash provided by operating activities		<u>102,431</u>	<u>202,902</u>
 Cash flows from investing activities			
Purchase of fixed asset investments		(878,920)	(410,550)
Sale of fixed asset investments		<u>783,454</u>	<u>435,929</u>
Net cash (used in)/provided by investing activities		<u>(95,466)</u>	<u>25,379</u>
Change in cash and cash equivalents in the reporting period		6,965	228,281
Cash and cash equivalents at the beginning of the reporting period		<u>717,923</u>	<u>489,642</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>724,888</u></u>	<u><u>717,923</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(3,856,635)	3,580,542
Adjustments for:		
Losses/(gain) on investments	3,857,357	(3,281,450)
Decrease/(increase) in debtors	86,238	(96,269)
Increase in creditors	<u>15,471</u>	<u>79</u>
Net cash provided by operations	<u><u>102,431</u></u>	<u><u>202,902</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank	<u>717,923</u>	<u>6,965</u>	<u>724,888</u>
	<u>717,923</u>	<u>6,965</u>	<u>724,888</u>
Total	<u><u>717,923</u></u>	<u><u>6,965</u></u>	<u><u>724,888</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All incoming resources are recognised once the Fund has entitlement to the resources.

Subscription income is recognised on a receivable basis.

Donations are recognised as and when they received as cleared funds in the bank.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of the incoming resources is known.

Investment income is recognised on a receivable basis.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds comprises costs associated with attracting voluntary income and investment management costs.

Direct costs include central functions allocated to activity cost categories on a basis consistent with the use of resources, and governance costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fees and costs linked to the strategic management of the Charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without conditions or the recipient has a reasonable expectation that they will receive a grant.

Tangible fixed assets

Freehold property held for the Charity's use is valued at cost. No depreciation has been charged, as it is the Trustees' policy to maintain the building in a continual state of sound repair. The Trustees consider that the life of this asset is so long and its residual value so high that its depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds comprise those funds held on trust to be applied for restrictive purposes.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Police subscriptions	352,746	356,464
Donations	60,976	55,058
Collecting boxes	1,450	860
Legacies	<u>2,000</u>	<u>267,434</u>
	<u><u>417,172</u></u>	<u><u>679,816</u></u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Investment income	<u>790,789</u>	<u>744,162</u>

4. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Fundraising events	<u>3,867</u>	<u>1,621</u>

Investment management costs

	2022	2021
	£	£
Investment management costs	<u>94,030</u>	<u>99,135</u>

Aggregate amounts	<u><u>97,897</u></u>	<u><u>100,756</u></u>
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**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Compassionate allowances	-	548,472	-	548,472
Miscellaneous grants	-	410,223	-	410,223
Direct costs	<u>13,633</u>	<u>-</u>	<u>137,014</u>	<u>150,647</u>
	<u><u>13,633</u></u>	<u><u>958,695</u></u>	<u><u>137,014</u></u>	<u><u>1,109,342</u></u>

6. GRANTS PAYABLE

	2022 £	2021 £
Compassionate allowances	548,472	549,970
Miscellaneous grants	<u>410,223</u>	<u>326,784</u>
	<u><u>958,695</u></u>	<u><u>876,754</u></u>

The total grants paid to institutions during the year was as follows:

	2022 £	2021 £
Family support	<u>12,136</u>	<u>-</u>

The total grants paid to individuals during the year was as follows:

	2022 £	2021 £
Compassionate allowances	548,472	549,970
Clothing	18,000	6,750
Education	31,620	57,570
Holiday	147,800	153,580
Family support	94,567	92,884
Bereavement	44,000	16,000
Winter fuel	<u>62,100</u>	<u>-</u>
	<u><u>946,559</u></u>	<u><u>876,754</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

7. SUPPORT COSTS

	Governance costs
	£
Direct costs	<u><u>137,014</u></u>

Support costs, included in the above, are as follows:

Governance costs

	2022 Direct costs £	2021 Total activities £
Staff salaries and pensions	126,981	121,238
Auditors' remuneration	9,755	8,374
Legal and professional	<u>278</u>	<u>206</u>
	<u><u>137,014</u></u>	<u><u>129,818</u></u>

8. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u><u>9,755</u></u>	<u><u>8,374</u></u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees received no remuneration during this year or the previous year and there were no expenses reimbursed during this year or in the previous year. The Charity has taken out a Trustee indemnity insurance policy and paid a premium of £1,120 (2021: £1,120).

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	<u><u>126,981</u></u>	<u><u>121,238</u></u>
	<u><u>126,981</u></u>	<u><u>121,238</u></u>

The average monthly number of employees during the year was as follows:

	2022	2021
Administration	<u><u>2</u></u>	<u><u>2</u></u>

One employee was paid between £60,000 and £70,000 during the year.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st January 2022 and 31st December 2022	<u>1,693</u>
NET BOOK VALUE	
At 31st December 2022	<u>1,693</u>
At 31st December 2021	<u>1,693</u>

The freehold property at 30 Hazlewood Road, Putney was purchased in 1937 and is used as the Fund's Office. The property was valued on 1st April 2003 by Foxtons, Estate Agents at £1.5m. The market value of the property is now believed to be in the region of £2m. This value has not been incorporated into the financial statements. The property is subject to a covenant whereby it cannot be sold without the prior consent of the Charity Commission.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2022	30,413,040
Additions	878,920
Disposals	(393,303)
Revaluations	<u>(4,247,508)</u>
At 31st December 2022	<u>26,651,149</u>
NET BOOK VALUE	
At 31st December 2022	<u>26,651,149</u>
At 31st December 2021	<u>30,413,040</u>

Investment assets held outside the UK total £4,697,125 (2021: £5,927,841).

The value of the following investments represents more than 5% of the total market value as at 31st December 2022:

CCLA Revenue Reserve - £7,753,736 (29%)
CCLA General Fund - £6,468,501 (24%)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	1,593	1,309
Accrued income	<u>137,598</u>	<u>224,120</u>
	<u>139,191</u>	<u>225,429</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other creditors	<u>37,105</u>	<u>21,634</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fixed assets	1,693	-	1,693	1,693
Investments	26,433,247	217,902	26,651,149	30,413,040
Current assets	826,865	37,214	864,079	943,352
Current liabilities	<u>(37,105)</u>	<u>-</u>	<u>(37,105)</u>	<u>(21,634)</u>
	<u>27,224,700</u>	<u>255,116</u>	<u>27,479,816</u>	<u>31,336,451</u>

16. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	31,058,131	(3,833,431)	27,224,700
Restricted funds			
Education	103,117	(8,597)	94,520
War memorial fund	85,549	(7,132)	78,417
War memorial hospital	67,157	(5,599)	61,558
Twells memorial	8,912	(743)	8,169
Sir Edmund Henderson	<u>13,585</u>	<u>(1,133)</u>	<u>12,452</u>
	<u>278,320</u>	<u>(23,204)</u>	<u>255,116</u>
TOTAL FUNDS	<u>31,336,451</u>	<u>(3,856,635)</u>	<u>27,479,816</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,202,493	(1,207,239)	(3,828,685)	(3,833,431)
Restricted funds				
Education	2,026	-	(10,623)	(8,597)
War memorial fund	1,681	-	(8,813)	(7,132)
War memorial hospital	1,320	-	(6,919)	(5,599)
Twells memorial	175	-	(918)	(743)
Sir Edmund Henderson	266	-	(1,399)	(1,133)
	<u>5,468</u>	<u>-</u>	<u>(28,672)</u>	<u>(23,204)</u>
TOTAL FUNDS	<u><u>1,207,961</u></u>	<u><u>(1,207,239)</u></u>	<u><u>(3,857,357)</u></u>	<u><u>(3,856,635)</u></u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	27,514,061	3,544,070	31,058,131
Restricted funds			
Education	89,604	13,513	103,117
War memorial fund	74,339	11,210	85,549
War memorial hospital	58,356	8,801	67,157
Twells memorial	7,744	1,168	8,912
Sir Edmund Henderson	11,805	1,780	13,585
	<u>241,848</u>	<u>36,472</u>	<u>278,320</u>
TOTAL FUNDS	<u><u>27,755,909</u></u>	<u><u>3,580,542</u></u>	<u><u>31,336,451</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,418,138	(1,124,886)	3,250,818	3,544,070
Restricted funds				
Education	2,164	-	11,349	13,513
War memorial fund	1,795	-	9,415	11,210
War memorial hospital	1,409	-	7,392	8,801
Twells memorial	187	-	981	1,168
Sir Edmund Henderson	285	-	1,495	1,780
	<u>5,840</u>	<u>-</u>	<u>30,632</u>	<u>36,472</u>
TOTAL FUNDS	<u>1,423,978</u>	<u>(1,124,886)</u>	<u>3,281,450</u>	<u>3,580,542</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	27,514,061	(289,361)	27,224,700
Restricted funds			
Education	89,604	4,916	94,520
War memorial fund	74,339	4,078	78,417
War memorial hospital	58,356	3,202	61,558
Twells memorial	7,744	425	8,169
Sir Edmund Henderson	11,805	647	12,452
	<u>241,848</u>	<u>13,268</u>	<u>255,116</u>
TOTAL FUNDS	<u>27,755,909</u>	<u>(276,093)</u>	<u>27,479,816</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,620,631	(2,332,125)	(577,867)	(289,361)
Restricted funds				
Education	4,190	-	726	4,916
War memorial fund	3,476	-	602	4,078
War memorial hospital	2,729	-	473	3,202
Twells memorial	362	-	63	425
Sir Edmund Henderson	551	-	96	647
	<u>11,308</u>	<u>-</u>	<u>1,960</u>	<u>13,268</u>
TOTAL FUNDS	<u><u>2,631,939</u></u>	<u><u>(2,332,125)</u></u>	<u><u>(575,907)</u></u>	<u><u>(276,093)</u></u>

Unrestricted funds comprise those funds which the Trustees are free to use in furtherance of the general objective of the Charity.

Restricted funds comprise of the following funds:

Education Fund: Income of the fund provides grants to orphans for education purposes.

War Memorial Fund: Income of the fund provides allowances for benefit of necessitous orphans.

War Memorial Hospital Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Twells Memorial Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Sir Edmund Henderson: Income of the fund provides education grants to orphans.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2022.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	2022	2021
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Police subscriptions	352,746	356,464
Donations	60,976	55,058
Collecting boxes	1,450	860
Legacies	<u>2,000</u>	<u>267,434</u>
	417,172	679,816
Investment income		
Investment income	<u>790,789</u>	<u>744,162</u>
Total incoming resources	1,207,961	1,423,978
EXPENDITURE		
Raising donations and legacies		
Fundraising events	3,867	1,621
Investment management costs		
Investment management costs	94,030	99,135
Charitable activities		
Rates	1,782	1,717
Insurance	2,594	2,634
Other premises costs	6,798	4,464
Telephone	1,147	1,357
Postage and stationery	62	670
Computer expenses	158	5,705
Miscellaneous costs	1,092	1,011
Grants to institutions	12,136	-
Grants to individuals	<u>946,559</u>	<u>876,754</u>
	972,328	894,312
Support costs		
Governance costs		
Staff salaries and pensions	126,981	121,238
Auditors' remuneration	9,755	8,374
Legal and professional	<u>278</u>	<u>206</u>
	<u>137,014</u>	<u>129,818</u>
Total resources expended	<u>1,207,239</u>	<u>1,124,886</u>
Net income before gains and losses	722	299,092

This page does not form part of the statutory financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	2022	2021
	£	£
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>390,151</u>	<u>243,588</u>
Net income	<u><u>390,873</u></u>	<u><u>542,680</u></u>

This page does not form part of the statutory financial statements

THE METROPOLITAN AND CITY POLICE ORPHANS FUND

England & Wales - Charity number 234787

Accounts

METROPOLITAN AND CITY POLICE

ORPHANS FUND

Registered Charity Number 234787

ANNUAL REPORT & ACCOUNTS 2021



George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PATRON



H.R.H The Duke of Cambridge KG, KT, PC, ADC

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PRESIDENT



Cressida Dick CBE QPM

VICE PRESIDENT



Ian Dyson QPM

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Page
Reference and Administrative Details	1
Chairman's Report	2 to 3
Report of the Trustees	4 to 8
Report of the Independent Auditors	9 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 24
Detailed Statement of Financial Activities	25 to 26

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021**

TRUSTEES	D Davies G Gilbert C Knight (resigned 31.12.21) D Lawes S Owens G Smyth Q.P.M A Sutherland (resigned 30.11.21) A Maybanks (resigned 31.10.21) J Howard A Shuttleworth (resigned 1.4.21) N Jerome S Davies G Gaskain D Murphy (resigned 30.9.21) K Malda (appointed 1.4.21) K Gordon (appointed 1.12.21) M Reed (appointed 1.12.21) P Dodds (appointed 1.10.21) A Picton (appointed 1.4.22)
EX-OFFICIO MEMBERS	The President and Vice-President
CHIEF EXECUTIVE OFFICER	P. Smyth
DEPUTY CHIEF EXECUTIVE OFFICER	M. Cooper
WEBSITE:	https://www.met-cityorphans.org.uk/
PRINCIPAL ADDRESS	30 Hazlewell Road Putney London SW15 6LH
REGISTERED CHARITY NUMBER	234787
BANKERS	LLOYDS TSB BANK PLC Pall Mall Branch, St. James's, 8 – 10 Waterloo Place, London, SW1Y 4BE
AUDITORS	George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street London SW1V 4PS
INVESTMENT MANAGERS	CCLA Investments Management Limited 80 Cheapside, London, EC2V 6DZ Close Brothers Asset Management 8th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BY

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

I am delighted to present my fifth Annual Report and Annual Accounts as Chair of the Metropolitan & City Police Orphan's Fund, it was an honour to be appointed as Chair of the fund which is the oldest Police Charity in the world. I would like to take this opportunity of thanking all those who gave up their valuable time to serve on the Board of Management.

I would also wish to place on record our enormous thanks to the sponsors of our Annual Luncheon, George Burrows Insurance, Reynolds Dawson Solicitors and ARC Legal Insurance. Their support for our luncheon and indeed their support throughout the year is of huge assistance to the Fund.

The COVID-19 pandemic had a major effect on our investments with sharp drops in valuations. We are pleased that by mid 2021 the value of our investments had largely recovered. We sincerely thank CCLA Investments and Close Brothers Asset Management for all their work in protecting our investments at such a volatile time.

Working in close liaison with our investment advisers, CCLA and Close Brothers, we closely monitored the performance of our investments and in particular the dividend payments that are our lifeblood as a charity. Our sincere thanks go to Antonia Cavalieri at CCLA and Adam Griffin at Close Brothers for their patience and advice. They made steering our way through the pandemic so much easier.

We are pleased that dividends held up better than we could have hoped for, and although down on previous years, not as bad as first feared.

The Board took the pandemic as an opportunity to have a close look at our investment strategy and having considered the matter decided to instruct Close Brothers to try and achieve a better rate of income albeit if that means slightly less growth. The Board took the view that it is the income that is important to support our families. Growth leads to a better looking balance sheet but increased valuations do not necessarily mean increased income. In the last 5 years our investments have grown by around 50%, which is great but in the same period our investment income has grown by around 10%, barely keeping up with inflation. The Board have decided that extra income is preferable to extra in valuations.

As we enter 2022, it is pleasing to report that our income streams are steady and we anticipate all our grants and allowances being maintained at normal levels throughout 2022.

Given the background of the Pandemic, the fund had a successful year, we hope to continue this in the coming years by increasing the level of support to the children of police officers serving or retired who have died or are so incapacitated that they are unable to contribute financially to the upkeep of their families.

We are now supporting more children than at any point since the years following the two World Wars. This is mainly due to our efforts to trace families who for whatever reason had not applied to the fund previously. By liaising with Police Pension Branch we were able to trace a number of families who had up until then missed out on our support. We will endeavour to continue to support children who otherwise would be faced with financial hardships in their family life. We continue to review our finances to ensure we can maximise the amounts we can provide in support of families.

As a Charity we rely very heavily on voluntary contributions. I would like to thank all our donors and subscribers for their financial generosity. Without their on-going commitment we would not have been able to provide the same level of support in caring for our unfortunate orphans.

We are very proud of the achievements of the children we support it never ceases to amaze me of the resilience of young people and the fantastic results they attain, often in the face of adversity and tragic family loss. Many of the young people we support go on to attain qualifications to assist them in life and benefit their communities.

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2021.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

I also wish to place on record my thanks to my fellow Board of Management members for their continued support and for finding the time in their busy working lives to attend meetings, at their own expense, I am very grateful for their unwavering commitment and dedication.

Simon Ovens
Chairman of the Board of Management

Date: 12th October 2022

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

ORIGINS

The Charity (**Charity Number 234787**) was founded in 1870, and was formerly known as **THE METROPOLITAN AND CITY POLICE ORPHANAGE**. With the approval of the Charity Commission, the orphanage closed on 31st July 1937. On the following day the **Metropolitan and City Police Orphans Fund** came into being.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To relieve beneficiaries in cases of need or hardship.
2. To advance the education, professional or vocational training of beneficiaries in need of financial assistance, to include education at school, college or university and education or training in music or the arts.
3. To promote the health of and relieve sickness, infirmity or disability among beneficiaries in cases of need, by the provision of medical treatment and financial assistance to enable them to participate in healthy recreational activities.
4. To help the beneficiaries, especially but not exclusively, through leisure time activities, so as to develop their skills, capacities and capabilities, to enable them to participate in society as mature and responsible individuals.

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In order to carry out the Charity's aim for the public benefit, the Trustees award grants and allowances to cover the different circumstances of those in need:

Bereavement Payment is given to families immediately upon the death of a serving officer.

Compassionate Allowance is awarded to children of police officers of the Metropolitan Police Service ("the MPS") and the City of London Police who have not completed their education where one or both of whose police parent are dead, disabled or incapacitated, or in the judgement of the Trustees, is incapable of materially contributing to their own family's support due to sickness, infirmity or disability; or in exceptional cases, persons who have ceased to be beneficiaries on completion of their education but who in the opinion of the Trustees remain in need of assistance.

Education Grants are awarded to children for any educational purpose which in the opinion of the Trustees is likely to contribute to the spiritual, moral, mental or physical development of the child. We also award a Discretionary Grant to help with the payment of tuition fees.

Clothing Grant is awarded to children who are leaving full time education to seek employment. The grant is awarded for financial assistance in the purchase of clothing for employment interviews.

Holiday Grant is awarded to our families who are on the lowest incomes.

Family Support is awarded to families on a higher income and are small payments given to such families twice per year, at summer holidays and Christmas, to assist with maintaining the children's wellbeing. Such payments are felt necessary to ensure that all police officers children receive an acknowledgement of the contributions made by their police parent.

Payments made in 2021:

- Compassionate Allowance	£549,970
- Education Grants (includes tuition fee grants)	£57,570
- Clothing Grant	£6,750
- Holiday Grant	£153,580
- Family Support	£92,884
- Bereavement	£16,000
TOTAL	£876,754

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continues to remain focused on the educational needs of our orphans. The Grants paid by the Fund go to individuals and not to corporate bodies. The Trustees are of the opinion that the Fund's responsibility under the Charity's Deed of Trust is to provide educational funding in order that our orphans are given the best possible educational advantage.

In making grants (£876,754) during the year; the Trustees' are of the opinion that they have discharged their duties under the Charity's Deed of Trust.

Investment performance

Our investments are managed by CCLA Investment Management Limited and Close Brothers Asset Management with the objective of maximizing the income receivable whilst allowing a degree of capital growth. We will continue to have quarterly reports provided on the performance of our investments, in light of our continued policy of reducing the exposure to UK equities in favour of a greater allocation to markets overseas. In our view, the enhanced allocation to international investment increases the opportunities to generate attractive long term returns and reduces the risks that arise from too great an exposure to a single market.

FINANCIAL REVIEW

Financial position

The accounts have been prepared in accordance with the revised Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019).

The net result show a net cash surplus of £228,281 compared to a surplus of £116,949 in 2020.

Expenditure in 2021 decreased by £37,194 on the previous year. Previous years have seen small deficits in expenditure over income. This has been largely offset by the growth in valuation of our investments. In 2019 with the assistance of Metropolitan Police Pensions Branch we undertook a major effort to try and trace families who were eligible for assistance but not currently claiming. This resulted in an additional 37 children coming onto the fund.

With the assistance of the Metropolitan and City Police Federations, the National Association of Retired Police Officers (London Branch) we are trying to ensure that no families are missed in future.

Compassionate Allowance and Miscellaneous Grants; which represented 78% of the Funds expenditure, decreased by £42,226 to £876,754 compared to 2020.

Other Costs; decreased by £3,837 to £100,756, details of this expenditure can be found in the notes to the financial statements, under the heading 'Total Resources Expended'. The main reason for this decrease was due to higher costs in 2020 relating to higher premises costs.

Gains on investments amounted to £3,281,450 compared to a gain on investments of £1,983,682 in 2020. Taking into account these gains means that the Fund grew by £3,580,542 in 2021.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

FINANCIAL REVIEW

Principal funding sources

Income; in 2021 increased by £303,786 on the previous year, however due to the performance of our investments overall and the receipt of a large legacy the charities funds increased by £3,580,542.

Police Subscriptions; which produced 25% of our income for 2021 and increased slightly to £356,464 compared to £354,153 in the previous year.

Donations; decreased from £58,373 to £55,058. Donations accounted for 3.9% of our income.

Donations through Collecting Boxes; decreased by £3,150 to £886 compared to 2020. Collection Boxes were a significant income stream for us in the past and used to regularly bring in £20k per annum. The closure of so many police station front counters and the move to telephone and internet reporting has greatly reduced the effectiveness of this method of income generation.

Legacies; There was one legacy totalling £267,434 that was invested in our Unrestricted Funds Account.

Investment Income; which produced 52% of our income; increased by £66,442 to £744,162.

Reserves policy

The current level of unrestricted reserves is £31,058,131. The Fund is increasingly reliant upon the income generated by these reserves to fulfil its charitable objectives. In 2021 the reserves generated 52% of Income. The policy on reserves is reviewed annually. The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term projections.

The Trustees regularly review the level of reserves to ensure that they are appropriate, taking into account projections of:

- a) The amount of police officer subscriptions
- b) The number of recipients of the allowances
- c) The level of inflation
- d) Income and Capital growth yields available from the investment portfolio.

The current policy of the Trustees is to maintain the current level of reserves and to try and achieve small increases in reserves to alleviate the effects of inflation. The income generated from our reserves is expended for the benefit of our unfortunate orphans. Other sources of income are insufficient to support our charitable aims, without the income from reserves. The current level of reserves is therefore needed to meet the capital requirements of the Charity.

FUTURE PLANS

We intend to strengthen our links with our benefactors and donors to assist us in developing more effective initiatives to expand the general awareness of the Charity.

The Fund has signed up to organisations such as EasyFundraising, VirginMoneyGiving and Love2Donate in order to maximise opportunities for donations and to ensure that all due Gift aid is claimed.

We will continue to improve our performance by increasing the number of applicants registered with the Charity and therefore increase the amount of expenditure on grants payable.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Declaration of Trust dated 31st August 1918 and Scheme of 12th October 1937 and adopted 8th May 1964 as amended 28th June 1967, 23rd May 1968, 28th May 1970, 26th September 1983, 14th November 2002, 10th June 2009 and 17th January 2017.

METROPOLITAN AND CITY POLICE ORPHANS FUND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The overall governance of the Fund is vested in the Trustees, there are fourteen members, two nominated by the Metropolitan Police Commissioner and one by the Commissioner of the City of London Police, with the remainder nominated by Staff Associations within the Services. The Board of Management meet at the Fund's office each month to consider applications and variations in the circumstances of recipients. Regular checks for changes are made by way of correspondence, enquiries of parents and educational establishments.

The day to day running of the Fund is delegated to the Chief Executive Officer (CEO) and Deputy Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management and control of the administration of the charitable funds and reports monthly to the Board of Management. The CEO ensures that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board of Management.

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations, to improve their knowledge of charity law and their responsibilities as trustees.

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finance of the Fund, and are satisfied that systems are in place to mitigate their exposure to major risks. A review of the Charity's risk management process is undertaken on a quarterly basis. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

ACKNOWLEDGEMENTS

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2021.

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on 12th October 2022 and signed on its behalf by:

.....
S Ovens - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

Opinion

We have audited the financial statements of Metropolitan and City Police Orphans Fund (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

Responsibilities of trustees

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

In preparing the financial statements, the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company's operations, we identified that the principal risks of non-compliance with laws and regulations relates to grant making. We considered the extent to which non-compliance might have a material effect on the financial statements that results in the situation that no further grant funding can be provided. We also considered the relevant laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined there were no principal risks directly impacting the Fund's revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

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.

George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

Date:

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	679,816	-	679,816	442,472
Investment income	3	<u>738,322</u>	<u>5,840</u>	<u>744,162</u>	<u>677,720</u>
Total		1,418,138	5,840	1,423,978	1,120,192
EXPENDITURE ON					
Raising funds	4	100,756	-	100,756	88,062
Charitable activities	5				
Compassionate allowances		549,970	-	549,970	629,151
Miscellaneous grants		326,784	-	326,784	289,829
Direct costs		147,376	-	147,376	138,507
Other		<u>-</u>	<u>-</u>	<u>-</u>	<u>16,531</u>
Total		1,124,886	-	1,124,886	1,162,080
Net gains on investments		<u>3,250,818</u>	<u>30,632</u>	<u>3,281,450</u>	<u>1,983,682</u>
NET INCOME		3,544,070	36,472	3,580,542	1,941,794
RECONCILIATION OF FUNDS					
Total funds brought forward		27,514,061	241,848	27,755,909	25,814,115
TOTAL FUNDS CARRIED FORWARD		<u><u>31,058,131</u></u>	<u><u>278,320</u></u>	<u><u>31,336,451</u></u>	<u><u>27,755,909</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**BALANCE SHEET
31 DECEMBER 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	11	1,693	1,693
Investments	12	<u>30,413,040</u>	<u>27,156,969</u>
		30,414,733	27,158,662
CURRENT ASSETS			
Debtors	13	225,429	129,160
Cash at bank		<u>717,923</u>	<u>489,642</u>
		943,352	618,802
CREDITORS			
Amounts falling due within one year	14	<u>(21,634)</u>	<u>(21,555)</u>
NET CURRENT ASSETS		<u>921,718</u>	<u>597,247</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>31,336,451</u>	<u>27,755,909</u>
NET ASSETS		<u><u>31,336,451</u></u>	<u><u>27,755,909</u></u>
FUNDS	16		
Unrestricted funds		31,058,131	27,514,061
Restricted funds		<u>278,320</u>	<u>241,848</u>
TOTAL FUNDS		<u><u>31,336,451</u></u>	<u><u>27,755,909</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12th October 2022 and were signed on its behalf by:

.....
Trustee

.....
Trustee

.....
Trustee

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Notes	2021 £	2020 £
Cash flows from operating activities		
Cash generated from operations 1	<u>202,902</u>	<u>(8,647)</u>
Net cash provided by/(used in) operating activities	<u>202,902</u>	<u>(8,647)</u>
 Cash flows from investing activities		
Purchase of fixed asset investments	(410,550)	(2,283,799)
Sale of fixed asset investments	<u>435,929</u>	<u>2,409,395</u>
Net cash provided by investing activities	<u>25,379</u>	<u>125,596</u>
	<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period	228,281	116,949
Cash and cash equivalents at the beginning of the reporting period	<u>489,642</u>	<u>372,693</u>
 Cash and cash equivalents at the end of the reporting period	<u><u>717,923</u></u>	<u><u>489,642</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	3,580,542	1,941,794
Adjustments for:		
Gain on investments	(3,281,450)	(1,983,682)
(Increase)/decrease in debtors	(96,269)	29,466
Increase in creditors	<u>79</u>	<u>3,775</u>
Net cash provided by/(used in) operations	<u><u>202,902</u></u>	<u><u>(8,647)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank	<u>489,642</u>	<u>228,281</u>	<u>717,923</u>
	<u>489,642</u>	<u>228,281</u>	<u>717,923</u>
Total	<u><u>489,642</u></u>	<u><u>228,281</u></u>	<u><u>717,923</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All incoming resources are recognised once the Fund has entitlement to the resources.

Subscription income is recognised on a receivable basis.

Donations are recognised as and when they received as cleared funds in the bank.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of the incoming resources is known.

Investment income is recognised on a receivable basis.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds comprises costs associated with attracting voluntary income and investment management costs.

Direct costs include central functions allocated to activity cost categories on a basis consistent with the use of resources, and governance costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fees and costs linked to the strategic management of the Charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without conditions or the recipient has a reasonable expectation that they will receive a grant.

Tangible fixed assets

Freehold property held for the Charity's use is valued at cost. No depreciation has been charged, as it is the Trustees' policy to maintain the building in a continual state of sound repair. The Trustees consider that the life of this asset is so long and its residual value so high that its depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds comprise those funds held on trust to be applied for restrictive purposes.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES - continued

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Police subscriptions	356,464	354,153
Donations	55,058	58,373
Collecting boxes	860	4,036
Legacies	<u>267,434</u>	<u>25,910</u>
	<u><u>679,816</u></u>	<u><u>442,472</u></u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Investment income	<u>744,162</u>	<u>677,720</u>

4. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Fundraising events	<u>1,621</u>	<u>5,927</u>

Investment management costs

	2021	2020
	£	£
Investment management costs	<u>99,135</u>	<u>82,135</u>

Aggregate amounts	<u><u>100,756</u></u>	<u><u>88,062</u></u>
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**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Compassionate allowances	-	549,970	-	549,970
Miscellaneous grants	-	326,784	-	326,784
Direct costs	<u>17,558</u>	<u>-</u>	<u>129,818</u>	<u>147,376</u>
	<u><u>17,558</u></u>	<u><u>876,754</u></u>	<u><u>129,818</u></u>	<u><u>1,024,130</u></u>

6. GRANTS PAYABLE

	2021 £	2020 £
Compassionate allowances	549,970	629,151
Miscellaneous grants	<u>326,784</u>	<u>289,829</u>
	<u><u>876,754</u></u>	<u><u>918,980</u></u>

The total grants paid to individuals during the year was as follows:

	2021 £	2020 £
Compassionate allowances	549,970	629,151
Clothing	6,750	8,500
Education	57,570	78,080
Holiday	153,580	110,085
Family support	92,884	51,164
Bereavement	<u>16,000</u>	<u>42,000</u>
	<u><u>876,754</u></u>	<u><u>918,980</u></u>

7. SUPPORT COSTS

	Governance costs £
Direct costs	<u><u>129,818</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Governance costs

	2021 Direct costs £	2020 Total activities £
Staff salaries and pensions	121,238	120,985
Auditors' remuneration	8,374	8,667
Legal and professional	<u>206</u>	<u>7,864</u>
	<u><u>129,818</u></u>	<u><u>137,516</u></u>

8. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u><u>8,374</u></u>	<u><u>8,667</u></u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees received no remuneration during this year or the previous year and there were no expenses reimbursed during this year or in the previous year. The Charity has taken out a Trustee indemnity insurance policy and paid a premium of £1,120 (2020: £1,120).

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	<u><u>121,238</u></u>	<u><u>120,985</u></u>
	<u><u>121,238</u></u>	<u><u>120,985</u></u>

The average monthly number of employees during the year was as follows:

	2021	2020
Administration	<u><u>2</u></u>	<u><u>2</u></u>

No employees received emoluments in excess of £60,000.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 January 2021 and 31 December 2021	<u>1,693</u>
NET BOOK VALUE	
At 31 December 2021	<u><u>1,693</u></u>
At 31 December 2020	<u><u>1,693</u></u>

The freehold property at 30 Hazlewood Road, Putney was purchased in 1937 and is used as the Fund's Office. The property was valued on 1st April 2003 by Foxtons, Estate Agents at £1.5m. The market value of the property is now believed to be in the region of £2m. This value has not been incorporated into the financial statements. The property is subject to a covenant whereby it cannot be sold without the prior consent of the Charity Commission.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2021	27,156,969
Additions	410,550
Disposals	(192,341)
Revaluations	<u>3,037,862</u>
At 31 December 2021	<u>30,413,040</u>
NET BOOK VALUE	
At 31 December 2021	<u><u>30,413,040</u></u>
At 31 December 2020	<u><u>27,156,969</u></u>

Investment assets held outside the UK total £5,927,841 (2020: £5,768,851).

The value of the following investments represents more than 5% of the total market value as at 31st December 2021:

CCLA Revenue Reserve - £8,773,993 (29%)
CCLA General Fund - £7,319,642 (24%)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	1,309	1,352
Accrued income	<u>224,120</u>	<u>127,808</u>
	<u>225,429</u>	<u>129,160</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	<u>21,634</u>	<u>21,555</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	1,693	-	1,693	1,693
Investments	30,166,466	246,574	30,413,040	27,156,969
Current assets	911,606	31,746	943,352	618,802
Current liabilities	<u>(21,634)</u>	<u>-</u>	<u>(21,634)</u>	<u>(21,555)</u>
	<u>31,058,131</u>	<u>278,320</u>	<u>31,336,451</u>	<u>27,755,909</u>

16. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	27,514,061	3,544,070	31,058,131
Restricted funds			
Education	89,604	13,513	103,117
War memorial fund	74,339	11,210	85,549
War memorial hospital	58,356	8,801	67,157
Twells memorial	7,744	1,168	8,912
Sir Edmund Henderson	<u>11,805</u>	<u>1,780</u>	<u>13,585</u>
	<u>241,848</u>	<u>36,472</u>	<u>278,320</u>
TOTAL FUNDS	<u>27,755,909</u>	<u>3,580,542</u>	<u>31,336,451</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,418,138	(1,124,886)	3,250,818	3,544,070
Restricted funds				
Education	2,164	-	11,349	13,513
War memorial fund	1,795	-	9,415	11,210
War memorial hospital	1,409	-	7,392	8,801
Twells memorial	187	-	981	1,168
Sir Edmund Henderson	285	-	1,495	1,780
	<u>5,840</u>	<u>-</u>	<u>30,632</u>	<u>36,472</u>
TOTAL FUNDS	<u><u>1,423,978</u></u>	<u><u>(1,124,886)</u></u>	<u><u>3,281,450</u></u>	<u><u>3,580,542</u></u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	25,590,652	1,923,409	27,514,061
Restricted funds			
Education	82,793	6,811	89,604
War memorial fund	68,688	5,651	74,339
War memorial hospital	53,920	4,436	58,356
Twells memorial	7,155	589	7,744
Sir Edmund Henderson	10,907	898	11,805
	<u>223,463</u>	<u>18,385</u>	<u>241,848</u>
TOTAL FUNDS	<u><u>25,814,115</u></u>	<u><u>1,941,794</u></u>	<u><u>27,755,909</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,114,788	(1,162,080)	1,970,701	1,923,409
Restricted funds				
Education	2,002	-	4,809	6,811
War memorial fund	1,661	-	3,990	5,651
War memorial hospital	1,304	-	3,132	4,436
Twells memorial	173	-	416	589
Sir Edmund Henderson	264	-	634	898
	<u>5,404</u>	<u>-</u>	<u>12,981</u>	<u>18,385</u>
TOTAL FUNDS	<u><u>1,120,192</u></u>	<u><u>(1,162,080)</u></u>	<u><u>1,983,682</u></u>	<u><u>1,941,794</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	25,590,652	5,467,479	31,058,131
Restricted funds			
Education	82,793	20,324	103,117
War memorial fund	68,688	16,861	85,549
War memorial hospital	53,920	13,237	67,157
Twells memorial	7,155	1,757	8,912
Sir Edmund Henderson	10,907	2,678	13,585
	<u>223,463</u>	<u>54,857</u>	<u>278,320</u>
TOTAL FUNDS	<u><u>25,814,115</u></u>	<u><u>5,522,336</u></u>	<u><u>31,336,451</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,532,926	(2,286,966)	5,221,519	5,467,479
Restricted funds				
Education	4,166	-	16,158	20,324
War memorial fund	3,456	-	13,405	16,861
War memorial hospital	2,713	-	10,524	13,237
Twells memorial	360	-	1,397	1,757
Sir Edmund Henderson	549	-	2,129	2,678
	<u>11,244</u>	<u>-</u>	<u>43,613</u>	<u>54,857</u>
TOTAL FUNDS	<u><u>2,544,170</u></u>	<u><u>(2,286,966)</u></u>	<u><u>5,265,132</u></u>	<u><u>5,522,336</u></u>

Unrestricted funds comprise those funds which the Trustees are free to use in furtherance of the general objective of the Charity.

Restricted funds comprise of the following funds:

Education Fund: Income of the fund provides grants to orphans for education purposes.

War Memorial Fund: Income of the fund provides allowances for benefit of necessitous orphans.

War Memorial Hospital Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Twells Memorial Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Sir Edmund Henderson: Income of the fund provides education grants to orphans.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

18. POST BALANCE SHEET EVENTS

In March of 2020, the World Health Organization declared a novel coronavirus and its resulting disease (COVID-19) a pandemic. In view of the potential impact on the Charity the Trustees have been closely monitoring of the value and performance of the investments held.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Police subscriptions	356,464	354,153
Donations	55,058	58,373
Collecting boxes	860	4,036
Legacies	<u>267,434</u>	<u>25,910</u>
	679,816	442,472
Investment income		
Investment income	<u>744,162</u>	<u>677,720</u>
Total incoming resources	1,423,978	1,120,192
EXPENDITURE		
Raising donations and legacies		
Fundraising events	1,621	5,927
Investment management costs		
Investment management costs	99,135	82,135
Charitable activities		
Rates	1,717	1,633
Insurance	2,634	3,560
Other premises costs	4,464	7,612
Telephone	1,357	1,316
Postage and stationery	670	35
Computer expenses	5,705	2,223
Miscellaneous costs	1,011	1,143
Grants to individuals	<u>876,754</u>	<u>918,980</u>
	894,312	936,502
Support costs		
Governance costs		
Staff salaries and pensions	121,238	120,985
Auditors' remuneration	8,374	8,667
Legal and professional	<u>206</u>	<u>7,864</u>
	<u>129,818</u>	<u>137,516</u>
Total resources expended	<u>1,124,886</u>	<u>1,162,080</u>
Net income/(expenditure) before gains and losses	299,092	(41,888)

This page does not form part of the statutory financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£	£
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>243,588</u>	<u>1,118,548</u>
Net income	<u><u>542,680</u></u>	<u><u>1,076,660</u></u>

This page does not form part of the statutory financial statements

THE METROPOLITAN AND CITY POLICE ORPHANS FUND

England & Wales - Charity number 234787

Accounts

METROPOLITAN AND CITY POLICE ORPHANS FUND

Registered Charity Number 234787

ANNUAL REPORT & ACCOUNTS 2020



George Hay & Company
Chartered Accountants
& Statutory Auditors
83 Cambridge Street
London
SW1V 4PS

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

PATRON



H.R.H The Duke of Cambridge KG, KT, PC, ADC

PRESIDENT



Cressida Dick DBE QPM

VICE PRESIDENT



Ian Dyson QPM

METROPOLITAN AND CITY POLICE ORPHANS FUND

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Page
Reference and Administrative Details	1
Chairman's Report	2 to 4
Report of the Trustees	5 to 9
Report of the Independent Auditors	10 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Cash Flow Statement	16
Notes to the Financial Statements	17 to 25
Detailed Statement of Financial Activities	26 to 27

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020**

TRUSTEES	D Davies G Gilbert C Knight D Lawes A O'Donnell (resigned 14.4.20) S Ovens G Smyth Q.P.M A Sutherland A Maybanks J Howard A Shuttleworth (resigned 1.4.21) N Jerome S Davies G Gaskain (appointed 14.4.20) D Murphy (appointed 1.7.20) K Malda (appointed 1.4.21)
EX-OFFICIO MEMBERS	The President and Vice-President
CHIEF EXECUTIVE OFFICER	P.Smyth
DEPUTY CHIEF EXECUTIVE OFFICER	M. Cooper
WEBSITE	https://www.met-cityorphans.org.uk
PRINCIPAL ADDRESS	30 Hazlewell Road Putney London SW15 6LH
REGISTERED CHARITY NUMBER	234787
BANKERS	LLOYDS TSB BANK PLC Pall Mall Branch, St. James's, 8 – 10 Waterloo Place, London, SW1Y 4BE
AUDITORS	George Hay & Company Chartered Accountants & Statutory Auditors 83 Cambridge Street London SW1V 4PS
INVESTMENT MANAGERS	CCLA Investments Management Limited 80 Cheapside, London, EC2V 6DZ Close Brothers Asset Management 8th Floor, 10 Exchange Square, Primrose Street, London, EC2A 2BY

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

I am delighted to present my fourth Annual Report and Annual Accounts as Chair of the Metropolitan & City Police Orphan's Fund, it was an honour to be appointed as Chair of the fund which is the oldest Police Charity in the world. I would like to take this opportunity of thanking all those who gave up their valuable time to serve on the Board of Management.

I would also wish to place on record our enormous thanks to the sponsors of our Annual Luncheon, George Burrows Insurance, Reynolds Dawson Solicitors and ARC Legal Insurance. Their support for our luncheon and indeed their support throughout the year is of huge assistance to the Fund..

Our Fund was founded in 1870 as The Metropolitan Police Orphanage (The City joined in 1871) therefore 2020 was our 150th Anniversary. We were extremely fortunate that a number of very generous sponsors came forward and paid for our anniversary celebration, enabling the fund to ensure that our money was spent on supporting families.

Those sponsors were:-

City of London Police Federation
MetFriendly
Metropolitan Police Federation
National Association of Retired Police Officers (London Branch)
ARC Legal Insurance
George Burrows Insurance
Close Brothers Asset Management
Reynolds Dawson Solicitors
Pennington Manche Solicitors
24sq web design
D.J. Talbot & Associates

We are very grateful for their generosity.

The money donated by those generous sponsors was used to hold an event at St James's Palace in February 2020 (fortunately just before the pandemic). This event was attended by many of the families we support. The event was attended by our President Dame Cressida Dick and our Board of Management.

The highlight of the day was the attendance of our Patron, His Royal Highness The Duke of Cambridge. He took time to talk to many of the families present, and we know the children were thrilled to meet him. We sincerely thank His Royal Highness for making our anniversary so special and ensuring that it was a day to remember for all who attended.

Shortly after our anniversary event, the first major effects of the Pandemic began to affect the day to day life of the nation. As a charity who heavily rely on investments income, we were concerned that with lockdowns, many companies would reduce or stop dividends and a substantial part of our income could disappear.

The Board took the view that the regular payments (Compassionate Allowance) which are paid to families each month should be maintained at all costs as we know so many families rely on these payments.

It was decided that investments should only be cashed in as a last resort, for two reasons, firstly after the announcement of the first lockdown, share prices fell substantially and secondly any reduction in the number of shares in our portfolio would reduce income for future years. The Board of Management therefore decided to reduce ancillary allowances to try and continue with reduced income but utilising our cash reserves,

We were very fortunate that in 2020 we received a substantial legacy of over £25,000 and that our biggest financial supporter outside of policing gave us extra money. The Wimbledon Foundation, which is the charitable arm of the All England Tennis club, gave us an extra £30,000 to spend on educational grants. These two extra sums of money made a huge difference to our approach to coping with the Pandemic.

The Board of Management took the view that small reductions in ancillary grants were necessary to protect the future of the fund in a time of such uncertainty. Spending on other grants was reduced.

Working in close liaison with our investment advisers, CCLA and Close Brothers, we closely monitored the performance of our investments and in particular the dividend payments that are our lifeblood as a charity. Our sincere thanks go to Antonia Cavalieri at CCLA and Adam Griffin at Close Brothers for their patience and advice. They made steering our way through the pandemic so much easier.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

We are pleased that dividends held up better than we could have hoped for, and although down on previous years, not as bad as first feared.

The Board took the pandemic as an opportunity to have a close look at our investment strategy and having considered the matter decided to instruct Close Brothers to try and achieve a better rate of income albeit if that means slightly less growth. The Board took the view that it is the income that is important to support our families. Growth leads to a better looking balance sheet but increased valuations do not necessarily mean increased income. In the last 5 years our investments have grown by around 50%, which is great but in the same period our investment income has grown by around 10%, barely keeping up with inflation. The Board have decided that extra income is preferable to extra in valuations.

As we enter 2021, it is pleasing to report that our income streams are steady and we anticipate all our grants and allowances being maintained at normal levels throughout 2021.

Given the background of the Pandemic, the fund had a successful year, we hope to continue this in the coming years by increasing the level of support to the children of police officers serving or retired who have died or are so incapacitated that they are unable to contribute financially to the upkeep of their families.

We are now supporting more children than at any point since the years following the two World Wars. This is mainly due to our efforts to trace families who for whatever reason had not applied to the fund previously. By liaising with Police Pension Branch we were able to trace a number of families who had up until then missed out on our support.

We will endeavour to continue to support children who otherwise would be faced with financial hardships in their family life. We continue to review our finances to ensure we can maximise the amounts we can provide in support of families.

As a Charity we rely very heavily on voluntary contributions. I would like to thank all our donors and subscribers for their financial generosity. Without their on-going commitment we would not have been able to provide the same level of support in caring for our unfortunate orphans.

We are very proud of the achievements of the children we support it never ceases to amaze me of the resilience of young people and the fantastic results they attain, often in the face of adversity and tragic family loss. In 2020 for example the qualifications achieved included degrees in the following subjects:-

Bsc in Health and Wellbeing
Bsc in Politics and International Relations
BTEC In Aviation Operations
Bachelor of Music
Bsc in Psychology
BA in History
Bsc Marine and Natural History Photography
BA International Relations & Politics
Bsc in Mathematics
Bsc Advertising
BA in English
Bsc Product Design
Bsc International Relations
BSc in European Studies
BSc in Biological Science
BA in Politics and Russian

In 2020, we continued our partnership with The Forces Children's Trust, albeit events were seriously curtailed by the pandemic.. This is a charity that takes children on Outward Bound courses, theatre breaks, snowboarding etc. We know from the feedback from our children that not only do they derive great enjoyment from the activities themselves, but a greater benefit is the chance to meet and be with other children who have suffered similar loss.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

We also continued our partnership with Winston's Wish. This is a charity that specialises in providing grief counselling for children. We are very aware that the shock of losing a beloved parent can often have unseen but very real effects on young people. We hope that by offering expert counselling children will be able to come to terms with their loss and continue their education.

I also wish to place on record my thanks to my fellow Board of Management members for their continued support and for finding the time in their busy working lives to attend meetings, at their own expense, for their unwavering commitment and dedication I am very grateful.

Simon Ovens
Chairman of the Board of Management

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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).

ORIGINS

The Charity (**Charity Number 234787**) was founded in 1870, and was formerly known as **THE METROPOLITAN AND CITY POLICE ORPHANAGE**. With the approval of the Charity Commission, the orphanage closed on 31st July 1937. On the following day the **Metropolitan and City Police Orphans Fund** came into being.

OBJECTIVES AND ACTIVITIES

Objectives and aims

1. To relieve beneficiaries in cases of need or hardship.
2. To advance the education, professional or vocational training of beneficiaries in need of financial assistance, to include education at school, college or university and education or training in music or the arts.
3. To promote the health of and relieve sickness, infirmity or disability among beneficiaries in cases of need, by the provision of medical treatment and financial assistance to enable them to participate in healthy recreational activities.
4. To help the beneficiaries, especially but not exclusively, through leisure time activities, so as to develop their skills, capacities and capabilities, to enable them to participate in society as mature and responsible individuals.

Public benefit

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In order to carry out the Charity's aim for the public benefit, the Trustees award grants and allowances to cover the different circumstances of those in need:

Bereavement Payment is given to families immediately upon the death of a serving officer.

Compassionate Allowance is awarded to children of police officers of the Metropolitan Police Service ("the MPS") and the City of London Police who have not completed their education where one or both of whose police parent are dead, disabled or incapacitated, or in the judgement of the Trustees, is incapable of materially contributing to their own family's support due to sickness, infirmity or disability; or in exceptional cases, persons who have ceased to be beneficiaries on completion of their education but who in the opinion of the Trustees remain in need of assistance.

Education Grants are awarded to children for any educational purpose which in the opinion of the Trustees is likely to contribute to the spiritual, moral, mental or physical development of the child. We also award a Discretionary Grant to help with the payment of tuition fees.

Clothing Grant is awarded to children who are leaving full time education to seek employment. The grant is awarded for financial assistance in the purchase of clothing for employment interviews.

Holiday Grant is awarded to our families who are on the lowest incomes.

Family Support is awarded to families on a higher income and are small payments given to such families twice per year, at summer holidays and Christmas, to assist with maintaining the children's wellbeing. Such payments are felt necessary to ensure that all police officers children receive an acknowledgement of the contributions made by their police parent.

Payments made in 2020:

- Compassionate Allowance	£629,151
- Education Grants (includes tuition fee grants)	£78,080
- Clothing Grant	£8,500
- Holiday Grant	£110,085
- Family Support	£51,164
- Bereavement	£42,000
TOTAL	£918,980

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Charity continues to remain focused on the educational needs of our orphans. The Grants paid by the Fund go to individuals and not to corporate bodies. The Trustees are of the opinion that the Fund's responsibility under the Charity's Deed of Trust is to provide educational funding in order that our orphans are given the best possible educational advantage.

In making grants (£918,980) during the year; the Trustees' are of the opinion that they have discharged their duties under the Charity's Deed of Trust.

Investment performance

Our investments are managed by CCLA Investment Management Limited and Close Brothers Asset Management with the objective of maximizing the income receivable whilst allowing a degree of capital growth. We will continue to have quarterly reports provided on the performance of our investments, in light of, our continued policy of reducing the exposure to UK equities in favour of a greater allocation to markets overseas.

In our view, the enhanced allocation to international investment increases the opportunities to generate attractive long term returns and reduces the risks that arise from too great an exposure to a single market. 2020 was a very difficult year but we are pleased to report that following the substantial reduction of over 13% in valuations in March 2020, there was a recovery and by November our portfolio had recovered back to the February 2020 level. Given the uncertainty and the background of the pandemic we are very grateful to our investment advisors at CCLA and Close Brothers for achieving this recovery whilst continuing to provide income.

FINANCIAL REVIEW

Financial position

The accounts have been prepared in accordance with the revised Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019).

The net result show a net cash surplus of £116,949 compared to a deficit of £91,964 in 2019.

Expenditure in 2020 decreased by £111,670 on the previous year. Recent years have seen small deficits in expenditure over income. This has been largely offset by the growth in valuation of our investments. In 2019 with the assistance of Metropolitan Police Pensions Branch we undertook a major effort to try and trace families who were eligible for assistance but not currently claiming. This resulted in an additional 37 children coming onto the fund.

With the assistance of the Metropolitan and City Police Federations, the National Association of Retired Police Officers (London Branch) we are trying to ensure that no families are missed in future.

Compassionate Allowance and Miscellaneous Grants; which represented 79% of the Funds expenditure, decreased by £49,747 to £918,980 compared to 2019,

Other Costs; decreased by £60,493 to £155,038, details of this expenditure can be found in the notes to the financial statements, under the heading 'Total Resources Expended'. The main reason for this decrease was due to higher costs in 2019 relating to the installation of double glazing and new computers purchased.

Gains on investments amounted to £1,983,682 compared to a gain on investments of £3,535,762 in 2019. Taking into account these gains means that the Fund grew by £1,941,794 in 2020.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

FINANCIAL REVIEW

Principal funding sources

Income; in 2020 decreased by £56,732 on the previous year, however due to the performance of our investments overall the charities funds increased by £1,941,794.

Police Subscriptions; which produced 32% of our income for 2020 and decreased slightly to £354,153 compared to £354,395 in the previous year.

Donations; increased from £41,413 to £58,373. Donations accounted for 5.2% of our income.

Donations through Collecting Boxes; increased by £886 to £4,036 compared to 2019. Collection Boxes were a significant income stream for us in the past and used to regularly bring in £20k per annum. The closure of so many police station front counters and the move to telephone and internet reporting has greatly reduced the effectiveness of this method of income generation.

Legacies; There were two legacies totalling £25,910 they will be invested in our Restricted Funds Account.

Investment Income; which produced 61% of our income; decreased by £25,830 to £677,720.

Reserves policy

The current level of unrestricted reserves is £27,514,061. The Fund is increasingly reliant upon the income generated by these reserves to fulfil its charitable objectives. In 2020 the reserves generated 61% of Income. The policy on reserves is reviewed annually. The Fund supports its beneficiaries over long periods, up to 20 years and, in ensuring that sufficient reserves are held for the continuity of such support, the Trustees are mindful of the need to make long term projections.

The Trustees regularly review the level of reserves to ensure that they are appropriate, taking into account projections of:

- a) The amount of police officer subscriptions
- b) The number of recipients of the allowances
- c) The level of inflation
- d) Income and Capital growth yields available from the investment portfolio.

The current policy of the Trustees is to maintain the current level of reserves and to try and achieve small increases in reserves to alleviate the effects of inflation. The income generated from our reserves is expended for the benefit of our unfortunate orphans. Other sources of income are insufficient to support our charitable aims, without the income from reserves. The current level of reserves is therefore needed to meet the capital requirements of the Charity.

FUTURE PLANS

We intend to strengthen our links with our benefactors and donors to assist us in developing more effective initiatives to expand the general awareness of the Charity.

The Fund has signed up to organisations such as EasyFundraising, VirginMoneyGiving and Love2Donate in order to maximise opportunities for donations and to ensure that all due Gift aid is claimed.

We will continue to improve our performance by increasing the number of applicants registered with the Charity and therefore increase the amount of expenditure on grants payable.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Declaration of Trust dated 31st August 1918 and Scheme of 12th October 1937 and adopted 8th May 1964 as amended 28th June 1967, 23rd May 1968, 28th May 1970, 26th September 1983, 14th November 2002, 10th June 2009 and 17th January 2017.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The overall governance of the Fund is vested in the Trustees, there are fourteen members, two nominated by the Metropolitan Police Commissioner and one by the Commissioner of the City of London Police, with the remainder nominated by Staff Associations within the Services. The Board of Management meet at the Fund's office each month to consider applications and variations in the circumstances of recipients. Regular checks for changes are made by way of correspondence, enquiries of parents and educational establishments.

The day to day running of the Fund is delegated to the Chief Executive Officer (CEO) and Deputy Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management and control of the administration of the charitable funds and reports monthly to the Board of Management. The CEO ensures that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance with the policies and procedures set out by the Board of Management.

Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations, to improve their knowledge of charity law and their responsibilities as trustees.

Risk management

The trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finance of the Fund, and are satisfied that systems are in place to mitigate their exposure to major risks. A review of the Charity's risk management process is undertaken on a quarterly basis. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. These procedures are periodically reviewed to ensure that they continue to meet the needs of the Charity.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

ACKNOWLEDGEMENTS

The Trustees wish to convey their sincere thanks to all our generous Donors and Subscribers, for their continued support in 2020.

We wish to thank the Staff Associations and National Association of Retired Police Officers (London Branch) who kept the fund informed of officers and retired officers who have died and still have children in full time education, but for this information, many cases could have been overlooked.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Approved by order of the board of trustees on and signed on its behalf by:

.....
S Ovens - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

Opinion

We have audited the financial statements of Metropolitan and City Police Orphans Fund (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF METROPOLITAN AND CITY POLICE ORPHANS FUND

Responsibilities of trustees

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

In preparing the financial statements, the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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:

Based on our understanding of the charitable company's operations, we identified that the principal risks of non-compliance with laws and regulations relates to grant making. We considered the extent to which non-compliance might have a material effect on the financial statements that results in the situation that no further grant funding can be provided. We also considered the relevant laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined there were no principal risks directly impacting the Fund's revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
METROPOLITAN AND CITY POLICE ORPHANS
FUND**

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.

George Hay & Company
Chartered Accountants
& Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
83 Cambridge Street
London
SW1V 4PS

Date:

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	442,472	-	442,472	473,374
Investment income	3	<u>672,316</u>	<u>5,404</u>	<u>677,720</u>	<u>703,550</u>
Total		1,114,788	5,404	1,120,192	1,176,924
EXPENDITURE ON					
Raising funds	4	88,062	-	88,062	89,492
Charitable activities	5				
Compassionate allowances		629,151	-	629,151	549,642
Miscellaneous grants		289,829	-	289,829	419,085
Direct costs		138,507	-	138,507	215,531
Other		<u>16,531</u>	<u>-</u>	<u>16,531</u>	<u>-</u>
Total		1,162,080	-	1,162,080	1,273,750
Net gains on investments		<u>1,970,701</u>	<u>12,981</u>	<u>1,983,682</u>	<u>3,535,762</u>
NET INCOME		1,923,409	18,385	1,941,794	3,438,936
RECONCILIATION OF FUNDS					
Total funds brought forward		25,590,652	223,463	25,814,115	22,375,179
TOTAL FUNDS CARRIED FORWARD		<u><u>27,514,061</u></u>	<u><u>241,848</u></u>	<u><u>27,755,909</u></u>	<u><u>25,814,115</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**BALANCE SHEET
31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	1,693	1,693
Investments	12	<u>27,156,969</u>	<u>25,298,883</u>
		27,158,662	25,300,576
CURRENT ASSETS			
Debtors	13	129,160	158,626
Cash at bank		<u>489,642</u>	<u>372,693</u>
		618,802	531,319
CREDITORS			
Amounts falling due within one year	14	(21,555)	(17,780)
		<u>597,247</u>	<u>513,539</u>
NET CURRENT ASSETS			
		<u>27,755,909</u>	<u>25,814,115</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>27,755,909</u>	<u>25,814,115</u>
NET ASSETS			
		<u>27,755,909</u>	<u>25,814,115</u>
FUNDS	16		
Unrestricted funds		27,514,061	25,590,652
Restricted funds		<u>241,848</u>	<u>223,463</u>
TOTAL FUNDS		<u>27,755,909</u>	<u>25,814,115</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Trustee

.....
Trustee

.....
Trustee

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(8,647)</u>	<u>(139,796)</u>
Net cash used in operating activities		<u>(8,647)</u>	<u>(139,796)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(2,283,799)	(5,898)
Sale of fixed asset investments		<u>2,409,395</u>	<u>53,730</u>
Net cash provided by investing activities		<u>125,596</u>	<u>47,832</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		116,949	(91,964)
Cash and cash equivalents at the beginning of the reporting period		<u>372,693</u>	<u>464,657</u>
Cash and cash equivalents at the end of the reporting period		<u><u>489,642</u></u>	<u><u>372,693</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,941,794	3,438,936
Adjustments for:		
Gain on investments	(1,983,682)	(3,535,762)
Decrease/(increase) in debtors	29,466	(33,692)
Increase/(decrease) in creditors	<u>3,775</u>	<u>(9,278)</u>
Net cash used in operations	<u><u>(8,647)</u></u>	<u><u>(139,796)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank	<u>372,693</u>	<u>116,949</u>	<u>489,642</u>
	<u>372,693</u>	<u>116,949</u>	<u>489,642</u>
Total	<u><u>372,693</u></u>	<u><u>116,949</u></u>	<u><u>489,642</u></u>

The notes form part of these financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All incoming resources are recognised once the Fund has entitlement to the resources.

Subscription income is recognised on a receivable basis.

Donations are recognised as and when they received as cleared funds in the bank.

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled and it is virtually certain that the amount of the incoming resources is known.

Investment income is recognised on a receivable basis.

Tax recovered from voluntary income received under gift aid is recognised in the Statement of Financial Activities when the income is receivable and is allocated to the income category to which the income relates.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds comprises costs associated with attracting voluntary income and investment management costs.

Direct costs include central functions allocated to activity cost categories on a basis consistent with the use of resources, and governance costs associated with meeting the constitutional and statutory requirements of the Charity and includes the audit fees and costs linked to the strategic management of the Charity.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Fund. The grants are accounted for where either the Trustees have agreed to pay the grant without conditions or the recipient has a reasonable expectation that they will receive a grant.

Tangible fixed assets

Freehold property held for the Charity's use is valued at cost. No depreciation has been charged, as it is the Trustees' policy to maintain the building in a continual state of sound repair. The Trustees consider that the life of this asset is so long and its residual value so high that its depreciation is insignificant.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds comprise those funds held on trust to be applied for restrictive purposes.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES - continued

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Police subscriptions	354,153	354,395
Donations	58,373	41,413
Collecting boxes	4,036	3,150
Legacies	<u>25,910</u>	<u>74,416</u>
	<u><u>442,472</u></u>	<u><u>473,374</u></u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Investment income	<u>677,720</u>	<u>703,550</u>

4. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Fundraising events	<u>5,927</u>	<u>8,380</u>

Investment management costs

	2020	2019
	£	£
Investment management costs	<u>82,135</u>	<u>81,112</u>

Aggregate amounts	<u><u>88,062</u></u>	<u><u>89,492</u></u>
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**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Compassionate allowances	-	629,151	-	629,151
Miscellaneous grants	-	289,829	-	289,829
Direct costs	<u>17,522</u>	<u>-</u>	<u>120,985</u>	<u>138,507</u>
	<u><u>17,522</u></u>	<u><u>918,980</u></u>	<u><u>120,985</u></u>	<u><u>1,057,487</u></u>

6. GRANTS PAYABLE

	2020 £	2019 £
Compassionate allowances	629,151	549,642
Miscellaneous grants	289,829	419,085
Direct costs	<u>-</u>	<u>25,279</u>
	<u><u>918,980</u></u>	<u><u>994,006</u></u>

The total grants paid to institutions during the year was as follows:

	2020 £	2019 £
Holiday	-	10,279
Bereavement	<u>-</u>	<u>15,000</u>
	<u><u>-</u></u>	<u><u>25,279</u></u>

The total grants paid to individuals during the year was as follows:

	2020 £	2019 £
Compassionate allowances	629,151	549,642
Clothing	8,500	8,800
Education	78,080	107,659
Holiday	110,085	149,526
Family support	51,164	97,100
Bereavement	<u>42,000</u>	<u>56,000</u>
	<u><u>918,980</u></u>	<u><u>968,727</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. SUPPORT COSTS

	Governance costs
	£
Other resources expended	16,531
Direct costs	<u>120,985</u>
	<u><u>137,516</u></u>

Support costs, included in the above, are as follows:

Governance costs

		2020	2019
	Other resources expended	Direct costs	Total activities
	£	£	£
Staff salaries and pensions	-	120,985	120,985
Auditors' remuneration	8,667	-	8,667
Legal and professional	<u>7,864</u>	<u>-</u>	<u>7,864</u>
	<u>16,531</u>	<u>120,985</u>	<u>137,516</u>
			<u><u>123,810</u></u>

8. AUDITORS' REMUNERATION

	2020	2019
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>8,667</u>	<u>8,528</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Trustees received no remuneration during this year or the previous year and there were no expenses reimbursed during this year or in the previous year. The Charity has taken out a Trustee indemnity insurance policy and paid a premium of £1,120 (2019: £1,120).

10. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	<u>120,985</u>	<u>115,061</u>
	<u><u>120,985</u></u>	<u><u>115,061</u></u>

The average monthly number of employees during the year was as follows:

	2020	2019
		
Administration	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 January 2020 and 31 December 2020	<u>1,693</u>
NET BOOK VALUE	
At 31 December 2020	<u>1,693</u>
At 31 December 2019	<u>1,693</u>

The freehold property at 30 Hazlewood Road, Putney was purchased in 1937 and is used as the Fund's Office. The property was valued on 1st April 2003 by Foxtons, Estate Agents at £1.5m. The market value of the property is now believed to be in the region of £2m. This value has not been incorporated into the financial statements. The property is subject to a covenant whereby it cannot be sold without the prior consent of the Charity Commission.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2020	25,298,883
Additions	2,283,799
Disposals	(1,290,847)
Revaluations	<u>865,134</u>
At 31 December 2020	<u>27,156,969</u>
NET BOOK VALUE	
At 31 December 2020	<u>27,156,969</u>
At 31 December 2019	<u>25,298,883</u>

Investment assets held outside the UK total £5,768,851 (2019: £4,295,785).

The value of the following investments represents more than 5% of the total market value as at 31st December 2020:

CCLA Revenue Reserve - £7,683,984 (28%)
CCLA General Fund - £6,410,310 (24%)

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other debtors	1,352	3,526
Dividends and interest	<u>127,808</u>	<u>155,100</u>
	<u><u>129,160</u></u>	<u><u>158,626</u></u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other creditors	<u>21,555</u>	<u>17,780</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Fixed assets	1,693	-	1,693	1,693
Investments	26,941,027	215,942	27,156,969	25,298,883
Current assets	592,896	25,906	618,802	531,319
Current liabilities	<u>(21,555)</u>	<u>-</u>	<u>(21,555)</u>	<u>(17,780)</u>
	<u><u>27,514,061</u></u>	<u><u>241,848</u></u>	<u><u>27,755,909</u></u>	<u><u>25,814,115</u></u>

16. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	25,590,652	1,923,409	27,514,061
Restricted funds			
Education	82,793	6,811	89,604
War memorial fund	68,688	5,651	74,339
War memorial hospital	53,920	4,436	58,356
Twells memorial	7,155	589	7,744
Sir Edmund Henderson	<u>10,907</u>	<u>898</u>	<u>11,805</u>
	<u>223,463</u>	<u>18,385</u>	<u>241,848</u>
TOTAL FUNDS	<u><u>25,814,115</u></u>	<u><u>1,941,794</u></u>	<u><u>27,755,909</u></u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,114,788	(1,162,080)	1,970,701	1,923,409
Restricted funds				
Education	2,002	-	4,809	6,811
War memorial fund	1,661	-	3,990	5,651
War memorial hospital	1,304	-	3,132	4,436
Twells memorial	173	-	416	589
Sir Edmund Henderson	264	-	634	898
	<u>5,404</u>	<u>-</u>	<u>12,981</u>	<u>18,385</u>
TOTAL FUNDS	<u>1,120,192</u>	<u>(1,162,080)</u>	<u>1,983,682</u>	<u>1,941,794</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	22,188,440	3,402,212	25,590,652
Restricted funds			
Education	69,186	13,606	82,792
War memorial fund	57,401	11,288	68,689
War memorial hospital	45,058	8,862	53,920
Twells memorial	5,979	1,176	7,155
Sir Edmund Henderson	9,115	1,792	10,907
	<u>186,739</u>	<u>36,724</u>	<u>223,463</u>
TOTAL FUNDS	<u>22,375,179</u>	<u>3,438,936</u>	<u>25,814,115</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,170,988	(1,273,750)	3,504,974	3,402,212
Restricted funds				
Education	2,199	-	11,407	13,606
War memorial fund	1,825	-	9,463	11,288
War memorial hospital	1,433	-	7,429	8,862
Twells memorial	190	-	986	1,176
Sir Edmund Henderson	289	-	1,503	1,792
	<u>5,936</u>	<u>-</u>	<u>30,788</u>	<u>36,724</u>
TOTAL FUNDS	<u>1,176,924</u>	<u>(1,273,750)</u>	<u>3,535,762</u>	<u>3,438,936</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	22,188,440	5,325,621	27,514,061
Restricted funds			
Education	69,186	20,417	89,603
War memorial fund	57,401	16,939	74,340
War memorial hospital	45,058	13,298	58,356
Twells memorial	5,979	1,765	7,744
Sir Edmund Henderson	9,115	2,690	11,805
	<u>186,739</u>	<u>55,109</u>	<u>241,848</u>
TOTAL FUNDS	<u>22,375,179</u>	<u>5,380,730</u>	<u>27,755,909</u>

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,285,776	(2,435,830)	5,475,675	5,325,621
Restricted funds				
Education	4,201	-	16,216	20,417
War memorial fund	3,486	-	13,453	16,939
War memorial hospital	2,737	-	10,561	13,298
Twells memorial	363	-	1,402	1,765
Sir Edmund Henderson	553	-	2,137	2,690
	<u>11,340</u>	<u>-</u>	<u>43,769</u>	<u>55,109</u>
TOTAL FUNDS	<u><u>2,297,116</u></u>	<u><u>(2,435,830)</u></u>	<u><u>5,519,444</u></u>	<u><u>5,380,730</u></u>

Unrestricted funds comprise those funds which the Trustees are free to use in furtherance of the general objective of the Charity.

Restricted funds comprise of the following funds:

Education Fund: Income of the fund provides grants to orphans for education purposes.

War Memorial Fund: Income of the fund provides allowances for benefit of necessitous orphans.

War Memorial Hospital Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Twells Memorial Fund: Income of the fund provides grants to orphans receiving compassionate allowances.

Sir Edmund Henderson: Income of the fund provides education grants to orphans.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

18. POST BALANCE SHEET EVENTS

In March of 2020, the World Health Organization declared a novel coronavirus and its resulting disease (COVID-19) a pandemic. In view of the potential impact on the Charity the Trustees have been closely monitoring of the value and performance of the investments held.

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Police subscriptions	354,153	354,395
Donations	58,373	41,413
Collecting boxes	4,036	3,150
Legacies	<u>25,910</u>	<u>74,416</u>
	442,472	473,374
Investment income		
Investment income	<u>677,720</u>	<u>703,550</u>
Total incoming resources	1,120,192	1,176,924
EXPENDITURE		
Raising donations and legacies		
Fundraising events	5,927	8,380
Investment management costs		
Investment management costs	82,135	81,112
Charitable activities		
Rates	1,633	1,564
Insurance	3,560	5,111
Other premises costs	7,612	45,290
Telephone	1,316	1,385
Postage and stationery	35	117
Computer expenses	2,223	10,055
Miscellaneous costs	1,143	2,920
Grants to institutions	-	25,279
Grants to individuals	<u>918,980</u>	<u>968,727</u>
	936,502	1,060,448
Support costs		
Governance costs		
Staff salaries and pensions	120,985	115,061
Auditors' remuneration	8,667	8,528
Legal and professional	<u>7,864</u>	<u>221</u>
	<u>137,516</u>	<u>123,810</u>
Total resources expended	<u>1,162,080</u>	<u>1,273,750</u>
Net expenditure before gains and losses	(41,888)	(96,826)

This page does not form part of the statutory financial statements

**METROPOLITAN AND CITY POLICE ORPHANS
FUND**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>1,118,548</u>	<u>(21,604)</u>
Net income/(expenditure)	<u><u>1,076,660</u></u>	<u><u>(118,430)</u></u>

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