

**THE CITY AND METROPOLITAN WELFARE CHARITY**

**ACCOUNTS TO 31 DECEMBER 2020**

Registered Number 205943

# THE CITY AND METROPOLITAN WELFARE CHARITY

## TRUSTEES' REPORT

The Trustees of the City and Metropolitan Welfare Charity present its Report for the year ended 31 December 2020.

### Structure, Governance and Management

#### *Legal status*

The Charity was set up as a charity in September 1961 under a scheme of the Charity Commissioners from an amalgamation of two older charities namely "Prison Charities" (eight ancient bequests established by a high court scheme in 1876) and "The Central Fund of the Metropolitan Convalescent Institution".

The registered number is 205943.

#### *Trustees*

Mr Henry Colthurst	The City of London Corporation
Mr Mark Wheatley	The City of London Corporation
Mr Tom Sheldon (Chairman)	The Mercers' Company
Mr David Tate OBE DL	The Mercers' Company
Mr Matthew Pellereau	The Leathersellers' Company
Mr David Barrow	The Leathersellers' Company
Mr Andrew Cartwright	The Grocers' Company
Mr Anthony Pilcher	The Haberdashers' Company
Mr David Worlidge	The Ironmongers' Company
Mr Richard Jonas	The Clothworkers' Company

The Trustees are chosen according to the individual practice of each appointing body. Persons appointed may, but need not be, a member of the appointing body.

The Trustees are appointed for a term of four years as follows:

- Two by the Lord Mayor of London
- Three by the Master and Wardens of the Mercers' Company
- Two by the Wardens of the Leathersellers' Company
- One by the Master and Wardens of the Grocers' Company
- One by the Master and Wardens of the Haberdashers' Company
- One by the Master and Wardens of the Ironmongers' Company
- One by the Master and Wardens of the Clothworkers' Company

# THE CITY AND METROPOLITAN WELFARE CHARITY

## TRUSTEES' REPORT (continued)

The address of the principal office of the Charity is:

36 Ladbroke Grove  
London  
W11 2PA

The administration of the Charity is carried out by the Clerk - Mr Nigel Pullman, to whom the day to day management is delegated.

### Advisors

Independent Examiner: John Mawer, 4 Elmsleigh Avenue, Leicester LE2 2DF

Banking: Barclays Bank, 1 Churchill Place, London E14 5HP

Investment management: Cazenove Capital, 1 London Wall Place, EC2Y 5AU

### Objectives and Activities for the Public Benefit

The Charity's Scheme of Management states that the Trustees shall apply the income of the charity for the benefit of deserving persons who by reason of age, ill health, accident and infirmity or straitened financial circumstances are in need of assistance in either or both of the following ways:

- in the supply of articles in kind or in grants of money and/or
- in grants in aid of the funds of any institutions or organisations established or to be established for the care and relief of such persons.

The Trustees confirm that they have referred to the recommendations contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the forthcoming year. The Trustees consider that the grants made by the Trust during the year are solely for the public benefit.

### Grant-making policy

The policy is to apply the resources of the Charity in accordance with its principal objects (above). The Trustees meet twice a year to discuss applications and approve grants.

Currently the grant making priorities of the Charity are to support charitable and community grass roots organisations and those that work with offenders and ex-offenders in London.

### Principal achievements for the year

The Trustees have made grants to institutions and organisations providing for the relief of persons in need. All grants were to charitable bodies working in the fields of community welfare and relief in need, as listed in Note 3 to these accounts. No grants have been made directly to individuals. Grants during the year amounted to £30,000 (2019: £33,000).

# THE CITY AND METROPOLITAN WELFARE CHARITY

## TRUSTEES' REPORT (continued)

### Review of financial position

Total Incoming Resources during the year amounted to £35,601 (2019: £37,305) of which £25,101 was income from investments (2019: £26,805) and £10,500 (2019: £10,500) came from donations. In 2020 £30,000 was distributed to 12 charities (2019: £33,000 to 14 charities).

The charity's investments showed a net decrease for the year of £41,722 (2019: gain of £61,908) with the closing value being £712,718 versus the opening value at the start of 2020 of £754,440.

### Plans for 2021 and beyond

The Trustees will continue to apply the Charity's income for the benefit of those in need, particularly to work that addresses the root causes of offending and re-offending. The Trustees will continue to explore new ways of attracting suitable applications, especially from organisations where a modest grant can make a real difference.

### *Reserves policy*

The Unrestricted Fund of £22,671 represents the reserves available for distribution arising from past operating surpluses. The Trustees believe that holding such reserves of at least six months expended resources is appropriate; in addition, further reserves may be retained where funds are held over for future specified grants. The Trustees regularly review the levels of reserves.

The Endowment Fund of £712,718 is a portfolio of investments managed by investment managers who acquire and dispose of investments in accordance with the investment policy (below).

### *Investment policy and objectives*

In accordance with the trust deed, the Trustees have the power to invest in such stocks, shares and property as appropriate to meet the objectives of the Charity. The Trustees have engaged Cazenove Capital as investment managers. The policy is for a medium risk investment approach and is currently based on balanced growth of both capital and income. The investment performance is compared against relevant market indices. The Trustees receive quarterly investment reports, and a presentation by the Charity's investment advisors, Cazenove Capital, at each meeting.

### Valuing volunteers

In keeping with recommended practice, an approximation of the numbers of hours that the Trustees give to the Charity free of charge during the year has been undertaken and is estimated at 80 hours of voluntary time (2019: 80 hours).

### Statement of Trustees' Responsibilities

The law applicable to charities in England & Wales requires trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

## **THE CITY AND METROPOLITAN WELFARE CHARITY**

### **TRUSTEES' REPORT (continued)**

#### **Statement of Trustees' Responsibilities (continued)**

In preparing financial statements giving a true and fair view, trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the finance statements on the 'going concern' basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which are such as to disclose, with reasonable accuracy, the financial position of the charity at any time, and to enable the Trustees to ensure that the accounts comply with the disclosure regulations (primarily Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005) and the Charities Act 2011. The Trustees are also responsible for safeguarding the charity's assets, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

#### **Risk management**

The Trustees acknowledge their responsibility for the management of risks faced by the Charity. The Trustees, in considering the governance, management, operational, financial and environmental risks, are satisfied, at this stage, that there is no material exposure and that there are procedures in place to mitigate such risks. This will, however, be kept under review.

The Trustees have agreed clear lines of delegation and authority and both the Trustees and Clerk are involved in the recognition of risk in all their activities.

Signed on behalf of the Trustees by:

Chairman of Board of Trustees  
Date: 27 April 2021

# THE CITY AND METROPOLITAN WELFARE CHARITY

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF** **The City and Metropolitan Welfare Charity** **for the year ended 31 December 2020**

### **Report of the independent Examiner to the Trustees of The City & Metropolitan Welfare Charity**

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I report on the accounts of the Trust for the year ended 31 December 2020 which are set out on pages 6 to 11 as required by the Charities Act 2011.

#### **Respective responsibilities of trustees and independent examiner**

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility:

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

#### **Independent Examiner's statement**

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met: or
- 2) to which, in my opinion, attention in connection should be drawn in order to enable a proper understanding of the accounts to be reached.

John Mawer, Chartered Accountant  
JW Mawer Ltd  
4 Elmsleigh Avenue  
Leicester  
LE2 2DF

27 April 2021

THE CITY AND METROPOLITAN WELFARE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note s	Unrestricte d Funds £	2020 Endowment Funds £	Total Funds £	2019 Total Funds £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Investment income		25,101	-	25,101	26,805
Voluntary income	2	10,500	-	10,500	10,500
<b>Total incoming resources</b>		<b>35,601</b>	<b>-</b>	<b>35,601</b>	<b>37,305</b>
<b>Resources expended</b>					
<i>Charitable activities</i>					
Grants Paid	3	(30,000)	-	(30,000)	(33,000)
<i>Governance costs</i>	4	(8,125)	-	(8,125)	(8,125)
<b>Total resources expended</b>		<b>(38,125)</b>	<b>-</b>	<b>(38,125)</b>	<b>(41,125)</b>
<b>Net (outgoing)/incoming resources</b>		<b>(2,524)</b>	<b>-</b>	<b>(2,524)</b>	<b>(3,820)</b>
<b>Gain/(Loss) on investments</b>	5	<b>-</b>	<b>(41,722)</b>	<b>(41,722)</b>	<b>61,908</b>
<b>Net movement in funds</b>		<b>(2,524)</b>	<b>(41,722)</b>	<b>(44,246)</b>	<b>58,088</b>
<b>Balances brought forward</b>		<b>25,195</b>	<b>754,440</b>	<b>779,635</b>	<b>721,547</b>
<b>Balances at year end</b>		<b>22,671</b>	<b>712,718</b>	<b>735,389</b>	<b>779,635</b>

The attached notes form an integral part of these accounts.

# THE CITY AND METROPOLITAN WELFARE CHARITY

## BALANCE SHEET

	Notes	31 December 2020		31 December 2019	
		£	£	£	£
<b>Fixed assets</b>					
Quoted Investments	5		712,718		754,440
<b>Current assets and liabilities</b>					
Cash at Bank		23,596		26,120	
Creditors		<u>(925)</u>		<u>(925)</u>	
<b>Net current assets</b>			22,671		25,195
<b>Net assets</b>			<u>735,389</u>		<u>779,635</u>
<b>Funds</b>					
			£		£
Unrestricted fund			22,671		25,195
Endowment Funds			<u>712,718</u>		<u>754,440</u>
			<u>735,389</u>		<u>779,635</u>

The attached notes form an integral part of these accounts.

Approved by the Trustees and signed on their behalf by:

Signed .....

Date: 27 April 2021



# THE CITY AND METROPOLITAN WELFARE CHARITY

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2020

### 1 ACCOUNTING POLICIES

#### **Accounting basis**

The accounts are prepared in accordance with applicable accounting standards, on an historical cost basis as modified by the revaluation of investments and comply with charity law and with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2011.

#### **Incoming Resources**

Interest and dividends from investment funds are included as receivable on the due dates. Donations and legacies are recognised when they are received. Gifts in kind are included at their market value at the date of receipt.

#### **Costs of Generating Funds**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

#### **Charitable activities**

Grants payable are charged in the year when the offer is conveyed to the recipient except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

#### **Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice including costs related to independent examination.

#### **Investment gains and losses**

Unrealised gains and losses for the year reflect the movement in market values. Realised gains and losses represent the difference between proceeds on disposal and the market value brought forward. Unrealised and realised investment gains or losses are shown net on the face of the Statement of Financial Activities.

#### **Investments**

Investments are stated at the year end at their market value.

#### **Funds**

The charity maintains two types of fund:

- Endowment - where the capital is held in perpetuity to generate unrestricted income;
- Unrestricted - where the fund is not restricted as to use.

# THE CITY AND METROPOLITAN WELFARE CHARITY

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2020 (Continued)

### 2 VOLUNTARY INCOME

Donations during the year came from the following sources:

	2020	2019
	£	£
Leathersellers' Company Charitable Foundation	2,000	4,000
Charity of Sir Richard Whittington (Mercers' Company)	2,000	2,000
Haberdashers' Benevolent Foundation	1,000	1,000
The Ironmongers' Foundation	-	500
The Grocers' Charity	3,000	3,000
The Clothworkers' Company	2,500	-
	<u>10,500</u>	<u>10,500</u>

### 3 CHARITABLE ACTIVITIES - GRANTS

The following grants to institutions were made by the Charity during the year:

	2020	2019
	£	£
2makeit*	2,000	-
AVP Britain*	2,000	-
Beyond the Streets	1,000	-
Finding Rhythms*	-	3,000
Fine Cell Work*	-	3,000
Give a Book*	-	2,000
Hardman Trust*	8,000	-
Housing the Homeless Central Fund*	-	2,000
Irene Taylor Trust*	2,000	-
Kent Enterprise Trust*	2,000	-
Koestler Arts*	-	2,000
Longford Trust*	-	2,000
Margaret Carey Foundation*	2,000	-
Nehemiah Project*	-	3,000
New Horizon Youth Centre*	-	2,000
Prison Fellowship*	-	2,000
Prisoners' Abroad*	3,000	-
Prisoners' Education Trust*	-	2,000
Prisoners' Penfriends*	2,000	-
RECOOP*	2,000	-
Shannon Trust*	2,000	-
Thanet Community Development Trust*	-	2,000
Trailblazers Mentoring*	-	2,000
Upper Room (St Saviour's)*	-	3,000
Why me? Victims for Restorative Justice*	2,000	-
Working Chance*	-	3,000
	<u>30,000</u>	<u>33,000</u>

\* Indicates an offender related charity

# THE CITY AND METROPOLITAN WELFARE CHARITY

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2020 (Continued)

### 4 GOVERNANCE COSTS

	2020	2019
	£	£
Clerk's Fees and Expenses	7,200	7,200
Accountancy and Independent Examination Fees	925	925
	<u>8,125</u>	<u>8,125</u>

### 5 QUOTED INVESTMENTS

Quoted investments are shown at market value. The change in value during the year, analysed by fund, is made up as follows:

Fund Name	Opening Balance at 1 Jan 2020 £	(Sales)/ Purchases in year £	Realised Gains/ (Losses)	Unrealised Gains/ (Losses) £	Closing Balance at 31 Dec 2020 £
<b><u>Equities</u></b>					
Trojan Income Fund	69,788	-	-	(8,629)	61,159
Schroder Equity Income Trust for Charities	142,058	(13,000)	(4,371)	(20,530)	104,157
Hambro UK Equity Income Fund	67,600	-	-	(12,250)	55,350
Schroders Euro Alpha Income Fund	23,983	(15,089)	(8,894)	-	-
Polar Capital European Ex UK Income	-	15,089	-	2,100	17,189
Schroder Asian Income Fund	35,288	-	-	3,396	38,684
M&G Global Dividend Fund	51,916	-	-	3,344	55,260
Atlas Global Infrastructure Fund	-	13,000	-	763	13,763
Fidelity Global Dividend Fund	47,904	-	-	1,200	49,104
<b>Total Equities</b>	<b>438,537</b>	<b>-</b>	<b>(13,265)</b>	<b>(30,606)</b>	<b>394,666</b>
<b><u>Bonds</u></b>					
Schroders Strategic Credit Fund	35,144	-	-	(14)	35,130
Schroder Sterling Corporate Bond Fund	59,088	-	-	6,124	65,212
Vontobel 24 Absolute Return Credit Fund	36,196	-	-	(7)	36,189
<b>Total Bonds</b>	<b>130,428</b>	<b>-</b>	<b>-</b>	<b>6,103</b>	<b>136,531</b>
<b><u>Multi-Asset Funds</u></b>					
Trojan Investment Funds-Trojan Fund	37,296	-	-	2,636	39,932
<b>Total Multi-Asset Funds</b>	<b>37,296</b>	<b>-</b>	<b>-</b>	<b>2,636</b>	<b>39,932</b>
<b><u>Alternatives</u></b>					
Charities Property Fund	81,743	-	-	(2,943)	78,800
Property Income Trust for Charities	22,712	-	-	(2,104)	20,608
Schroder Diversified Alternative Assets	34,689	-	-	(1,094)	33,595
<b>Total Alternatives</b>	<b>139,144</b>	<b>-</b>	<b>-</b>	<b>(6,141)</b>	<b>133,003</b>
Cash	9,035	(449)	-	-	8,586
<b>Portfolio Total</b>	<b>754,440</b>	<b>(449)</b>	<b>(13,265)</b>	<b>(28,008)</b>	<b>712,718</b>

Quoted investments at the year-end are shown at market value. All investments are held in the United Kingdom and are managed by Cazenove Capital.

# THE CITY AND METROPOLITAN WELFARE CHARITY

## NOTES TO THE ACCOUNTS - 31 DECEMBER 2020 (Continued)

### 6 CONNECTED CHARITIES

The following related parties and/or their charitable arms are connected in relation to the Trustees:

Corporation of the City of London	Haberdashers' Company
Mercers' Company	Ironmongers' Company
Grocers' Company	Leathersellers' Company
Clothworkers' Company	