

# CITY'S CASH

## General information

City's Cash is the private fund of the Corporation of London and is not governed by any statutes or regulations.

<i>Address</i>	Guildhall, London, EC2P 2EJ
<i>Treasurer and Banker</i>	The Chamberlain of London
<i>Solicitor</i>	The Comptroller and City Solicitor
<i>Discretionary Fund Managers</i>	Artemis Investment Management, GMO Woolley, LSV Asset Management, Ruffer LLP
<i>Auditors</i>	Deloitte & Touche LLP, London
<i>Banking Auditors</i>	Everett & Son, 35 Paul Street, London, EC2A 4UQ
<i>Founders</i>	By various bequests over the centuries
<i>Governing Instruments</i>	None

## Explanatory foreword

### Background

Evidence exists of Freedoms of the City registered from about the year 1230. The fees from these Freedoms were then the main source of City's Cash. A charter in 1444 confirmed to the Citizens of London and their successors forever, the rents from many buildings and lands in the City. The charter was confirmed by King Charles I in 1638. The sites are now managed as a property portfolio and the rents received from the present day buildings, together with investment income from funds largely controlled by fund managers, form the bulk of the income of City's Cash.

### Activities of City's Cash

The principal activities of City's Cash are:

- ◆ Alleviating the City Fund of expenditure that it would otherwise bear. For example, Mayoralty and Ceremonial expenses.
- ◆ Financing functions that are of importance to Greater London and its environs as well as to the City itself, for example, open spaces at Hampstead Heath and the wholesale markets (Billingsgate and Smithfield).

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### CEREMONIAL

#### *Aims*

The Ceremonial Team organise hospitality on behalf of the Lord Mayor and the City Corporation. Functions range from small receptions to major national occasions such as State or Guest of Government visits.

The aim is to increase the emphasis on complementing hospitality with business meetings consistent with the City Corporation's role in supporting the City as a financial centre. The office works closely with the Foreign & Commonwealth Office, UK Trade & Investment, and other agencies in developing opportunities for a City business element during such visits.

#### *Targets and achievements*

- Successfully plan and arrange State events or Guest of Government visits and corporate hospitality – achieved for 2006/07. This target has been re-approved for 2007/08.
- Review the nature and format of events and further develop a business focus whilst targeting recipients of hospitality to ensure the aims and objectives of the event are met – ongoing.
- Ensure the successful continuity and seamless transition from one Mayoralty to the next. This is a new target for 2007/08.
- Enhance and streamline joint working with core stakeholders – ongoing.

### MAYORALTY AND SHRIEVALTY

#### **Mayoralty**

#### *Aims*

The Mansion House is the official residence of The Lord Mayor as head of the City of London Corporation and the base for Mayoral activities, including official receptions, banquets, meetings and general hospitality. A key responsibility of the Lord Mayor is to promote the UK-based financial services industry and related businesses, both at home and abroad. As head of the City, the Lord Mayor supports its work on a wide range of activities, as well as attending Livery events, supporting charitable organisations and providing a figurehead in representing the City of London.

The overall objectives are to:

- Provide the official residence of the Lord Mayor and run the required programme of hospitality and meetings.
- Plan and deliver the Lord Mayor's programme, including visits abroad, in the City and elsewhere in the UK.

The Lord Mayor's duties include:

- To represent and promote the City of London Corporation as an effective local authority.
- To represent and promote the City as the foremost international finance and business service centre in the world, and on occasion, to represent and promote the United Kingdom more generally, particularly when travelling overseas.
- To participate in and to promote the activities of the Livery Companies, Ward Clubs and other associated groups in the City.
- To consult widely within the City community on business needs.
- To promote the cause of his Appeal for Charity and of other charitable causes.

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**Consolidated Statement of Financial Activities for the year ended 31 March 2007**

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	2006/07 £000	2005/06 restated see note 15 £000
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Monument		250			250	189
Investment income:						
General Investment Income		24,056	52	-	24,108	18,492
Property investment income - City's Estate		44,602			44,602	49,264
Property investment income - Gresham Estate		514			514	536
Total investment income		69,172	52	-	69,224	68,292
<b>Incoming resources from City's Cash activities</b>						
Ceremonial		599			599	287
Mayoralty and Shrievalty		178			178	123
Markets		10,351			10,351	7,934
Open Spaces		3,516		-	3,516	3,203
Schools		40,843	146		40,989	36,995
Barbican		174			174	-
Administration		766			766	1,124
<b>Total incoming resources from City's Cash activities</b>		56,427	146	-	56,573	49,666
<b>Total incoming resources</b>	3	125,849	198	-	126,047	118,147
<b>Revenue resources expended</b>						
<b>Costs of generating funds</b>						
Activities for generating funds - Monument		404			404	268
Investment management costs:						
General investment management		2,432			2,432	2,156
Property investment - City's Estate		12,961			12,961	12,531
Property investment - Gresham Estate		709			709	786
Total investment management costs		16,102	-	-	16,102	15,473
<b>City's Cash activities:</b>						
Ceremonial		4,658			4,658	4,662
Mayoralty and Shrievalty		7,155			7,155	7,068
Markets		17,662			17,662	16,371
Open Spaces		19,484			19,484	18,704
Schools		55,052	73		55,125	54,670
Administration of Criminal Justice		532			532	483
Economic Development & Policy Initiatives		3,335			3,335	355
Grants		1,113			1,113	996
Barbican		109			109	15
<b>Total City's Cash activities</b>	4	109,100	73	-	109,173	103,324
<b>Governance costs</b>		4,824			4,824	4,231
<b>Total resources expended</b>		130,430	73	-	130,503	123,296
<b>Net (outgoing)/incoming revenue resources</b>		(4,581)	125	-	(4,456)	(5,149)
<b>(to next page)</b>						

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**Consolidated Statement of Financial Activities for the year ended 31 March 2007 contd**

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	2006/07 £000	2005/06 restated see note 15 £000
<b>Net (outgoing)/incoming revenue resources (from previous page)</b>		(4,581)	125	-	<b>(4,456)</b>	(5,149)
<b>Capital transactions</b>		-				
Capital Repayments		13,423	-	-	<b>13,423</b>	13,811
Capital Receipts		26,188	-	314	<b>26,502</b>	87,953
Capital Expenditure	7	(31,323)	(237)	10	<b>(31,550)</b>	(26,730)
<b>Total capital transactions</b>		<b>8,288</b>	<b>(237)</b>	<b>324</b>	<b>8,375</b>	<b>75,034</b>
<b>Total net incoming/(outgoing) resources before and after transfers</b>		3,707	(112)	324	<b>3,919</b>	69,885
<b>Other recognised gains and losses</b>		-				
Net Gain on Managed Investments	8	39,101	-	-	<b>39,101</b>	78,835
<b>Net movement in funds</b>		<b>42,808</b>	<b>(112)</b>	<b>324</b>	<b>43,020</b>	<b>148,720</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	12	542,096	1,873	554	<b>544,523</b>	395,803
<b>Total funds carried forward</b>	12	<b>584,904</b>	<b>1,761</b>	<b>878</b>	<b>587,543</b>	<b>544,523</b>

All operations are continuing.