

# City's Cash Overview

Summary statement

2016-2017



The City of London Corporation's summary statement of where it spent its City's Cash income over the past year.

## The City of London Corporation has three main areas of work:

- supporting and promoting the business City;
- providing modern, efficient and high quality local and policing services for our communities; and
- supplying valued services to London and the nation.

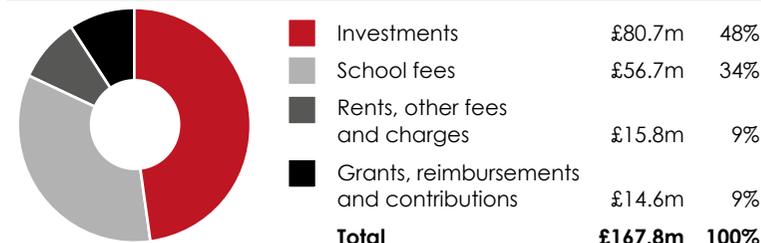
City's Cash is revenues derived from the City Corporation's estates and used to provide services that are of importance nationally and internationally as well as to the City and Greater London. These services include the work of the Lord Mayor in promoting UK trade overseas, numerous green spaces and the City Corporation's work in surrounding boroughs supporting education, training and employment opportunities.

### Net value of City's Cash assets:

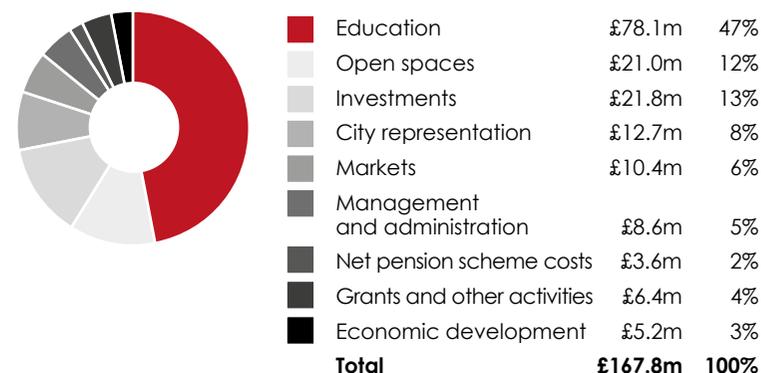
	at 31 March 2017	at 31 March 2016
Income generating funds <sup>1</sup>	£2,423.4m	£2,198.5m
Operational and working capital	£208.7m	£192.6m
Pension reserve	(£294.2m)	(£244.2m)
Heritage assets	£182.1m	£182.1m
<b>Total</b>	<b>£2,520.0m</b>	<b>£2,329.0m</b>

<sup>1</sup> Income generating funds present the value of investment properties and invested funds which generate the income required to meet the cost of providing City's Cash services. For the year ended 31 March 2017 the gain in fair value of these investments amounted to £244.0m (2015/16: £214.1m).

### Annual income\* - where the money came from



### Annual expenditure\* - what the money was spent on



During the year to 31 March 2017 City's Cash received exceptional net income of £4.7m comprising one-off receipts and incurred financing costs of £8.3m attributable to pension schemes. These do not form part of operating income and expenditure.

As ever, your feedback is important. If you'd like more information on any activities please let us know – our contact details are on the last page.

\*1 April 2016– 31 March 2017

## Financial summaries

### Services provided

Service / Activity	2016/17			2015/16		
	Expenditure £m	Financed by £m	Net income/ (cost) £m	Expenditure £m	Financed by £m	Net income/ (cost) £m
Education	78.1	69.1	(9.0)	71.4	58.0	(13.4)
Open Spaces	21.0	4.8	(16.2)	21.5	4.2	(17.3)
Investments	21.8	80.7	58.9	19.4	85.4	66.0
City Representation	12.7	1.0	(11.7)	12.3	0.8	(11.5)
Markets	10.4	10.9	0.5	10.4	10.5	0.1
Management & administration	8.6	0.0	(8.6)	7.7	0.0	(7.7)
Grants and other activities	6.4	1.0	(5.4)	6.6	0.9	(5.7)
Economic Development	5.2	0.3	(4.9)	3.8	0.4	(3.4)
Net Pension Scheme Costs	3.6	0.0	(3.6)	7.1	0.0	(7.1)
<b>Total operating expenditure / financed by</b>	<b>167.8</b>	<b>167.8</b>	<b>-</b>	<b>160.2</b>	<b>160.2</b>	<b>-</b>

This summary information is compiled from City's Cash Annual Report and Financial Statements for the year ended 31 March 2017 which is available at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk)

The City's Cash Financial Statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) as issued by the Financial Reporting Council and the external auditor's opinion confirms that the statements give a 'true and fair view' of the state of City's Cash.

### Other funds

This publication only covers City's Cash. This is one of three funds from which the City Corporation pays for its work. The others are Bridge House Estates and City Fund.

**City Fund** mainly helps pay for local and policing services. It is made up of business rates, council tax, various government grants and income from our own investments. When the business rates retained by the City Corporation are added to other general grants receivable from government, the total funding from government equates to only a small percentage of the total business rates collected by the City Corporation.

The City Corporation is also the sole trustee of the **Bridge House Estates** which was originally set up through bridge taxes, rent and private bequests to deal with the upkeep of London Bridge. This now funds the maintenance of Tower, London, Southwark, Millennium and Blackfriars Bridges. The funds have been effectively managed over the centuries so we can now also help charitable causes across London through the City Bridge Trust with grants amounting to around £20m every year. The full accounts for this charity are available online at [www.cityoflondon.gov.uk/budgetsandspending](http://www.cityoflondon.gov.uk/budgetsandspending)

### Education

City's Cash enables the City Corporation to offer support to a range of education institutions and initiatives beyond its role as a Local Education Authority, which is funded through City Fund. As well as running three independent schools, the City Corporation is also the sponsor or co-sponsor of nine Academies in neighbouring boroughs. Annual grants from City's Cash enable the Academies to perform at consistently high standards. The independent schools regularly feature among the UK's top performing schools. In each of these institutions, the City Corporation provides scholarships and academic bursaries, typically by match funding monies raised externally by the schools, to support able students from disadvantaged backgrounds. Financial support for bursaries is also provided at Christ's Hospital and King Edward's School Witley.

The City Corporation also funds the internationally renowned Higher Education Conservatoire the Guildhall School of Music & Drama.

## Open spaces

The City Corporation looks after 11,000 acres of open spaces across London. Some of the sites have been owned and managed by the City of London since 1870 to protect them from development and preserve them as a natural resource.

Many of the sites have gained the coveted national Green Flag and Green Heritage Awards, are Sites of Special Scientific Interest or are important wildlife habitats. Some sites are National Nature Reserves for the public to enjoy. Annual visits to our open spaces are currently estimated at 23 million.

## Markets

The City Corporation runs three wholesale food markets with Billingsgate and Smithfield funded by City's Cash and New Spitalfields by the City Fund. Billingsgate allows buyers to choose from the largest selection of fish in the UK with an average of more than 25,000 tonnes sold each year. Meat has been bought and sold at Smithfield for over 800 years. Its magnificent Grade II listed surroundings see around 120,000 tonnes pass through each year.

## Grants and other activities

A number of grants are made from City's Cash each year. These promote initiatives across a wide range of charitable causes in London and the UK. They are given under four funding themes:

- Stronger Communities
- Enjoying Green Spaces and the Natural Environment
- Inspiring London through Culture
- Education and Employment Support

## Economic development

Our economic development work is dedicated to promoting and enhancing the City's competitiveness and to ensuring that the City continues to benefit the whole of London and the UK. We are focused on securing the best market conditions for continued growth and innovation, ensuring that the concerns of the City are heard through our engagement with decision makers in Westminster, Brussels and further abroad, supported through our international offices in India, China and Brussels. Through our international business delegations led by the Lord Mayor and Policy Chairman and the hosting of high-level visits from international partners in politics and business, we promote opportunities for UK financial and professional services firms to export internationally and for our global partners to invest here. This all depends on building on the excellent access to talent and skills in the City and supporting an environment where new businesses and approaches can flourish – two further areas that we focus on. Throughout our work, we make the strong case for responsible business in City firms and look to support and spread best practice, as good business is good for business and good for the UK.

## City representation

This reinforces the City's core objective – to support and promote UK-based financial services, and related professional services, at home and abroad. A major element of this is the Lord Mayor's overseas visits programme, amounting to around 90 days abroad each year, fostering trade and making links at the highest levels of government and industry. The Chairman of Policy also visits a number of major global financial centres each year, including New York, Beijing and Mumbai.

The Lord Mayor and the Chairman of Policy also welcome high profile government and industry delegations on behalf of the UK government to Mansion House and Guildhall. This can range from small receptions to major national occasions such as State or Guest of government visits. We also look to strengthen the City's diplomatic relationships through the London Diplomatic Corps.

Mansion House is the official residence of the Lord Mayor as elected head of the City Corporation and the base for Mayoral activities. City's Cash funds official receptions, banquets, meetings and general hospitality carried out by the Lord Mayor and Chairman of Policy (as well as the overall running costs of Mansion House and the dedicated team there).

Other important responsibilities include support for the City Corporation's many and varied civic activities; maintaining the Mayoralty's close ties with livery companies, and supporting Corporate Social Responsibility and charitable organisations. The Sheriffs support the Lord Mayor during their year of office but are also responsible for looking after Her Majesty's Judges sitting at the Central Criminal Court.

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