

Independent auditor's report to the Members of City of London Corporation

Audit completion

Opinion on the financial statements

In our auditor's report, issued on 29 September 2025, for the City Fund of the City of London Corporation (the 'Authority') for the year ended 31 March 2025, we reported an unqualified opinion on the Authority's financial statements.

We explained that we could not formally conclude the audit and issue the audit certificate for the Authority for the year ended 31 March 2025, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we had completed the work necessary in relation to the Authority's consolidation returns and received confirmation from the National Audit Office (NAO) that the audit of the Whole of Government Accounts (WGA) is complete for the year ended 31 March 2025. This work is now complete and the NAO has now concluded their work in respect of WGA for the year ended 31 March 2025 and confirmed that audit certificates held open in relation to this can be issued. We are therefore satisfied all audit work necessary has been completed.

Opinion on the pension fund financial statements

In our auditor's report, issued on 29 September 2025, for the City of London Corporation Pension Fund (the 'Pension Fund') for the year ended 31 March 2025, we reported an unqualified opinion on the Pension Fund's financial statements.

Report on other legal and regulatory requirements – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

In our auditor's report for the year ended 31 March 2025 issued on 29 September 2025 we reported that we have nothing to report in respect of whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025, except:

On 8 September 2025 we identified a significant weakness in the Authority's arrangements for improving economy, efficiency and effectiveness. This is in relation to the low balance of the Authority's Housing Revenue Accounts (HRA) Reserve. The Authority's HRA has not performed in line with expectations, resulting in a deterioration to a vulnerable HRA Reserve position. With the HRA Reserve position no longer being stable, a significant weakness in arrangements to achieve budgetary control of the HRA Reserve is identified, with the current position of the HRA Reserve considered to be critical.

We recommend that the Authority takes immediate and urgent actions to secure the future sustainability of the HRA Reserve by seeking to control costs, maximise income, and reassess assumptions.

No matters have come to our attention since that date that would have resulted in any additional exception reporting on the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

Report on other legal and regulatory requirements – audit certificate

We certify that we have completed the audit of the City Fund of the City of London Corporation for the year ended 31 March 2025 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sophia Brown

Sophia Brown, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

London

13 July 2026