

Registered Charity Number: 214267

MERCHANT TAYLORS' CONSOLIDATED CHARITIES FOR THE POOR

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

31 December 2017

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Trustees submit their report and financial statements for the year ended 31 December 2017.

The accounts comply with 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 published on 16 July 2014 and in accordance with the Charities Act 2011.

OBJECTIVES AND ACTIVITIES

Charitable Objects

After defraying properly incurred expenses, the income of the Charity is to be applied in support of poor persons who are Freemen of the Merchant Taylors' Company or the dependants or apprentices of such Freemen, and, in default of suitable persons qualified as aforesaid, poor persons in London or elsewhere who through age, infirmity or illness are in need of assistance in the following ways, in order of priority:

- 1) In assisting such beneficiaries as they may select either by way of gifts or by periodic monetary allowances, such periodic allowance to be discontinued at any time if the Trustees think fit;
- 2) In supplementing the income of the Merchant Taylors' Consolidated Almshouse Charities [now The Merchant Taylors' Boone's Charity, registered charity no. 214262];
- 3) In making subscriptions to institutions or organisations having among their objects the assistance of the beneficiaries, including any home, clinic or other institution provided by Merchant Taylors' Consolidated Charities for the Infirm.

Aims

The Charity aims to have a demonstrable positive impact on the lives of suffering through poverty and disadvantage. It seeks to work predominantly in or around those Inner London boroughs bordering the City of London to the east and south (i.e. Hackney, Tower Hamlets and Southwark) and in the London Borough of Lewisham and its environs. Its remaining aims are subject to this geographical preference.

It also seeks to work with smaller, locally-based charities who may not have the means or the profile to garner significant support from the general public, but which are nonetheless carrying out vital work. Such work may address basic needs, or facilitate activities which 'add value' to the beneficiaries' lives and promote their well-being, including a strong bias towards the arts. There is a preference in favour of funding discrete projects, and of 'seed-funding' new initiatives. It is also intended that the Charity should fund valuable 'niche' work which it might be difficult to raise funds for from other sources.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Objectives

The Charity's key objective for the year was to continue to provide an appropriate level of support to beneficiaries in accordance with its constitutionally prescribed priorities. During the year, some of the unsolicited applications made to Merchant Taylors' Consolidated Charities for the Infirm ('CCI') (reg. no. 214266) also fell within the Charity's Objects. The Trustees granted the most meritorious of these, noting that the Charity had re-built its Unrestricted Fund to a satisfactory level over several years, but that CCI's income for the year was relatively low due to the tenant at its investment property enjoying a rent-free period. The Trustees decided to run down the Charity's Unrestricted Reserves, subject to their reserves policy, rather than refuse the most deserving applications.

Activities

The Charity paid out "pensions" and voluntary allowances totalling £3,925 (2016: £4,952), which are detailed in Note 3 within the accounts.

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Charity's public benefit is enshrined in its charitable Objects.

The Trustees reserve the right not to disclose why a particular application may have been approved or rejected, so as not to impugn their discretion, but the Charity will not discriminate on the grounds of any characteristic protected by the Equality Act or any other relevant legislation.

Strategy

The strategy for the year has been to continue to consider favourable applications that supported the Charity's Objects, and where possible to maintain at the same level the support given to individual beneficiaries.

Referrals and applications relating to individual beneficiaries were assessed in part for their degree of financial need, alongside a sensitive qualitative consideration of their circumstances and any particular purposes to which they proposed that an award should be directed.

The strategy was also to continue to re-examine the usefulness and viability of what is a relatively small charity, and having regard to whether it ought to be merged with Merchant Taylors' Consolidated Charities for the Infirm (with due regard paid to its Endowment and the appropriate steps taken) or to continue to deliver a modest output in anticipation of possible future income.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Grant-making policies

The Trustees publish guidelines for applicants which make clear that the Charity is not accepting unsolicited applications for the time being. The guidelines are in other respects the same as the published guidelines for Merchant Taylors' Consolidated Charities for the Infirm (reg. no. 214266). All grants are subject to a level of due diligence undertaken by Bradestrete Services Limited.

Review of Activities

The Trustees are aware of their responsibility to balance the needs of both current and future beneficiaries. During the year the Trustees continued to provide grants to a number of beneficiaries of The Merchant Taylors' Boone's Charity, resident at the Company's Almshouses. They also made a number of grants to other charities for purposes falling within the Charity's Objects and published guidelines.

During the year the Trustees have continued to review means by which to more effectively manage the grant-making objectives of the Charity, and are considering how best to take forward this work. Overall the Trustees are satisfied that they acted in accordance to their Objects and have met their aims and objectives.

ACHIEVEMENTS AND PERFORMANCE

Performance against strategy

The Charity was able to provide a good degree of support to individual beneficiaries, whilst also granting some of those unsolicited applications for grants to CCI which also fell within the Charity's objects. As explained earlier in this report, the Trustees chose to run down the Unrestricted Reserves although without any danger of breaching their reserves policy.

Investment performance

The investment income performed largely as in the previous year, with £76,809 received from investments (2016: £74,344). The Trustees are content with a total return on the portfolio of 11%, although acknowledging that this falls marginally short of the total return on the FT All Share Index of 13.1%.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

FINANCIAL REVIEW

Investment Powers and Policy

The Trustees' investment policy is that income should be maximised as far as possible whilst seeking to maintain capital growth. No additional social or ethical considerations are taken into account, as the Governing Scheme of the Charity does not mandate consideration of such matters – rendering paramount the duty to maximise resources for the beneficiaries.

The fund is managed on a discretionary basis on a medium risk profile. It has a balanced mandate meaning the fund is managed for a combination of capital and growth. Performance is measured against a range of benchmarks, with a specific focus on the FT All Share Index.

Risk management

The Trustees regularly review their Risk Register, which details the present status of those operational risks which might diminish the Charity's effectiveness, and the measures in place to mitigate them.

The potential for grant fraud is acknowledged as being a major risk to which the Charity, and charities like it, may be subject, and it is felt that the extensive pre-Committee due diligence and post-grant monitoring processes in place militate against it as strongly as the Charity's resources will allow. A proportion of beneficiaries receive a visit from staff and/or Trustees as some point in the grant cycle, at the direction of the Charities Committee. Personal contact is established by the staff with each and every beneficiary.

The other major risk to which the Charity is exposed is the value of, and yield from, its investments. Investments are monitored closely, with regular scrutiny of investment managers' performance taking place, assisted by the Merchant Taylors' Company's Investment Committee.

Financial reserves

The Trustees' policy is to retain approximately £20,000 in liquid and expendable funds as a reserve, although it is considered appropriate to make use of the reserve rather than to dismiss what would otherwise be successful applications for grants. As at 31 December 2017 the actual amount held was £38,217 (2016: £151,232).

The Trustees do not feel that they are exposed to operational risks of the sort that would require or be ameliorated by emergency expenditure. A reserve is retained in order that there should be a capacity to respond to urgent and compelling cases for support and the Trustees believe the current reserves policy would be sufficient to cover this eventuality given the nature and size of the grants awarded historically.

A review of the final position at the end of the reporting period

The Unrestricted Fund stood at £38,217 at year-end (2016: £151,232) and the Endowment Fund stood

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

at £2,072,939 (2016: £1,940,877).

FUTURE PLANS

In 2018, the Charity will:

- continue not to accept unsolicited applications to the Charity for funding
- continue the temporary policy of considering unsolicited applications made to Merchant Taylors' Consolidated Charities for the Infirm ('CCI'), but which happen also to fall within the Charity's Objects.

A review of grants and allowance to residents at the Merchant Taylors' Almshouses will be undertaken in 2018 in line with the Almshouse redevelopment project. This will ensure that the Charity's grant-making procedures are as robust and effective as possible.

Typically, the Charity's strategy is reviewed at the last meeting of the Trustees in each calendar year, which is also the first meeting after the annual appointments and retirements to and from the Trustee body and the Charities Committee.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by a Charity Commission Scheme dated 11th October 1960. This superseded a Scheme made in 1924 which consolidated thirty-eight charitable trusts established by will, deed, or indenture between 1452 and 1923.

Appointment of Trustees

The Trustees are appointed by resolution of the existing Trustees from the Court of the Merchant Taylors' Company, with regard paid to the particular skills and expertise that the Charity has need of at the relevant time. Customarily, the First and Second Upper Wardens, both senior members of the Company, are appointed as Trustees for the period during which they hold these positions. There is always at least one further Trustee, and such further Trustees serve, again by custom, a term of approximately five years. One will generally serve as Chairman throughout their tenure. The Trustees are also Trustees of a further five grant-making charities with not dissimilar associations with the Merchant Taylors' Company.

Induction and training of Trustees

Trustees are offered at least one opportunity each year to receive training from the Charity's legal and accountancy advisers, either on a dedicated training day or by joining sessions offered generally by those advisers to their clients. The latter have tended to be favoured, in recent years, as they offer a range of different perspectives on the matters in question and the opportunity to share insights and establish useful contacts in the wider sector.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Trustees have access to the governing document, previous minutes, plans, and other documentation and to Charity Commission guidance. They are also supported by qualified and experienced staff based at Merchant Taylors' Hall.

Further advice and guidance is offered to the Trustees through a system of committees within the Company, culminating with the Court of the Merchant Taylors' Company.

Management Personnel

The Charity does not employ management personnel but receives the services of Bradestrete Services Limited a subsidiary of the Merchant Taylors' Company, to provide all administrative functions.

Decision-making and delegation

The Trustees are supported in their decision-making by a wider 'Charities Committee' drawn from the Court and Livery of the Merchant Taylors' Company and selected for their particular interest in, and experience of, the charitable sector in the UK. Decisions as to grants over £5,000 will usually be referred to this Committee, as may any other matters upon which the Trustees wish to seek the Committee's views. Grants of less than £5,000 may customarily be awarded by the Chairman, subject to ratification by the Trustees, when a particularly compelling case for more modest support arises and where a rapid decision is required in order for the grant to be effective.

Applications are 'sifted' by staff upon receipt, and those falling outside the Objects of the Charity or clearly outside its published guidelines are set aside.

Related Parties

The Trustees are all members of the Merchant Taylors' Company, which administers this Charity. Some of the Trustees may be connected to one or more of the organisations that received grants during the year. However, as all grants are approved on a majority basis by the members of a separate committee, the Trustees do not believe that such connections impact on the grant-making process.

During the year, Merchant Taylors' Consolidated Charities for the Infirm, a charity administered by the Merchant Taylors' Company, collected income and paid expenditure on behalf of this Charity.

Bradestrete Services Limited, a connected party, incurred administration, establishment and management expenses during the year on behalf of this Charity.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|----------------------------|--|
| CHARITY NAME: | Merchant Taylors' Consolidated Charities for the Poor |
| REGISTERED CHARITY NUMBER: | 214267 (registered with the Charity Commission for England and Wales) |
| ADDRESS: | Merchant Taylors' Hall 30 Threadneedle Street London, EC2R 8JB |
| TRUSTEES: | Mr R J A Bull Mr R W E Charlton (Appointed 17 th July 2017) Mr D G M Eggar Lady P Harding (Appointed 17 th July 2017) Mr P G Magill (Resigned 17 th July 2017) Dr J J Oram FRCP (Resigned 17 th July 2017) Mr R A D Sullivan (Chairman) (Appointed 17 th July 2017) |
| CHIEF EXECUTIVE OFFICER: | Rear Admiral N H L Harris CB MBE |
| BANKERS: | Royal Bank of Scotland PLC 62 Threadneedle Street London, EC2R 8LA |
| INVESTMENT MANAGERS: | Rathbone Investment Management Ltd 8 Finsbury Circus London, EC2M 7AZ |
| INDEPENDENT EXAMINER: | Mr N J Kelsey Saffery Champness LLP 71 Queen Victoria Street London, EC4V 4BE |
| SOLICITORS: | Charles Russell Speechlys LLP 5 Fleet Place, London, EC4M 7RD |

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' 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 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 charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; and
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the governing document. 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.

The Report of the Trustees was approved by the Trustees on the
signed on their behalf.

2018 and

R A D Sullivan
Trustee

D G M Eggar
Trustee

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

I report to the Trustees on my examination of the accounts of Merchant Taylors' Consolidated Charities for the Poor (the Trust) for the year ended 30 December 2017.

Respective Responsibilities of trustees and examiner

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view', which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Date:

2018

N J Kelsey ACA
Saffery Champness LLP Chartered Accountants
71 Queen Victoria Street London EC4V 4BE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | Note | Unrestricted fund £ | Endowment fund £ | Total 2017 £ | Total 2016 £ |
|---|------|---------------------------|------------------------|--------------------|--------------------|
| Income and endowments from: | | | | | |
| Investments | 2 | 76,809 | - | 76,809 | 74,344 |
| Total income and endowments | | 76,809 | - | 76,809 | 74,344 |
| Expenditure on: | | | | | |
| Raising funds | | | | | |
| Investment management costs | | 8,447 | - | 8,447 | 8,501 |
| Charitable activities | | | | | |
| Grants, pensions and allowances | 3 | 155,632 | - | 155,632 | 82,652 |
| Grant related support costs | 4 | 25,745 | - | 25,745 | 8,147 |
| | | 181,377 | - | 181,377 | 90,799 |
| Total expenditure | | 189,824 | - | 189,824 | 99,300 |
| Net gains / (losses) on investments | | | | | |
| Realised | | | | | |
| Investment assets | 5 | - | (4,565) | (4,565) | 11,884 |
| Unrealised | | | | | |
| Investment assets | 5 | - | 136,627 | 136,627 | 172,736 |
| | | - | 132,062 | 132,062 | 184,620 |
| Net movement in funds | | (113,015) | 132,062 | 19,047 | 159,664 |
| Fund balances brought forward at 1 January 2017 | | 151,232 | 1,940,877 | 2,092,109 | 1,932,445 |
| Fund balances carried forward 31 December 2017 | 10 | 38,217 | 2,072,939 | 2,111,156 | 2,092,109 |

The notes on pages 14 to 20 form part of these financial statements.

**BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | Note | 2017 | 2016 |
|--|------|-----------|-----------|
| | | £ | £ |
| Fixed assets | | | |
| Investments | 5 | 2,065,698 | 1,932,180 |
| Current assets | | | |
| Debtors | 6 | 15,838 | 15,950 |
| Cash at bank | | 36,058 | 167,389 |
| | | 51,896 | 183,339 |
| Creditors: amounts falling due within one year | 7 | 6,438 | 23,410 |
| Net current assets | | 45,458 | 159,929 |
| | | 2,111,156 | 2,092,109 |
| Funds | | | |
| Endowment | 8 | 2,072,939 | 1,940,877 |
| Unrestricted | 9 | 38,217 | 151,232 |
| | 10 | 2,111,156 | 2,092,109 |

These financial statements were approved by the Trustees on

2018.

Trustee
R A D Sullivan

Trustee
D G M Eggar

The notes on pages 14 to 20 form part of these financial statements.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

1 Accounting policies

These financial statements have been prepared in accordance with 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 2015) (Charities SORP (FRS 102)) and applicable accounting standard law.

1.1 Accounting convention

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on an accruals basis under the historic cost convention, with the exception of investments which are stated at market value.

The Charity constitutes a public benefit entity as defined by FRS102.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and endowments

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations are recognised when their receipt is probable.

Income from investments is included when receivable.

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds comprises those costs directly attributable to managing the investment portfolio and raising investment income.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

1.4 Expenditure (continued)

Expenditure on charitable activities includes those costs incurred by the Charity in the delivery of its objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive one-year of a possible multi year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over one year from the date of the award. There are no unfulfilled performance conditions under the control of the Charity that would permit the Charity to avoid making future payment(s), settlement is probable and the effect of discounting is material. The discount rate is regarded by the Trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Charity.

Allocation of support and governance costs

Support costs have been allocated between the governance costs and other support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs related to independent examiner fees and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing all grants are broadly equivalent.

1.5 Fixed asset investments

Investments are stated at market value at the balance sheet date. Net gains and loss arising on revaluation and disposals throughout the year are taken to the Statement of Financial Activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1.7 Funds

The unrestricted fund represents income available for expenditure, whilst the endowment fund has the principal purpose of generating that income. See notes 8 and 9 for further information.

2 Income from investments

| | 2017 | 2016 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Income from listed investments | 76,799 | 74,064 |
| Deposit interest receivable | 10 | 280 |
| | <u>76,809</u> | <u>74,344</u> |

3 Grants

| | 2017 | 2016 |
|--|----------------|---------------|
| | £ | £ |
| The amount payable in the year comprises: | | |
| Pensioners and Voluntary Allowances | 3,925 | 4,952 |
| Bag Books | 4,480 | - |
| Bench Outreach | - | 11,000 |
| Bexley Crossroads Care | 33,004 | - |
| Body and Soul | - | 10,000 |
| Bowhaven | 18,332 | - |
| Cambridge House | 15,000 | - |
| Caritas Anchor House | - | 10,000 |
| Dream Arts | 5,000 | - |
| The Feast Youth Project | 12,000 | - |
| Half Moon Young People's Theatre | 6,300 | - |
| Keen London | 5,000 | - |
| Manna Society | 10,000 | 5,000 |
| New Hackney Education Business Partnership | 16,250 | - |
| Providence Row | - | 6,000 |
| Resources for Autism | - | 6,500 |
| Shine Charity | 7,000 | - |
| Sophie Hayes Foundation | - | 10,000 |
| St Mary-Le-Bow | - | 5,000 |
| St Peter's Community Wellbeing | - | 7,200 |
| Streetscape Social Enterprise Ltd | 5,000 | - |
| Sydenham Garden | 4,000 | - |
| Teens and Toddlers | - | 7,000 |
| Young Lewisham Project Workshop | 10,341 | - |
| | <u>155,632</u> | <u>82,652</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4 Grant related support costs

| | 2017 | 2016 |
|---|---------------|--------------|
| | £ | £ |
| Administration costs | 24,742 | 6,572 |
| Insurance | 319 | 323 |
| Governance costs: | | |
| Independent examiner's remuneration: | | |
| - Statutory report - current year | 660 | 640 |
| - Statutory report - prior year under provision | 8 | 12 |
| Professional fees | 15 | 600 |
| | <u>25,745</u> | <u>8,147</u> |

Trustees received no remuneration (2016: £nil) and were not reimbursed for any of their expenses in the year (2016: £nil). The Charity had no employees during the current or prior year.

5 Fixed asset investments

Listed investments

| | 2017 | 2016 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Market value at 1 January 2017 | 1,895,782 | 1,723,663 |
| Add: | | |
| Additions | 317,502 | 216,147 |
| Disposals | (279,648) | (192,250) |
| Net realised and unrealised gains | 132,062 | 184,620 |
| Market value at 31 December 2017 | <u>2,065,698</u> | <u>1,932,180</u> |
| Historic Cost | | |
| 31 December 2017 | <u>1,441,875</u> | <u>1,401,300</u> |

Listed investments include individual funds which have been pooled for investment purposes under a scheme of the Charity Commissioners.

6 Debtors

| | 2017 | 2016 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Prepayments and accrued income | 162 | 359 |
| Other debtors | 15,676 | 15,591 |
| | <u>15,838</u> | <u>15,950</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6 Debtors (cont'd)

Other debtors include the following balances with connected parties:

| | 2017 £ | 2016 £ |
|---------------------------------------|-------------------|-------------------|
| Consolidated Charities for the Infirm | 15,676 | 15,591 |
| | <u>15,676</u> | <u>15,591</u> |

7 Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|-----------------|-------------------|-------------------|
| Grants payable | - | 18,200 |
| Accruals | 2,827 | 2,668 |
| Other creditors | 3,611 | 2,542 |
| | <u>6,438</u> | <u>23,410</u> |

Other creditors include the following balances with connected parties:

| | 2017 £ | 2016 £ |
|------------------------------|-------------------|-------------------|
| Bradestrete Services Limited | 3,611 | 2,542 |
| | <u>3,611</u> | <u>2,542</u> |

8 Endowment fund

| | 2017 £ | 2016 £ |
|---|-------------------|-------------------|
| Balance at 1 January 2017 | 1,940,877 | 1,756,257 |
| Realised / unrealised gains on listed investments | 132,062 | 184,620 |
| | <u>2,072,939</u> | <u>1,940,877</u> |

Due to the age of the fund it is not possible to determine the exact amount of the permanent capital element of the fund, although it is reasonable to assume that a permanent capital element be maintained.

All realised and unrealised movements in the value of investments have been added to or deducted from the capital value of the Charity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9 Unrestricted fund

Movement in fund

| | Balance 1 Jan 2017 £ | Total income £ | Total expenditure £ | Balance 31 Dec 2017 £ |
|-------------------|-------------------------------------|-------------------------------|------------------------------------|--------------------------------------|
| Unrestricted fund | 151,232 | 76,809 | (189,824) | 38,217 |

Details of the objects of this fund can be found in the Report of the Trustees on page 3.

10 Analysis of net assets between funds

| | Unrestricted fund £ | Endowment fund £ | Total £ |
|-----------------------------|------------------------------------|---------------------------------|--------------------|
| Investments | - | 2,065,698 | 2,065,698 |
| Net current assets | 38,217 | 7,241 | 45,458 |
| Balance at 31 December 2017 | 38,217 | 2,072,939 | 2,111,156 |

11 Related party transactions

During the year, Consolidated Charities for the Infirm, another Trust administered by the Merchant Taylors' Company, collected income and paid expenditure on behalf of this Trust.

Bradestrete Services Limited, a connected party, incurred administration, establishment and management expenses during the year on behalf of this Trust amounting to £24,742 (2016: £6,572).

Some of the Trustees may be connected to one or more of the organisations that received grants during the year. However, as all grants are approved on a majority basis by the members of a separate committee the Trustees do not believe that such connections impact on the grant making process.

The Trustees are all members of the Merchant Taylors' Company, which administers this Trust.

The balances due to and from the other Trusts administered by the Merchant Taylors' Company at 31 December 2017 are disclosed in notes 6 and 7 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12 **Comparison information**

| | Note | Unrestricted fund £ | Endowment fund £ | Total 2016 £ |
|---|------|---------------------------|------------------------|--------------------|
| Income and endowments from: | | | | |
| Donations and legacies | | | | - |
| Investments | 2 | 74,344 | - | 74,344 |
| Total income and endowments | | 74,344 | - | 74,344 |
| Expenditure on: | | | | |
| Raising funds | | | | |
| Investment management costs | | 8,501 | - | 8,501 |
| Charitable activities | | | | |
| Grants, pensions and allowances | 3 | 82,652 | - | 82,652 |
| Grant related support costs | 4 | 8,147 | - | 8,147 |
| | | 90,799 | - | 90,799 |
| Total expenditure | | 99,300 | - | 99,300 |
| Net gains on investments | | | | |
| Realised | | | | |
| Investment assets | 5 | - | 11,884 | 11,884 |
| Unrealised | | | | |
| Investment assets | 5 | - | 172,736 | 172,736 |
| | | - | 184,620 | 184,620 |
| Net movement in funds | | (24,956) | 184,620 | 159,664 |
| Fund balances brought forward at 1 January 2016 | | 176,188 | 1,756,257 | 1,932,445 |
| Fund balances carried forward 31 December 2016 | | 151,232 | 1,940,877 | 2,092,109 |