

Registered Charity Number: 214267

MERCHANT TAYLORS' CONSOLIDATED CHARITIES FOR THE POOR

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

31 December 2018

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Trustees submit their report and financial statements for the year ended 31 December 2018.

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 (Charities SORP (FRS 102)) 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.

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.

Activities

The Charity paid out Year 2 or Year 3 grants to previous grant recipient charities, on its Conditional

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Multi-Year Track. Total grant-making to charities amounted to £30,250 (2017: £151,707). The Charity also paid out "pensions" and voluntary allowances to individuals totalling £3,191 (2017: £3,925). These were to some residents of the almshouses managed by The Merchant Taylors' Boone's Charity.

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 where possible to maintain at the same level the support given to individual beneficiaries, and to award Year 2 or Year 3 funding to charities on the Conditional Multi-Year Track if, in the Trustees' absolute discretion, they are satisfied that the recipient had made satisfactory use of the previous year's funds.

The strategy has also involved trying to re-build the Charity's reserves, which had been heavily depleted in the previous period through funding new applications to the Merchant Taylors' Consolidated Charities for the Infirm ('MTCCI') which MTCCI was temporarily unable to fund.

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.

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.

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ACHIEVEMENTS AND PERFORMANCE

Performance against strategy

The Charity was able to provide a good degree of support to individual beneficiaries, whilst also granting Year 2 or Year 3 funding on the Conditional Multi-Year Track to previous recipients where the Trustees felt in their absolute discretion that the recipients had made satisfactory use of the previous year's funding.

Investment performance

The investment income performed largely as in the previous year, with £83,222 (2017: £76,809) received from investments.

There was a total return of negative 5.7% on the Charity's investments in the Merchant Taylors' Income Biased Charities fund. That was below the primary benchmark for this fund, set by a composite index of income-oriented funds, which was negative 4.7%. The total return of negative 5.7% was also below the secondary benchmark for this fund of RPI + 3.5% per annum over the investment cycle.

Trustees assessed the above performance in the context that, across the charity sector, total returns for 2018 were affected by a sudden sharp drop in stock markets at the end of 2018. By the time of writing this report, markets had partially recovered.

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.

Merchant Taylors' Income Biased Charities Fund is managed on a discretionary basis. It has a balanced mandate so is managed for a combination of capital and growth. There are no investment restrictions and hence no social, environmental or ethical considerations as such are taken into account.

It is a fund for investors with a medium risk tolerance, with a 6-10 year time horizon and the capacity to tolerate a temporary or, sometimes, permanent capital loss. The benchmark for the fund is explained earlier in this report, under the heading Investment Performance.

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 mitigate against it as strongly as the Charity's resources will allow. A proportion of successful grantee organisations receive a visit from staff and/or Trustees at some point in the grant cycle, at the direction of the Trustees. Grants are mostly made to organisations rather than to individuals, and only very rarely to organisations which are not, or are not yet,

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registered with the Charity Commission or an equivalent regulator. Personal contact is established by the staff with each and every grantee organisation, and grantees are required to signify written agreement to an extensive and binding set of Terms and Conditions before any payment may be made. The individual grantees are a small number of long-standing residents of the almshouses provided by The Merchant Taylors' Boone's Charity. The grants are paid directly to The Merchant Taylors' Boone's Charity to offset accommodation charges owed

The Trustees are aware that safeguarding is a high priority for the charity sector as a whole. In the context of the Charity making grants to organisations, the grant application form requires applicant organisations working with children or vulnerable adults to certify that the relevant staff are DBS checked. The Trustees believe that this is a proportionate approach. In the context of grants to individual residents of The Merchant Taylors' Boone's Charity, the Trustees are satisfied that The Merchant Taylors' Boone's Charity itself has a robust safeguarding policy, and all staff are DBS checked.

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

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications, bearing in mind that the Charity conducts no fundraising activities. The Charity is a charitable trust supported by The Merchant Taylors' Company. It does not carry out any fundraising activity in order to raise funds from the general public. It does not work directly with commercial sponsors or engage professional fundraisers. There were no complaints made in respect of fundraising during the year, because there was no fundraising.

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. The policy reflects the fact that the Trustees invite certain grantees to re-apply for funds in the following year. There is no guarantee that any award will be made in response to the re-application since it is at the Trustees' discretion and this is made clear to these grantees. The Trustees believe it is prudent to have a level of reserves which would allow them to grant those re-applications in at least the majority of cases, even if income were to suffer. The Trustees do not feel that they are exposed to operational risks of the sort that would require or be ameliorated by emergency expenditure.

As at 31 December 2018 the actual amount held was £56,558 (2017: £38,217), ie, in excess of policy. The difference was due to not identifying suitable grant recipients. The Trustees will review the policy in 2019.

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

The Unrestricted Fund stood at £56,558 (2017: £38,217) at year-end and the Endowment Fund stood at £1,875,830 (2017: £2,072,939).

**TRUSTEES' REPORT
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FUTURE PLANS

In 2019, the Charity will:

- continue not to accept unsolicited applications to the Charity for funding
- continue to pay out Year 2 or Year 3 funding to existing grant recipients where the Trustees are satisfied that the recipient had made good use of the previous year's funding
- reinstate the 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 2019 in line with the residents moving into Christopher Boone's Court. This will ensure that the Charity's grant-making procedures are as robust and effective as possible.

In early 2019, the Trustees submitted an application to the Charity Commission to merge the Charity with Merchant Taylors' Consolidated Charities for the Infirm and with Harold and Dorothy Howitt (Merchant Taylors' Company).

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 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.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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.

The Trustees meet on their own, to deal with all financial and strategic matters relating to the Charity. In particular, this includes agreeing the grant-making budget (if any) for disbursement by the immediately following meeting of the Charities Committee, and agreeing grant-making parameters. At the start of each meeting, the Chairman asks the Trustees to declare any personal interest which might directly or indirectly cause them a conflict. If a Trustee does declare an interest, they do not participate in any decision where that interest is relevant nor do they count towards the quorum at the time of taking such decision.

(Charities Committee members who are not Trustees are welcome to observe the Trustees' meeting, but are not allowed to speak or vote and are not counted towards the quorum.)

The Trustees' meeting is then brought to a formal close, and the Charities Committee meeting is formally opened. This Committee consists of the Trustees, and some non-Trustees, who are members of the Merchant Taylors' Company.

The Chairman asks the Charities Committee to declare any interests, and the same rule is applied about quorum/decision-making. The Chairman reports the grant-making budget which the Trustees have agreed for that occasion. The Committee then decides the grant applications, within that budget and within the grant-making parameters set by the Trustees. In practice, decisions on the grant applications are unanimous.

There are separate minutes of the Trustees' meeting and the Charities Committee meeting.

Grants of less than £5,000 may customarily be awarded by the Chairman, subject to ratification by the Trustees, where a particularly compelling case for more modest support arises and where a rapid decision is required in order for the grant to be effective.

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 2018**

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 (Resigned 16 th July 2018) Mr D G M Eggar (Resigned 16 th July 2018) Lady P Harding (Resigned 16 th July 2018) Mr H A F Parshall (Appointed 16 th July 2018) Dr J Sichel (Appointed 16 th July 2018) Dr J J Oram FRCP (Appointed 16 th July 2018) Mr R A D Sullivan (Chairman)
CHIEF EXECUTIVE OFFICER:	Rear Admiral J R H Clink CBE
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:	Cara Turtington FCA, DChA 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 2018**

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.

2019 and

Trustee

Trustee

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 2018.

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:

Cara Turtingon FCA, DChA
Saffery Champness LLP Chartered Accountants
71 Queen Victoria Street London EC4V 4BE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Unrestricted fund £	Endowment fund £	Total 2018 £	Total 2017 £
Income and endowments from:					
Investments	2	83,222	-	83,222	76,809
Total income and endowments		83,222	-	83,222	76,809
Expenditure on:					
Raising funds					
Investment management costs		8,281	-	8,281	8,447
Charitable activities					
Grants, pensions and allowances	3	33,441	-	33,441	155,632
Grant related support costs	4	23,159	-	23,159	25,745
		56,600	-	56,600	181,377
Total expenditure		64,881	-	64,881	189,824
Net (losses) / gains on investments					
Realised					
Investment assets	5	-	(8,252)	(8,252)	(4,565)
Unrealised					
Investment assets	5	-	(188,857)	(188,857)	136,627
		-	(197,109)	(197,109)	132,062
Net income for the year and net movement in funds		18,341	(197,109)	(178,768)	19,047
Fund balances brought forward at 1 January 2018		38,217	2,072,939	2,111,156	2,092,109
Fund balances carried forward 31 December 2018	10	56,558	1,875,830	1,932,388	2,111,156

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

**BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018		2017	
		£	£	£	£
Fixed assets					
Investments	5		1,868,366		2,065,698
Current assets					
Debtors	6	19,232		15,838	
Cash at bank		67,465		36,058	
		86,697		51,896	
Creditors: amounts falling due within one year	7	22,675		6,438	
Net current assets			64,022		45,458
			1,932,388		2,111,156
Funds					
Endowment	8		1,875,830		2,072,939
Unrestricted	9		56,558		38,217
	10		1,932,388		2,111,156

These financial statements were approved by the Trustees on

2019.

Trustee

Trustee

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

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

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 the Charities Act 2011.

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.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP rather than Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

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 2018**

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 2018**

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

	2018 £	2017 £
Income from listed investments	83,183	76,799
Deposit interest receivable	39	10
	<u>83,222</u>	<u>76,809</u>

3 Grants

	2018 £	2017 £
The amount payable in the year comprises:		
Pensioners and Voluntary Allowances	3,191	3,925
Bag Books		4,480
Bexley Crossroads Care		33,004
Bowhaven		18,332
Cambridge House		15,000
Dream Arts		5,000
The Feast Youth Project	7,000	12,000
Half Moon Young People's Theatre		6,300
Keen London		5,000
Manna Society		10,000
New Hackney Education Business Partnership	16,250	16,250
Shine Charity	7,000	7,000
Streetscape Social Enterprise Ltd		5,000
Sydenham Garden		4,000
Young Lewisham Project Workshop		10,341
	<u>33,441</u>	<u>155,632</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4 Grant related support costs

	2018 £	2017 £
Administration costs	22,111	24,742
Insurance	338	319
Governance costs:		
Independent examiner's remuneration:		
- Statutory report - current year	682	660
- Statutory report - prior year under provision	8	8
Professional fees	-	15
	<u>23,159</u>	<u>25,745</u>

Trustees received no remuneration (2017: £nil) and were not reimbursed for any of their expenses in the year (2017: £nil). The Charity had no employees during the current or prior year.

5 Fixed asset investments

Listed investments

	2018 £	2017 £
Market value at 1 January 2018	2,065,698	1,895,782
Add:		
Additions	192,078	317,502
Disposals	(192,301)	(279,648)
Net realised and unrealised (losses) / gains	(197,109)	132,062
Market value at 31 December 2018	<u>1,868,366</u>	<u>2,065,698</u>
Historic Cost		
31 December 2018	<u>1,473,338</u>	<u>1,441,875</u>

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

6 Debtors

	2018 £	2017 £
Prepayments and accrued income	176	162
Other debtors	19,056	15,676
	<u>19,232</u>	<u>15,838</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6 Debtors (cont'd)

Other debtors include the following balances with connected parties:

	2018 £	2017 £
Consolidated Charities for the Infirm	19,056	15,676
	<u>19,056</u>	<u>15,676</u>

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Grants payable	16,329	-
Accruals	2,651	2,827
Other creditors	3,695	3,611
	<u>22,675</u>	<u>6,438</u>

Other creditors include the following balances with connected parties:

	2018 £	2017 £
Bradestrete Services Limited	<u>3,695</u>	<u>3,611</u>

8 Endowment fund

	2018 £	2017 £
Balance at 1 January 2018	2,072,939	1,940,877
Realised / unrealised (losses) / gains on listed investments	(197,109)	132,062
	<u>1,875,830</u>	<u>2,072,939</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 2018**

9 Unrestricted fund

Movement in fund

	Balance 1 Jan 2018 £	Total income £	Total expenditure £	Balance 31 Dec 2018 £
Unrestricted fund	38,217	83,222	(64,881)	56,558

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	-	1,868,366	1,868,366
Net current assets	56,558	7,464	64,022
Balance at 31 December 2018	56,558	1,875,830	1,932,388

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 £22,111 (2017: £24,742).

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 2018 are disclosed in notes 6 and 7 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

12 **Comparison information**

	Note	Unrestricted fund £	Endowment fund £	Total 2017 £
Income and endowments from:				
Donations and legacies		-	-	-
Investments	2	76,809	-	76,809
Total income and endowments		76,809	-	76,809
Expenditure on:				
Raising funds				
Investment management costs		8,447	-	8,447
Charitable activities				
Grants, pensions and allowances	3	155,632	-	155,632
Grant related support costs	4	25,745	-	25,745
		181,377	-	181,377
Total expenditure		189,824	-	189,824
Net (losses) / gains on investments				
Realised				
Investment assets		-	(4,565)	(4,565)
Unrealised				
Investment assets		-	136,627	136,627
	5	-	132,062	132,062
Net (expenses) for the year and net movement in funds		(113,015)	132,062	19,047
Fund balances brought forward at 1 January 2017		151,232	1,940,877	2,092,109
Fund balances carried forward 31 December 2017		38,217	2,072,939	2,111,156