

MAYOR'S FUND FOR LONDON
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Company Number: 6621189
Charity Number: 1124833

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

CONTENTS	Pages
Legal and administrative information	2
Trustees' report	3-10
Independent auditors' report	11-13
Consolidated Statement of Financial Activities	14
Consolidated and Charity Balance Sheets	15
Consolidated Statement of Cash Flows	16
Notes to the financial statements	17-27

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

Patron

Sadiq Khan, Mayor of London

Directors and Trustees

The directors of the charitable company (the "Fund") are its Trustees for the purpose of the charity law and throughout this report are collectively referred to as the Trustees.

The Trustees at the date of this report are as follows:

Tim Roberts ^{1,2}	(Chair)
Ian Livingstone ¹	
Sir Harvey McGrath ⁴	Retired 21 March 2019
Michelle Pinggera ^{1,4}	
Manmohan Varma ²	Resigned 21 March 2019
Melanie Grant ³	
Jenny Halpern ³	
Mehmet Dalman ³	
Elena Baturina	

¹ Member of the Finance, Audit and Risk Committee

² Member of the Programme Committee

³ Member of the Fundraising and Communications Committee

⁴ Member of the Nominations and Remuneration Committee

Chief Executive Officer	Kirsty McHugh (from January 2019) Matthew Patten (until August 2018)
--------------------------------	---

Charity Number	1124833
-----------------------	---------

Company Number	6621189
-----------------------	---------

Principal and Registered Office	City Hall The Queen's Walk London SE1 2AA
--	--

Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
-----------------	--

Bankers	Barclays Bank PLC 1 Churchill Place London, E14 5HP
----------------	---

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees below present their report with the financial statements of the charity for the year ended 31 December 2018.

MESSAGE FROM THE CHAIR

2018 saw the Mayor's Fund for London sustain its charitable activities and impact, reaching over 35,000 young Londoners across the capital, a slight increase on 2017. The charity worked in partnership with 427 schools, 110 community organisations and 94 employers charities, social enterprises and local authorities, to provide much needed support and opportunities for low-income young Londoners.

As expected, we saw an income dip in 2018, which reflected the planned departure of our chief executive midway through the year and the decision to streamline our programme activities. This followed a major review of our charitable activities by a leading global management consultancy during 2017. The appointment of a new chief executive, commencing in post in January 2019, is enabling the charity to renew its overall strategic vision, focused strongly on adding value to the infrastructure of London and featuring the development of new income streams.

As our patron, the Mayor's commitment to social mobility, social integration and community cohesion remains undiminished with our mission to empower young Londoners from low-income backgrounds to acquire the skills and opportunities they need to access fulfilling and successful working lives strongly aligned to that of City Hall. 2018 also saw the signing of a new Memorandum of Understanding with the Mayor, underlining his commitment to the charity.

Of particular note last year was our employer insight programme, Access Aspiration, engaging with London employers in an event at the House of Lords, our programme tackling food vulnerability, Kitchen Social, raising vital funds through innovative online match-funding campaigns, and the Youth Board premiering its very first film about what matters to young people in the city.

In these and all of our activities, we have worked with a wide range of London's charities, practitioners, schools, foundations, public authorities, businesses and individuals to help break down barriers and bring young people from different backgrounds and parts of London together and improve their lives.

We also benefit hugely from the support of our Trustees, Youth Board and staff.

Tim Roberts
CHAIR OF TRUSTEES

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

THE MAYOR'S FUND FOR LONDON

The Mayor's Fund for London is an independent social mobility charity, championing opportunities for young Londoners from low-income backgrounds. The Mayor of London, Sadiq Khan, is our patron.

Our work raises awareness of the barriers facing young Londoners, promotes the activities which best increases their opportunities and brings together the partnerships to make a measurable impact on young Londoners' lives.

OUR IMPACT

In 2018, we supported 35,656 young Londoners drawn across all 33 boroughs working in partnership with 427 schools, 110 community organisations and 94 employers, charities, social enterprises, and local authorities.

Our charitable activities focus on wellbeing, skills and employment and enterprise. We work with young Londoners aged 4-24 years, with a focus on those from low-income households who are in crisis or who are from vulnerable groups (such as care leavers). We target our interventions in schools and communities in areas of economic disadvantage. In particular we:

- Use our campaigning, convening and galvanising power to bring together the funding and partnerships to tackle food insecurity.
- Champion numeracy in schools as a prerequisite to accessing a full range of fulfilling careers and as essential skill for life.
- Improve the linkages between employers and the education system for young Londoners from low-income backgrounds to create career pathways in areas of skills shortage and growth sectors.
- Encourage leadership and entrepreneurship amongst young Londoners, particularly linked to sustainability and community engagement.

Underpinning both our campaigning and charitable activities is our Theory of Change. This identifies four key outcomes to improve the life-chances of young Londoners:

- Aspiration – a sense of ambition, purpose and self-worth
- Ability – core skills underpinning employment, like literacy and numeracy
- Awareness – knowledge of where to look for opportunities
- Access – to London's uniquely competitive job market, including work placements and internships

Our added value

As the Mayor's Fund for London, we also realise that we have a unique position which enables us to bring together key stakeholders from the public, private and third sectors, including young people themselves. This is integral part of how we do business, manifesting itself in each of our workstreams and exemplified by our work with our Youth Board.

OUR STRATEGY FOR 2019 AND BEYOND

In early 2019 we have undertaken a review of activity, with the aim of refocusing our efforts to ensure that we are maximising our special position with London. This has also been influenced by the publication of a number of external reviews of philanthropy in London during 2018, which recommended that the Mayor's Fund plays a far more strategic role in the capital than hitherto.

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

Accordingly, by 2020, we aim to have further established ourselves as part of London's infrastructure, being clearly identified as the social mobility champion for London. In particular we will:

- Make the investment in opportunities for young Londoners from low-income backgrounds
- Support business, funders and others to understand and take the actions that have the most impact on young Londoner's life chances
- Bring together the partnerships and funding to back innovative ideas and to take promising initiatives to scale. We recognise that this might mean us engaging in direct delivery or supporting others to deliver.

This new strategy aims to combine a stronger focus on using our convening, influencing and galvanising power, with the retention of the very best charitable activity delivered by the Mayor's Fund. As such, it is an evolution rather than a revolution in our charitable purpose.

During 2019, we are therefore aiming for the following:

- To work with partners on our work to tackle food vulnerability in the capital. As part of this we will continue our campaign to secure statutory funding for holiday food for the 200,000 children in London on free school meals. We will also continue to support our work with 110 local community organisations to provide holiday food and meaningful activities during 2019. In addition we will pilot 'Fuel for School', an innovative programme which recycles excess healthy food from retailers to primary schools, which is sold at the end of the school day by the children themselves bringing educational and health benefits to the children and financial benefit to the schools.
- To champion numeracy across the capital by becoming the official partner for the first London Maths Week. In addition we will support 160 schools engaged with our primary and secondary school maths competitions.
- To grow our corporate partner network to over 50, all providing employability insight support to over 2000 young Londoners from low-income backgrounds. As part of this we will look to use our partner network to increase our knowledge base about how to inspire and support young Londoners, with a focus on the most disadvantaged.
- To develop more sector based interventions to support young Londoners, based on the existing partnership to open up routeways into jobs within the creative sector.

In addition, to underpin our status as the social mobility champion for London, we will put in place a well-connected and knowledgeable advisory board, develop a network of social mobility champions across London's business community and hold a series of events aimed at increasing the profile of the social mobility challenge in London.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Mayor's Fund for London is a company limited by guarantee governed by its Articles of Association and was incorporated on 16 June 2008. It is registered as a charity with the Charity Commission.

Trustees

The Trustees at the date of this report are shown on page 2.

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

The Charity would like to warmly thank Trustees for their tremendous support of the Charity.

Trustee induction and training

Prior to appointment, the Trustees are informed about the organisation, its aims and plans and their responsibilities as Trustees. They are kept up to date on developments within the Fund, on child poverty in London and in the charity sector generally as appropriate.

Organisation

The Board of Trustees administers the charity. The Chief Executive has delegated authority for operational matters, including finance within agreed limits.

The Board has the following sub-committees, each chaired by a Trustee:

Finance, Risk and Audit Committee

The committee, chaired by Ian Livingstone, meets three times a year and is responsible for:

- Appointing and reviewing the performance of the external auditors
- Reviewing the annual financial statement
- Reviewing risk and controls within the Fund

Programme Committee

The committee, chaired by Tim Roberts, meets four times a year and is responsible for:

- Reviewing existing projects,
- Reviewing projects under development
- Considering possible future projects and making recommendations to the Board.

Fundraising and Communications Committee

The committee, chaired by Jenny Halpern, meets four times a year and is responsible for:

- Approving the fundraising plan
- Approving the marketing and communications
- Monitoring and directing the progress of fundraising, marketing and communication
- Maintaining the policy on the Ethics of Donors

Fundraising Disclosure

The Mayor's Fund for London is registered with the Fundraising Regulator. Its fundraising activities are governed by its Ethical Fundraising Policy and overseen by the Fundraising and Communications subcommittee of the Trustees. The charity does not employ an external agency to conduct its fundraising activities on its behalf, but has an internal fundraising team which is supported, from time-to-time, by external fundraisers or organisations interested in conducting joint fundraising activities. There has been no failure by the charity, or by any person acting on its behalf, to comply with fundraising standards or scheme for fundraising regulation that the charity or the person acting on its behalf has voluntarily subscribed to. The charity has received no complaints relating to its fundraising activities. Fundraising activities by any person acting on behalf of the charity are managed by the internal team and include an approval process prior to any application for funding being made. The charity is mindful of its responsibilities to protect vulnerable people and other members of the public from behaviour which may be an unreasonable intrusion on a person's privacy, is unreasonably persistent or places undue pressure

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

on a person to give money or other property.

Nominations and Remuneration Committee

The committee, chaired by Sir Harvey McGrath, met twice a year during 2018 and was responsible for:

- Identification, appointment and induction of Trustees
- Reviewing staffing levels and performance development
- Overseeing the appointment procedure for senior staff
- Reviewing remuneration and benefits
- Overseeing policies for staff remuneration, discipline, grievance and capability

Remuneration Policy

The Mayor's Fund for London is an accredited Living Wage Employer and it is committed to paying all our staff fairly. Every member of staff earns at least the London Living Wage. We do not employ interns without pay.

We are committed to ensuring we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

In accordance with the Statement of Recommended Practice (SORP):

- We disclose all expense payments to our Trustees (no Trustees are remunerated)
- Disclose the number of staff in receipt of more than £60,000 and above (in bands of £10,000)
- Include pensions and other benefits in the disclosure for key management personnel

The Board of Trustees is responsible for defining the Mayor's Fund for London's pay policy and deciding on the salaries of the Chief Executive and their leadership team who are deemed to be key management personnel.

To do this, the Board appoints a Nominations and Remuneration Committee, comprising two or more Trustees, which meets at least twice every year and is a sub-committee of the Board of Trustees. This Committee oversees proper administration of the Mayor's Fund for London's pay policy, evaluates executive performance and decides on any changes to executive pay. Meetings are also attended by the Chief Executive and Head of Finance, both in an advisory capacity.

Delivery of the Mayor's Fund for London's charitable purpose and vision is primarily dependent on its staff. Our principles are to pay our staff a fair salary that is competitive within the charity sector, recognising the unique challenges of the organisation, proportionate to the complexity of each role and responsible in line with our charitable objectives.

To do this successfully means balancing two different needs. The need to ensure value for money and the need to attract and retain people with the leadership, experience, knowledge and skills required.

The main responsibilities of the Nominations and Remuneration Committee are to:

- Review the organisational structure and human resource of the charity to meet its charitable purpose
- Review the Mayor's Fund for London salaries and make amendments as appropriate to ensure that they remain competitive
- Determine the remuneration package of the Chief Executive and other members of the Executive Leadership Team

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

- Approve the annual percentage increase in the payroll for all staff (which can be zero)
- Approve any consolidated pay awards and staff salary increases outside of the annual review process as recommended from time-to-time by the Chief Executive
- Approve any non-consolidated pay awards (bonuses) as recommended by the Chief Executive
- Determine pension arrangements
- Ensure that contractual terms on termination are fair to the individual and the Charity and that poor performance is not recognised

In determining the Mayor's Fund for London's remuneration policy, the Nominations and Remunerations Committee takes into account all factors which are deemed necessary. The objective of the policy is to ensure that the Chief Executive and staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Charity.

In 2018 all staff were paid with a salary of at least the London Living wage. Staff salary increases ranged from 0% to 1.5%. Two members of staff earned more than £100,000 per annum in 2018. This has been reduced to one staff member in 2019.

Risk Management

The charity operates a risk register which is reviewed by the whole board on an annual basis and by the Finance, Audit and Risk Committee at every meeting.

The principal risks that the charity faced during 2018 were:

- The impact of the departure of the outgoing Chief Executive and the delay in the recruitment of the new postholder.
- The interruption of the generation of new funds to support core costs of the charity.
- The ability to maintain a complete team of skilled and committed personnel during a time of change.

Public Benefit

The Trustees have paid due regard to Charity Commission guidance in determining the activities of The Mayor's Fund for London.

FINANCIAL ACTIVITIES AND RESULTS

During the year to 31 December 2018, the Fund received income of £1,957,475 (2017: £2,670,906). Restricted income totalled £1,537,682 (2017: £1,836,876) and unrestricted income was £419,793 (2017: £834,030).

The charity spent £1,804,547 on its charitable activities during 2018 (2017: £2,505,214). Other costs amounted to £201,214 (2017: £149,369), consisting of fundraising costs, and a proportion of overheads.

Overall, year on year there has been a proportionate level of spend in relation to income received. The charity has strengthened its fundraising plan and introduced new income streams in 2019.

We are an accredited employer of The Living Wage Foundation and registered with the Fundraising Regulator.

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

Reserves

We had unrestricted general reserves of £89,710 at 31 December 2018 (2017: £139,875). The Finance, Audit and Risk Committee have set a policy of unrestricted reserves at £160,000 (previously at £300,000) to cover the following requirements:

- The need to maintain adequate working capital to cover everyday income flows and overheads
- The set up and development costs of various large-scale fund raising events and other projects

The reserves amount has been reduced from the previous figure of £300,000 to reflect the smaller size of the organisation.

The fall in unrestricted income over the last few years is largely accounted for by the reduction in unrestricted income due to the period of Mayoral transition and the challenging fundraising environment affecting the charity sector as a whole. In 2018, the charity was also affected by the departure of its CEO midway through the year.

Looking forward, there are positive changes beginning with the arrival of the new CEO in January 2019, and renewed support from the Mayor, Sadiq Khan, with whom the charity has a new Memorandum of Understanding. A new strategy and business plan has been agreed for the charity, with a focus on the development of a stronger business model for unrestricted income, a diversification of income streams and a renewed funding strategy. The charity also has major opportunities ahead given the positive implications for its future contained within the 2018 Philanthropy Review.

Trustees continue to underwrite the core costs of the charity.

The Charity has planned a new fundraising calendar and major donor campaign. New Trustees will be appointed and the Trustee's Fundraising and Communications Sub-Committee refreshed. Costs across the organisation have been reduced especially within the executive team.

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

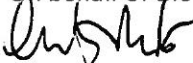
AUDITOR

Haysmacintyre LLP has expressed its willingness to continue in office and a resolution for its reappointment will be adopted by the board.

SMALL COMPANIES EXEMPTION

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the Board



Tim Roberts

Chair

19 September 2019

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MAYOR'S FUND FOR LONDON

Opinion

We have audited the financial statements of Mayor's Fund For London for the year ended 31 December 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2018 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MAYOR'S FUND FOR LONDON

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

THE MAYOR'S FUND FOR LONDON

FOR THE YEAR ENDED 31 DECEMBER 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE MAYOR'S FUND FOR LONDON

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report incorporating the Strategic Report.



*Richard Weaver (Senior statutory auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor*

Date: 26.09.19

*10 Queen Street Place
London
EC4R 1AG*

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)

	Note	Restricted £	Unrestricted £	Total 2018 £	Total 2017 £
Income from:					
Donations and legacies	3a	295,439	259,459	554,898	1,153,042
Charitable activities	3b	1,242,243	-	1,242,243	1,307,342
Other trading activities	3c	-	158,999	158,999	208,919
Investments			1,335	1,335	1,603
Total		1,537,682	419,793	1,957,475	2,670,906
Expenditure on:					
Raising funds	5		201,214	201,214	149,369
Charitable activities	5	1,535,803	268,744	1,804,547	2,505,214
Total		1,535,803	469,958	2,005,761	2,654,583
Net income/(expenditure)		1,879	(50,165)	(48,286)	16,323
Total funds brought forward		693,485	139,875	833,360	817,037
Total funds carried forward	13	695,364	89,710	785,074	833,360

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements. The notes on pages 17 to 27 form part of these financial statements.

Full comparatives for the year to 31 December 2017 are shown in note 17.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

CONSOLIDATED AND CHARITY BALANCE SHEETS

Company Number: 6621189

	Notes	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
FIXED ASSETS					
Investments	8	-	1	-	1
			1	-	1
CURRENT ASSETS					
Stock		30,000	30,000	-	-
Debtors	9	148,984	201,339	447,557	516,247
Bank		922,513	870,017	807,109	736,358
		1,101,497	1,101,356	1,254,666	1,252,605
CURRENT LIABILITIES					
Creditors	10	(316,423)	(316,283)	(421,306)	(419,246)
NET CURRENT ASSETS		785,074	785,073	833,360	833,359
NET ASSETS		785,074	785,074	833,360	833,360
FUNDS					
Restricted funds	12	695,364	695,364	693,485	693,485
Unrestricted funds	12	89,710	89,710	139,875	139,875
TOTAL FUNDS		785,074	785,074	833,360	833,360

The net movement of funds for the charity was £(48,286).

The notes on pages 17 to 27 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board the Trustees on 19 September 2019 and were signed below on its behalf by:


Ian Livingstone
 Chair of Finance, Audit and Risk Committee

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

CONSOLIDATED CASH FLOW STATEMENT

	Notes	2018 £	2017 £
Cash flows from operating activities	a	115,404	(163,956)
Cash and cash equivalents at the beginning of the reporting period	b	807,109	971,065
Cash and cash equivalents at the end of the reporting period		<u>922,513</u>	<u>807,109</u>

NOTES TO THE CASH FLOW STATEMENT

a. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2018 £	2017 £
Net income for the reporting period	(48,286)	16,323
Decrease/(increase) in stock	(30,000)	-
Decrease/(increase) in debtors	298,573	(267,647)
Increase/(decrease) in creditors	(104,883)	87,368
Net cash provided by / (used in) operating activities	<u>115,404</u>	<u>(163,956)</u>

b. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank	<u>922,513</u>	<u>807,109</u>
	<u>922,513</u>	<u>807,109</u>

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and 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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Mayor's Fund for London meets the definition of a public benefit entity under FRS102.

The principle accounting policies and estimation techniques are as follows.

b) Basis of consolidation

The financial statements consolidate the results of the charities subsidiaries on a line by line basis. A separate Statement of Financial Activity is not presented because the charity has taken advantage of the exemptions given in the paragraph 408 of the Companies Act 2006, and has taken advantage of available exemptions from preparing a Statement of Cash Flows for the parent charity.

c) Income

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.

Grant and donation income is received from companies, trusts and individual donors and includes Gift Aid where applicable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

The estimated value of goods and services given by corporate supporters has been incorporated into these financial statements where it has been practicable to quantify the amount. They have been valued at the amount that the charity would have paid in order to obtain them and are included both in income and expenditure.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

d) Other trading and charitable activities

The charity runs various fund raising events and projects, the income from such events is accounted for 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. The costs of running such events are included in expenditure.

e) Expenditure

Expenditure is recognised when once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Grants are included in the financial statements when approved by the Trustees and when the criteria for a constructive obligation are met, payment is probable, the grant can be measured reliably, and there are no conditions attaching to its payment that limit its recognition. The value of committed grants unpaid at the year-end is accrued.

Charitable activities consist of those costs associated with achieving the Fund's charitable objectives including the cost of developing the Fund's charitable focus and approach.

f) Irrecoverable VAT

The charity is not able to recover the majority of VAT on its outgoing. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Pensions

The charity operates a defined contribution scheme for its staff, the assets of which are held separately from those of the charity in independently administered funds. The contributions charged to the Statement of Financial Activities represent the charity's contributions payable in the year to which they relate.

h) Funds

Unrestricted funds are those funds that can be used in accordance with the charity's objects at the discretion of the trustees. Restricted funds have been given for a particular purpose and are to be used in accordance with the wishes of the donor.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

i) Preparation of the accounts on a going concern basis

The Trustees are of the view that there are no material uncertainties about the entity's ability to continue as a going concern.

The charity produces regular management information for consideration by management and Trustees. Based on this information, forward projections and knowledge of the charities other activities the Trustees can be satisfied that the charity is a going concern and able to meet its on-going obligations.

j) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

k) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Stock – donated goods

Goods which have been donated to the charity but not sold at the balance sheet date are included as stock in the financial statements. Donated goods at 31 December 2018 relate to auction prizes. These are valued at their fair value which is assessed using available information on the price achieved by similar items at past auctions.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. LEGAL STATUS OF THE FUND

The Fund is a company limited by guarantee, incorporated in the UK, and has no share capital. In the case of an insolvent winding up the members will be required to contribute an amount of £1 each to the assets of the charity.

3a. DONATIONS AND LEGACIES	Restricted £	Unrestricted £	2018 £	2017 £
Donations and legacies	295,439	259,459	554,898	1,037,367
Donations in kind	-	-	-	115,675
	<u>295,439</u>	<u>259,459</u>	<u>554,898</u>	<u>1,153,042</u>

In 2017, £666,244 of donations and legacies income was restricted, and £371,123 was unrestricted. All donations in kind were unrestricted.

3b. CHARITABLE ACTIVITIES	Restricted £	Unrestricted £	2018 £	2017 £
More than just food	285,516	-	285,516	249,970
More than just school	88,829	-	88,829	136,281
More than just a job	867,898	-	867,898	921,091
	<u>1,242,243</u>	<u>-</u>	<u>1,242,243</u>	<u>1,307,342</u>

All charitable activities income in 2017 was restricted.

3c. OTHER TRADING ACTIVITIES: consisted of income raised by the Trading subsidiary of £NIL (2017: 42,104), challenge and running events and income raised from fundraising events of £118,999 (2017: £166,815) and £40,000 of experience day gifts which will be auctioned in 2019 (2017: NIL).

4. GRANTS PAID	2018 £	2017 £
More than just food	99,815	70,230
More than just school	39,310	102,105
More than just a job	347,221	474,118
	<u>486,346</u>	<u>646,453</u>

All grants are paid to institutions; no grants are paid to individuals. The main grant recipients in the year were youth clubs, schools and beneficiaries of the Mayor's Entrepreneur Programme.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. ALLOCATION OF COSTS

The Fund has allocated its costs as shown in the table below. Direct costs have been allocated directly, based on the nature of the expenditure and support costs have been apportioned on a basis consistent with the use of resources, principally based on staff numbers.

	Raising Funds	Charitable Programme	2018 Total	Raising Funds	Charitable Programme	2017 Total
	£	£	£	£	£	£
Direct costs	26,956	1,458,059	1,485,015	22,092	2,293,600	2,316,502
Support Costs						
Finance	308	2,281	2,589	565	6,969	7,534
Information technology	176	1,310	1,486	69	848	917
Human resources	151,836	205,513	357,349	110,952	161,227	272,179
Governance	4,923	36,546	41,469	2,977	36,718	39,695
Premises and office costs	17,015	100,838	117,853	11,904	5,852	17,756
	201,214	1,804,547	2,005,761	149,369	2,505,214	2,654,583

Governance costs comprise of training and staff costs of £32,818 and audit and audit fees of £8,652 (2017: staff costs of £29,864 and audit and accountancy fees of £8,852).

6. NET MOVEMENT IN FUNDS

	2018 £	2017 £
This is stated after charging:		
Auditors remuneration:		
- Audit – charity	8,652	8,652
- Other	-	-

7. STAFF COSTS AND NUMBERS

	2018 £	2017 £
Staff costs were as follows:		
Salaries	999,368	1,055,426
Social security costs	98,703	108,096
Pension contributions	20,691	17,010
Total staff costs	1,118,762	1,180,532

Included in the figures above are termination costs totalling £49,500.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

The emoluments of higher paid employees fell within the following Ranges	2018 No.	2017 No.
£100,000-£109,999	1	-
£110,000-£119,999	-	1
£140,000-£149,999	1	1

Key management personnel disclosure:

The total remuneration, benefits and pensions paid in respect of the 3 key management personnel in the year was £315,040 (2017 £307,963).

The average estimated number of full-time employees during the year was:	2018 No.	2017 No.
Fundraising	3	2
Charitable activities	19	24
Administration and management	1	1
	23	27

The charity employed an average of 21 part-time interns during year 2018 as part of the Mayor's Entrepreneur Programme. (2017: 20 during November and December) These numbers are included in the average employee numbers.

8. INVESTMENTS	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Equity investment in group undertaking				
MFFL Solutions Limited	-	1	-	1
Total investments	-	1	-	1

	Company Number	Registered	Share capital	Status	Activity
MFFL Solutions Limited services	09753703	England	£1	Trading	Employment

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

A summary of the subsidiary results for the year ended 31 December 2018 are shown below. The company was dormant during the year ended 2018.

	MFFL Solutions Limited 2018	MFFL Solutions Limited period to December 2017
	£	£
Turnover	-	42,104
Operating costs	-	(25,445)
Profit on ordinary activities	-	16,659
Gift aid to parent undertaking	-	(16,659)
Retained profit carried forward	-	-

The aggregate of the assets, liabilities and funds was:

Assets	52,496	70,751
Liabilities	(52,495)	(70,750)
Funds	1	1

9. DEBTORS	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Debtors	52,700	52,700	64,325	64,325
Other debtors	7,907	7,907	3,987	3,987
Prepayments and accrued income	88,377	88,377	379,245	379,245
Due from trading subsidiaries	-	52,355	-	68,690
	148,984	201,339	447,557	516,247

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. CREDITORS	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
Creditors	25,086	25,086	50,252	48,692
Accruals and deferred income	267,912	267,772	330,934	330,434
Other taxes and social security	23,425	23,425	40,120	40,120
	<u>316,423</u>	<u>316,283</u>	<u>421,306</u>	<u>419,246</u>
11. DEFERRED INCOME	Group 2018 £	Charity 2018 £	Group 2017 £	Charity 2017 £
At 1 January	213,000	213,000	225,000	225,000
Amounts released to income	(213,000)	(213,000)	(225,000)	(225,000)
Amounts deferred	213,000	213,000	213,000	213,000
At 31 December	<u>213,000</u>	<u>213,000</u>	<u>213,000</u>	<u>213,000</u>

Deferred income relates to grant and other charitable activities funding received in advance.

12. MOVEMENT IN FUNDS

GROUP	At 1 January 2018 £	Income £	Expenditure £	At 31 December 2018 £
Restricted funds	693,485	1,537,682	(1,535,803)	695,364
Unrestricted funds	139,875	419,793	(469,958)	89,710
Total funds	<u>833,360</u>	<u>1,957,475</u>	<u>(2,005,761)</u>	<u>785,074</u>
CHARITY	At 1 January 2018 £	Income £	Expenditure £	At 31 December 2018 £
Restricted funds	693,485	1,537,682	(1,535,803)	695,364
Unrestricted funds	139,875	419,793	(469,958)	89,710
Total funds	<u>833,360</u>	<u>1,957,475</u>	<u>(2,005,761)</u>	<u>785,074</u>

Comparative movements for restricted funds in 2017 can be found in note 17.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. MOVEMENT IN FUNDS

The charity maintains restricted funds in the form of donations made by supporters to support major charitable projects.

	1 January 2018 £	Income £	Expenditure £	31 December 2018 £
More than just food – Includes: Kitchen Social and Holiday Breakfast Clubs	102,000	487,131	(452,569)	136,562
More than just school – Includes: Count on Us maths, Primary and secondary challenges, curriculum, City Pitch and Festival	112,831	141,505	(228,205)	26,131
More than just a job- Creativity works, Access aspiration, Young London Working and Mayor's Entrepreneur Programme	478,654	909,046	(855,029)	532,671
	<u>693,485</u>	<u>1,537,682</u>	<u>(1,535,803)</u>	<u>695,364</u>

Restricted funds include donations, sponsorship and other income where the donor requires their contribution be restricted to a specific project. Full details of each project can be found in our impact report on our website.

Comparative fund movements for 2017:

	1 January 2017 £	Income 2017 £	Expenditure 2017 £	31 December 2017 £
More than just food – Includes: Kitchen Social and Holiday Breakfast Clubs	34,500	302,007	(234,507)	102,000
More than just school – Includes: Count on Us maths, Primary and secondary challenges, curriculum, City Pitch and Festival	327,216	383,576	(597,961)	112,831
More than just a job- Creativity works, Access aspiration, Young London Working and Mayor's Entrepreneur Programme	329,781	1,035,618	(886,745)	478,654
Other	-	115,675	(115,675)	-
	<u>691,497</u>	<u>1,836,876</u>	<u>(1,834,888)</u>	<u>693,485</u>

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total Funds 2018 £
Current assets	989,709	111,788	1,101,497
Current liabilities	(294,345)	(22,078)	(316,423)
Net assets at the end of the year	695,364	89,710	785,074

Comparative analysis for 2017:

	Restricted Funds 2017 £	Unrestricted Funds 2017 £	Total Funds 2017 £
Current assets	940,089	314,577	1,254,666
Current liabilities	(246,604)	(174,702)	(421,306)
Net assets at the end of the year	693,485	139,875	833,360

15. RELATED PARTY TRANSACTIONS

The trustees have not received any remuneration, benefits in kind or reimbursement of expenses during the year (2017: nil). The trustees made total unrestricted donations to the charity during the year of £115,500 (2017: £600,000).

16. TAXATION

The Mayor's Fund for London is a registered charity, and is therefore potentially exempt from taxation of its income and gains as it falls within the definition of a charitable company as defined by Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen in the year.

THE MAYOR'S FUND FOR LONDON
FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

	Note	Restricted £	Unrestricted £	Total 2017 £
Income from:				
Donations and legacies	3a	486,798	666,244	1,153,042
Charitable activities	3b	1,307,342	-	1,307,342
Other trading activities	3c	42,736	166,183	208,919
Investments		-	1,603	1,603
Total		1,836,876	834,030	2,670,906
Expenditure on:				
Raising funds	5	-	149,369	149,369
Charitable activities	5	1,834,888	670,326	2,505,214
Total		1,834,888	819,695	2,654,583
Net income/(expenditure)		1,988	14,335	16,323
 Total funds brought forward		 691,497	 125,540	 817,037
Total funds carried forward	13	693,485	139,875	833,360