

Registered Charity Number: 1069124

THE MERCHANT TAYLORS' COMPANY CHARITIES FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2025

The Merchant Taylors' Company Charities Fund

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The Merchant Taylors' Company Charities Fund

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

The Trustees submit their report and financial statements for the year ended 31 July 2025.

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, second edition (Charities SORP (FRS 102)) and with the Charities Act 2011.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects of the Charity are to carry out such legally charitable purposes for the relief of poverty, infirmity, the advancement of education or religion or otherwise for the benefit of the community as the Trustees shall from time to time in their absolute discretion decide.

Aims and Objectives

The Charity aims to:

1. Make grants to the Merchant Taylors' Foundation
2. Relieve poverty through its social investment in Fair by Design Fund.

The Charity's key objective for the year was to continue to support causes in accordance with its Objects and with the aims outlined above.

Operational relationship with The Merchant Taylors' Foundation

As part of the process of the Merchant Taylors' Foundation becoming the main fundraising and grant-making charity associated with Merchant Taylors' Company, in May 2021 the Charity donated the majority of its assets as unrestricted funds to the Merchant Taylors' Foundation (registered charity no. 1161568).

The Charity's donation income represents funds received from individuals connected to the Merchant Taylor's Company, and a corporate donation from the Company. During the reporting period, the Trustees re-affirmed their policy that the Charity passes on the former, net of the Charity's running costs, by way of grants to the Merchant Taylors' Foundation.

Activities

In the reporting period the Charity made grants to the Merchant Taylors' Foundation and continued its role as a limited liability partner in the Fair by Design Fund.

Social investment in Fair by Design Fund ('FbD')

Charity Commission guidance *Charity Reserves: Building Resilience* explains:

"Social investments are not 'investments' in the conventional sense of a financial investment. Conventional investments involve the acquisition of an asset with the sole aim of financial return which will be applied to the charity's objects. Social Investments, by contrast, are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return, the primary motivation for making them is not financial but the actual furtherance of the charity's objects."

The Merchant Taylors' Company Charities Fund

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FOR THE YEAR ENDED 31 JULY 2025

The Charity is a social investor in the Fair by Design Fund, which tackles the Poverty Premium by investing in businesses enabling people on lower incomes to access products or services without paying the Poverty Premium which mainstream businesses have tended to impose. The Charity became a limited liability partner in FbD early in 2019.

FbD's full name is The Fair By Design Venture Limited Partnership. FbD is registered in England and Wales with registration number LP018086. Its registered office is at The Council House, Victoria Square, Birmingham, West Midlands, B1 1BB.

The Charity's commitment is to make up to £200,000 available to FbD between 2019 and 2029, in response to 'drawdown notices' issued by FbD to limited liability partners as FbD requires funds to invest in appropriate businesses. Of this, £20 is a capital contribution, and £199,980 is a loan from the Charity to FbD.

As at the end of the reporting period, the Charity had made £186,840 (2024: £180,555) available to FbD pursuant to the partnership agreement. See 'Achievements and Performance' later in this report for more detail.

The Charity's social investment policy is as follows. The investment in FbD was a trial to test how effective a particular social investment could be at reducing poverty, and that the Charity will not consider making any further social investments for the foreseeable future/near term while it is not yet possible to evaluate the final long-term impact of FbD.

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.

Strategy

The strategy for the year has been to continue to gift net donation income to the Merchant Taylors' Foundation, and to continue to honour the Charity's obligations to FbD.

Grant-making policies

The Charity does not accept grant applications as grant-making is now primarily done by the Merchant Taylors' Foundation.

ACHIEVEMENTS AND PERFORMANCE

Performance against strategy

The Charity was able to provide a steady degree of support to the Merchant Taylors' Foundation according to its Objects and aims while continuing to grow its endowment.

Fair by Design Fund

From 2019 to the end of the reporting period, the Charity had:

- made £186,840 (2024: £180,555) available to FbD
- received back £95,607 in equalisation payments from FbD.

The overall value of the Charity's investment in the balance sheet after allowing for the Charity's share of the investment gains was £234,368 (2024: £220,126).

The Merchant Taylors' Company Charities Fund

TRUSTEES' REPORT
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For further information on the investments held and work undertaken by Fair by Design see www.fairbydesign.com.

Fundraising performance

Donations from individuals in the year totalled £71,697 (2024: £82,766). This is in accordance with a strategy of encouraging existing regular donors to switch to the Merchant Taylors' Foundation.

FINANCIAL REVIEW**Reserves policy**

The context for the Trustees' policy is that the Charity has committed to pass its donation income from individuals to the Merchant Taylors' Foundation (on a cash basis). Thus most income and expenditure balances out. The only other expenditure is management fees and administrative fees on items such as audit and insurance.

The other cash flow consideration is the final drawdowns towards Fair by Design. Capital commitments show an amount due of £13,000.

The main risk is the inability to meet the administrative expenditure or drawdown requests.

As the Trustees intend to keep donating the Charity's income to Merchant Taylors' Foundation, it would be prudent to hold at a minimum sufficient cash to cover the current unfunded expenditure per annum.

The Trustees' policy is that the Charity should hold up to five years' unfunded expenditure. This equates to a range of £65,000 to £214,000 in liquid unrestricted funds.

At the end of the reporting period the free cash held was £58,499, slightly below the Trustees' policy range. In the next reporting period the Trustees will review the reserves policy to make sure the policy range remains appropriate as the total possible future drawdown by FbD decreases.

Risk management

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

The main risk facing the charity is a decrease in the value of its investment.

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications for fundraising activities. The Charity is a charitable trust supported by The Merchant Taylors' Company. It does not conduct active fundraising activity to raise funds from members of The Merchant Taylors' Company, although it continues to accept regular donations from donors who have not yet switched to the Merchant Taylors' Foundation. The Charity 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. The Trustees are not aware of any complaints made in respect of fundraising during the year.

The Merchant Taylors' Company Charities Fund

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

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

At the end of the reporting period, the Unrestricted (General) Fund stood at £286,529 (2024: £316,037).

The Merchant Taylors' Company did not make a donation to the Charity in the year (2024: nil).

FUTURE PLANS

The Charity will continue its current strategy throughout the next financial year.

The Charity's Trustees, with the agreement of the Trustees of the Merchant Taylors' Foundation, will arrange for Merchant Taylors' Foundation to take the Charity's place as a limited liability partner in FbD unless the legal costs are prohibitive.

It is intended to amend the governing document to bring the provisions on appointment and removal of Trustees in line with the appointment mechanism of the Merchant Taylors' Foundation. That provides for the Court of the Merchant Taylors' Company to appoint and remove Trustees. This approach recognises that the Court has a better long-term overview than the Trustees of the skills and experience to be found across the Company's whole membership, which is the pool from which Trustees are drawn.

The Trustees' intentions for the long-term future of the Charity are as follows, in the context that the Charity has not sought to acquire new legacy pledgers for some years and does not intend to resume such efforts. The Trustees therefore intend that the Charity will continue to exist until:

- it becomes reasonable to assume the Charity is unlikely to receive any further legacies;
- it becomes possible to calculate with reasonable confidence that the value of any further legacies will not materially exceed the cost of operating the Charity until the legacies materialise; or
- the law is clarified so that it becomes certain any legacy to the Charity, materialising after the Charity ceased to exist, would automatically pass to the Merchant Taylors' Foundation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity's governing document is a Deed of Trust dated 26 January 1998.

Appointment of Trustees

The Trustees are appointed by resolution of the existing Trustees from the membership of the Merchant Taylors' Company, with particular regard had to skills and needs at the time. The Trustees are also Trustees of a number of other grant-making charities with similar associations with the Merchant Taylors' Company.

Induction and training of Trustees

Trustees are inducted through a detailed briefing in the first board meeting of each reporting period. Trustees have access to the Merchant Taylors' Charity Governance Handbook; governing document; previous minutes, policies, and other key documentation; and to Charity Commission

*The Merchant Taylors' Company Charities Fund*TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

guidance. They are also supported by a qualified and experienced staff based at Merchant Taylors' Hall. Further counsel is offered to the Trustees through a system of committees within the Merchant Taylors' Company, culminating with its Court. The Trustees have access to training opportunities through a sister charity's membership of the National Council of Voluntary Organisations and the Association of Charitable Foundations.

Decision-making and delegation

At the start of each Trustees' 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.

Members of the Merchant Taylors' Company's Charities Committee who are not Trustees are invited but not obliged to attend Trustees' meetings. If they attend, it is always in an observer capacity only, ie non-voting.

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.

Related Parties

The Trustees are all members of the Merchant Taylors' Company, which administers this Charity through its subsidiary, Bradestrete Services Limited.

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

The Merchant Taylors' Company Charities Fund

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NAME:	The Merchant Taylors' Company Charities Fund
REGISTERED CHARITY NUMBER:	1069124 (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 D Jackson (Chairman) Revd Canon R Godsall
CHIEF EXECUTIVE OFFICER:	Brigadier Christopher Coles 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 LLP 71 Queen Victoria Street London, EC4V 4BE
SOLICITORS:	Charles Russell Speechlys LLP 5 Fleet Place London, EC4M 7RD

The Merchant Taylors' Company Charities Fund

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

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 of the Charity 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 Charity 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 documents. They are also responsible for safeguarding the assets of the Charity and 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 22 May 2026 and signed on their behalf by:

(If I type or otherwise electronically sign my name, I confirm that I intend to authenticate this document by so doing)

Trustee:  Signed by:
270843714284481...

The Merchant Taylors' Company Charities Fund

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JULY 2025

I report to the Trustees on my examination of the accounts of The Merchant Taylors' Company Charities Fund (the Charity) for the year ended 31 July 2025.

Respective Responsibilities of Trustees and examiner

As the Charity Trustees of the Charity 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 Charity'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

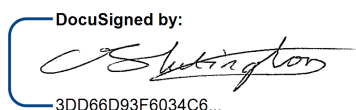
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or 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 Charity 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:  3DD66D93F6034C6...

Cara Turtington FCA, DChA
Saffery LLP
71 Queen Victoria Street London EC4V 4BE

*The Merchant Taylors' Company Charities Fund*STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

	Note	Total 2025 £	Total 2024 £
Income and endowments from:			
Donations and legacies	2	71,697	82,766
Investments	3	1,015	1,825
Total income and endowments		72,712	84,591
Expenditure on:			
Charitable activities			
Grants	4	71,697	84,516
Grant-related support costs	5	38,480	35,456
		110,177	119,972
Total expenditure		110,177	119,972
Net gains on investments			
Gains/(Losses) on investments	6	7,957	(4,908)
Net movement in funds		(29,508)	(40,289)
Fund balances at 1 August 2024		316,037	356,326
Fund balances at 31 July 2025		286,529	316,037

All income and the net movement in funds are derived from continuing activities.
The notes on pages 13 to 19 form part of these financial statements.

*The Merchant Taylors' Company Charities Fund*BALANCE SHEET
AS AT 31 JULY 2025

	Note	31 July 2025		31 July 2024	
		£	£	£	£
Fixed assets					
Fair By Design			234,368		220,126
			234,368		220,126
Current assets					
Debtors	7	423		423	
Cash at bank		58,499		123,807	
		58,922		124,230	
Creditors: due within one year	8	6,761		28,319	
Net current assets			52,161		95,911
Total assets			286,529		316,037
Funds					
Unrestricted funds	9		286,529		316,037
Total funds	10		286,529		316,037

These financial statements were approved by the Trustees on 22 May 2026

Signed by:

 270843714284481...
 Trustee

The accounting policies and notes on pages 13 to 19 form part of these financial statements.

*The Merchant Taylors' Company Charities Fund*ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025

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) (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.⁷

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 and legacies are included in full in the statement of financial activities when receivable.

*The Merchant Taylors' Company Charities Fund*ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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 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 the one-year or 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.

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.

1.5 Fixed asset investments

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

*The Merchant Taylors' Company Charities Fund*ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2025

1.6 Social investments

The Charity invests in funds considered to have social value and these are classed as mixed motive investments. They are accounted for at fair value based on the Charity's share of underlying net assets. Any movement in fair value is accounted for as an unrealised investment gain or loss in the statement of financial activities.

1.7 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.

1.8 Funds

The Unrestricted Fund represents income available for expenditure in the reporting period.

1.9 Financial instruments

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

1.10 Taxation

The Charity is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

*The Merchant Taylors' Company Charities Fund*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025**2 Donations and legacies**

	2025	2024
	£	£
Donations from individuals	71,697	82,766
	71,697	82,766

3 Investments

	2025	2024
	£	£
Deposit interest	1,015	1,825
	1,015	1,825

4 Grants

	2025	2024
	£	£
<i>Unrestricted grants</i>		
Merchant Taylors' Educational Trust	-	1,750
Merchant Taylors' Foundation	71,697	82,766
Total	71,697	84,516

The Merchant Taylors' Company Charities Fund

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

5 Grant-related support costs

	2025	2024
	£	£
Administration costs	30,775	29,565
Professional Fees	1,966	
Insurance	461	466
Bank charges	1,270	1,249
Governance costs:		
Independent examiner's remuneration:		
-Statutory report – current year	4,008	4,176
	38,480	35,456

Trustees received no remuneration (2024: £nil) and were not reimbursed for any of their expenses in the year (2024: £nil). The Charity had no employees during the current or prior period.

The Merchant Taylors' Company Charities Fund

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

6 Fixed asset investments

Social investments	31 July 2025	31 July 2024
	£	£
Fair value brought forward	220,126	211,674
Add:		
Additions	6,285	13,360
Equalisation payments received	-	-
Net realised gains/ unrealised (losses)	7,957	(4,908)
Fair value carried forward	234,368	220,126

7 Debtors

	31 July 2025	31 July 2024
	£	£
Prepayments	423	423
	423	423

The Merchant Taylors' Company Charities Fund

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

8 Creditors: amounts falling due within one year

	31 July 2025	31 July 2024
	£	£
Creditors	58	59
Accruals and deferred income	3,998	23,269
Other creditors	2,705	4,991
	6,761	28,319

Other creditors and accruals include the following balances with connected parties:

	31 July 2025	31 July 2024
	£	£
Bradestrete Services Ltd	2,705	4,991
Merchant Taylors' Foundation	-	19,381

9 Related party transactions

Bradestrete Services Limited, a connected party, incurred and recharged administration, establishment and management expenses during the year on behalf of this Charity amounting to £30,775 (2024: £29,565).

The Trustees are all members of the Merchant Taylors' Company, which administers this Charity through its subsidiary Bradestrete Services Limited.

During the year the Charity made a donation to the Merchant Taylors' Foundation – for further details see note 4.

The balances due to and from the other charities and companies administered by the Merchant Taylors' Company at 31 July 2025 are disclosed in notes 7 and 8 to the financial statements.

10 Capital Commitments

Capital commitments contracted but not provided for in relation to the Fair by Design investment total £13,140 (2024: £19,425).