

Registered Charity Number: 1161568

THE MERCHANT TAYLORS' FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

SEVEN-MONTH PERIOD ENDED 31 JULY 2021

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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 JULY 2021

The Trustees submit their report and financial statements for the seven-month period ended 31 July 2021.

The financial statements 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 (FRS102)) and with the Charities Act 2011.

The Charity was formed on 17 February 2015. In April 2020, the Trustees decided to re-position it as a grant-making foundation with a wider ambit. To that end, the Charity's registered name changed from The Merchant Taylors' Company Education Fund to The Merchant Taylors' Foundation.

OBJECTIVES AND ACTIVITIES

Charitable objects

The objects of the Charity are:

- 1) to advance the education of the public generally and in particular, but not limited to, founding educational establishments and assisting schools, universities and other educational bodies in such ways as the Charity Trustees think fit, including:
 - a. the provision of bursaries, scholarships, fellowships, lectureships and prizes;
 - b. the improvement of amenities;
 - c. the reduction of fees; and
 - d. the provision of free education; and
- 2) such other objects and purposes in any part of the world as are exclusively charitable in accordance with the laws of England and Wales.

Aims and Objectives, Strategy and Activities

Implementing the new vision for the Charity

During the prior reporting period, the Trustees decided to re-position the Charity as a grant-making foundation with a wider ambit. The Charity's grant-making focus is now education and tackling disadvantage. These aims are explained in greater detail below.

The Charity has become the main fundraising focus for members and apprentices of The Merchant Taylors' Company.

During the reporting period, as part of the process of the Charity becoming the main fundraising focus, various grant-making charities for which the Company provides trustees donated their assets, to the extent lawfully possible, to the Charity. Where necessary, due to a donor charity having narrower objects, the Charity holds those assets as restricted funds.

Advancement of Education

The Charity aims to:

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- facilitate the best possible learning opportunities, especially for disadvantaged young people
- promote 'whole-person education'
- engage members of the Merchant Taylors' Company in education, through volunteering and other giving, for the benefit of students at the educational institutions with which the Company is associated.

Its **strategy** in this area is to make grants, and promote extra-curricular opportunities through volunteering by Company members, for the benefit of students at the following educational institutions with which the Company has links:

Brightwell-cum-Sotwell Primary School (Merchant Taylors' Oxfordshire Academy Trust)

City & Guilds

Foyle College (Londonderry)

Guildhall School of Music and Drama (London)

London Music Fund

Mansion House Scholarship Scheme

Merchant Taylors' Boys' School (Crosby)

Merchant Taylors' Girls' School (Crosby)

Merchant Taylors' Prep (Northwood)

Merchant Taylors' School (Northwood)

Merchant Taylors' Stanfield (Crosby - primary)

Norland College (Bath)

Pembroke College (Cambridge)

St Catharine's College (Cambridge)

St Helen's School (Northwood)

St John's College (Oxford)

St John's School (Northwood)

St Paul's Cathedral School (Westminster)

St Saviour's and St Olave's (Southwark)

Slade School of Fine Art (London)

Smallpeice Trust (Arkwright Scholarships)

The King's School (Macclesfield)

Wallingford School (Merchant Taylors' Oxfordshire Academy Trust)

Wolverhampton Grammar School (Wolverhampton)

The **significant activities undertaken** to further the strategy in the reporting period were:

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- **grant-giving**, with a focus on transformational bursaries and scholarships and targeting hardship
- the “**Engage with Education**” scheme, through which Company members volunteer to offer internships, university-choice help, expert-led extra-curricular activities, etc., to schools. Currently more than 90 Company members are enrolled in the scheme.

The **Trustees' policy on grant-making** in the area of education is that:

- Applications are solicited from institutions within the list above. No applications are solicited from institutions outside that list, nor are any unsolicited applications considered.
- All applications are assessed in a competitive process.
- Applications for the transformational bursaries stream are solicited from independent secondary schools from within the list above.
- Applications for the ‘hardship’ stream are solicited from state maintained schools from within the list above.

The **Charity measures success in educational grant-making** by whether the grant achieves what the applicant said it would at the point of application, subject to any reasonable adjustments due to the Covid-19 pandemic. The application process requires the applicant to state the expected impact if a grant is awarded, unless the impact is self-explanatory.

The Charity **measures success in the Engage with Education volunteering scheme** by whether the volunteering activities provide valuable opportunities to students which they would be unlikely to have if the scheme did not exist.

Tackling Disadvantage

The Charity **aims** to tackle disadvantage in the London boroughs of Hackney, Lewisham, Southwark and Tower Hamlets. This furthers its **charitable object** of “such other objects and purposes in any part of the world as are exclusively charitable in accordance with the laws of England and Wales.”

During the reporting period, its **strategy** in this area was to make grants to charities, to tackle the effects of disadvantage. The aim is to change lives through funding other charities which are already well placed to deliver relevant services or projects in those areas.

The **significant activities undertaken** to further the strategy in the reporting period were to:

- Make grants to charities with which there was an active funding relationship at the start of the period. This was subject to due diligence to check whether these charities were still able to offer a useful service to their beneficiaries in the context of the Covid-19 pandemic.
- Agree requests from existing grantees to release grant monies into their unrestricted funds, if that would enable them to serve their beneficiaries more effectively in the context of the pandemic.

The Charity Visits **volunteering scheme**, in which 90 Company members are enrolled, involves Company members in pairs visiting charities which apply for ‘Disadvantage’ funds and reporting their findings back to the Charity, as part of the due diligence leading up to a decision whether to make a grant to a charity which is not an existing grantee. See ‘Achievements and Performance’ for further detail.

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The **Trustees' policy on grant-making** in the area of 'Disadvantage' was reviewed during the reporting period (see 'Future Plans' later in this report). The new policy is:

- To operate a reactive Small Grants Scheme for charities tackling disadvantage in the London boroughs of Hackney, Lewisham, Southwark or Tower Hamlets. Applications must be made via an online form, and charities should not apply without reading the detailed guidance on the website of the Merchant Taylors' Company. Priority is given to charities which operate exclusively in one or more of the boroughs named above. Charities which also have operations outside those boroughs should contact the Charity to discuss whether it would be appropriate for them to make an application.
- To make a small number of larger grants in Lewisham and Southwark under a Proactive Grants Scheme. It is not possible to apply for funding under this Scheme since grants are at the Trustees' initiative, not in response to applications.

The Charity **measures success in its 'Disadvantage' grant-making** by whether the grant achieves what the grantee said it would at the point of application, subject to any reasonable adjustments due to the Covid-19 pandemic. The grant-making process requires the grantee to state the expected impact if a grant is awarded.

The Charity **measures success in the Charity Visits volunteering scheme** by whether the due diligence reports provided by the visitors significantly assist the Charity in making a decision on whether to grant funds, typically by obtaining answers to questions which the Charity was left with after considering the online application or by clarifying things which the applicant wrote in the application form.

Grant-making to meet the impact of the COVID-19 pandemic

The Charity **aims** to tackle the impact of the pandemic through grant-making.

In response to the pandemic in the prior period the Charity launched a successful appeal to raise at least £50,000 from the members of the Merchant Taylors' Company and designated a major donation from the Merchant Taylors' Company to the Foundation as a Designated Covid Fund (fuller details of the designation can be found in the notes to the financial statements). The Charity's **strategy**, and **significant activity undertaken** pursuant to the strategy, was to make grants to charities and schools to help them assist people particularly hard hit by the pandemic.

The Charity will **measure success in its grant-making** from the Designated Covid Fund by whether the grant achieves what the grantee said it would during the assessment process, subject to any reasonable adjustments due to the COVID-19 pandemic.

The Charity's **policy on grant-making**, both in relation to the Coronavirus Appeal proceeds, and in relation to the part of the Designated Covid Fund which relates broadly to 'disadvantage', is to make proactive grants to organisations which they consider particularly well placed to assist with the impact of the pandemic.

See 'Future Plans' for details of the Charity's policy on grant-making from the rest of the Designated Covid Fund.

Public benefit

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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'.

ACHIEVEMENTS AND PERFORMANCE

Advancement of Education

The Charity continued with its previously awarded transformational bursaries, and one scholarship grant, to pupils at respectively Merchant Taylors' Crosby Girls School and St Paul's Cathedral School. The intention with these grants is that, in addition to a life-changing educational impact on the individual beneficiary, the Charity will build stronger relationships with the institutions they attend.

During the year the Charity gave support to a number of its associated schools, including £97,210 to Merchant Taylors' Oxfordshire Academy Trust, £32,469 to St Saviour's & St Olave's School and £24,550 to Foyle College.

A variety of other grants included:

- Supporting Science, Technology, Engineering and Mathematics aptitude among Year 12 and Year 13 students in three schools, via a grant to The Smallpeice Trust to fund Arkwright Scholarships
- A bursary to support a student to attend Pembroke College at Cambridge University
- Supporting international postgraduate students through the Mansion House scholarship scheme.

The Charity began disbursing funds from the Designated Covid Fund, with a focus on education, making a total of £79,525 in grants. Applications are by invitation only.

Volunteers in the Engage with Education scheme provided the following opportunities to students from state maintained schools with links to the Merchant Taylors' Company:

- Mentoring students to participate in the Livery Academy Awards, a competition where teams of secondary school students pitch business ideas to a panel of expert judges.
- The Aspiring Medics programme for students in Years 12 and 13 at St Saviour's and St Olave's School who are interested in a career in medicine. Company members who are medical professionals mentor the students about their careers, and help them learn how to do themselves justice when applying to study medicine.

The impact of the pandemic on the Charity's support of Education was that prudent budgeting was required since the relevant funds are largely derived from an investment portfolio and all Engage with Education opportunities were delivered to the students remotely.

Tackling Disadvantage & Grant-making to meet the impact of the COVID-19 pandemic

The Charity made grants totalling £161,345 to 16 charities, as detailed in the notes to the financial statements.

Most grants arose in the context of existing funding relationships between the grantees and the Charity's sister charity Merchant Taylors' Consolidated Charities for the Poor ('MTCCPoor'), which donated a significant part of its assets to the Charity in 2021.

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Due to the truncated reporting period, no grants were made relating to the relief of disadvantage owing to the COVID-19 pandemic from the Designated Covid Fund. Further grants will be made in future periods.

Amendment of governing document

The Trustees reviewed the administrative provisions in the governing document, for example as to ease of holding virtual meetings, and the method of appointing and removing trustees.

Fundraising activities and fundraising standards

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.

The Charity is registered with the Fundraising Regulator and has adopted its Code of Fundraising Practice. The Trustees are **not aware of any failure to comply with the Code** during the reporting period.

The Charity's **approach** to fundraising is as follows.

The Charity conducts activity to raise funds from members of The Merchant Taylors' Company but does not carry out any fundraising activity in order to raise funds from the general public.

The background is the Company's vision, well publicized to members, of philanthropy as an important aspect of Company membership

The Charity does not work with commercial participators or engage professional fundraisers.

Fundraising communications in the reporting period have been in the form of:

- A 'Merchant Taylors' Foundation – Thank you' booklet detailing the work of the Charity and the contribution of Company members.
- Incidental reminders to Company members of the benefit to the Charity of regular donations and legacies, typically in the context of articles about the Charity's activity within the Company's larger regular magazine about all aspects of life connected with the Company.
- Where Company members have asked for the Charity's particulars in order to draft a legacy in a will, the Charity has provided them.

The Trustees are **not aware of any complaints** made in respect of fundraising during the year.

The Charity has taken the following steps to **protect vulnerable people and others from unreasonable intrusion on their privacy**, unreasonably persistent approaches or undue pressure to give, in the course of or in connection with fundraising:

- Following the Code of Fundraising Practice at all times, including its provisions on these matters, not least the principles in Part 1 'Behaviour When Fundraising'.
- In particular, during the reporting period the Trustees are not aware of any occasions when the Charity had good reason to believe that a donor lacked capacity to make a decision to donate, or was vulnerable so as to be unable to make an informed decision.

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- The Charity is also mindful of the Chartered Institute of Fundraising's guidance 'Treating Donors Fairly', and its four key principles of Respect, Fairness, being Responsive and Accountable.

FINANCIAL REVIEW

Investment powers and policy

The Trustees' investment policy for the reporting period was as follows, though it is likely to be reviewed during 2021/22. The investment portfolio is split into different funds with the same investment manager. The detail is explained below.

There are no formal negative screens on the investment portfolio. However, the portfolio is managed in accordance with the Environmental, Social and Governance screens which the investment manager adheres to when investing client funds.

All the funds described below are managed on a discretionary basis, and have a balanced mandate meaning they are managed for a combination of capital and growth.

Merchant Taylors' Education Committee Fund, Income Biased Charities Fund and Livery and Freeman Fund

These funds are 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.

Performance is measured against a primary benchmark measured with reference to a composite index from other funds and a secondary benchmark over the longer term of RPI +3.5%.

The Merchant Taylors' Growth Charities Fund

This is a fund for investors with a relatively high risk tolerance, with a 10 year plus time horizon and the capacity to suffer a temporary or permanent capital loss. The fund's primary objective is to achieve RPI + 3.5% per annum over the longer term. This fund is also benchmarked against a composite index of growth-oriented funds, which achieved a total return of 8.5%.

Investment Performance

The investment income in the seven month period for the Charity was £75,454 (12 month total 2020: £6,319).

The total return on the Merchant Taylors' Education Committee Fund was 9.5%, which exceeded the total return on the primary benchmark (a composite index) of 7.3%. It also exceeded the secondary benchmark which is RPI + 3.5% per year over the investment cycle.

There was a total return of 11.9% on the Charity's investments in the Merchant Taylors' Income Biased Charities fund. This fund is primarily benchmarked against a composite index of income-oriented funds, which achieved a total return of 7.3%. The fund's secondary benchmark is RPI + 3.5% per annum over the longer term.

There was a total return of 9.8% on the Charity's investments in the Merchant Taylors' Livery and Freeman Fund. That exceeded the primary benchmark, set with reference to a composite index of

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income-oriented funds, which was 7.3%. It also exceeded the secondary benchmark of RPI + 3.5% per annum over the investment cycle.

There was a total return of 12.4% on the Charity's investments in the Merchant Taylors' Growth Charities fund. The fund's primary objective is to achieve RPI + 3.5% per annum over the longer term. This fund is also benchmarked against a composite index of growth-oriented funds, which achieved a total return of 8.5%.

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 a significant risk. The Charity mitigates against the risk by proportionate due diligence on grant applications to verify the applicant's identity and to check that any funds awarded will be used for the stated purpose. In most cases this includes a visit in person or by online video service, and telephone contact in addition to paper/online based checks against documents in the public domain. The Charity also takes proportionate steps, for example grant reports, to check that grants have been used for the purpose for which they were awarded

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

The Trustees are aware that safeguarding is a high priority for the charity sector as a whole. The Charity makes grants to schools and educational institutions which have their own rigorous safeguarding procedures. In relation to its other grant-making, the Charity requires applicant organisations to consider the following statements:

- "Your child protection and/or vulnerable adult safeguarding policies are current and that relevant staff and volunteers are adequately trained about them"
- "All staff and volunteers working with children or vulnerable adults have had a Disclosure and Barring Service (DBS) check".

The responses allowed by the application form are 'No', 'Yes' or 'The charity does not work with children or vulnerable adults'. An application is not allowed to proceed if the applicant answers 'No'.

The Trustees believe that this is a proportionate approach for a grant-making foundation, given that the Charity does not have statutory powers of investigation.

Compliance with fundraising standards is dealt with under 'Achievements and Performance'.

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

At the end of the reporting period, the Charity's **total funds** amounted to £17,742,077 (2020: £1,122,011). This increase is due to the donation of assets from sister charities in the reporting period as part of the process to make the Charity the focus for fundraising and grant-making efforts. The individual fund balances were as follows:

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The **Unrestricted Fund** £2,508,500 (2020: £886,956) comprising:

- General Funds £391,372 (2020: £269,969)
- Designated Covid Fund £286,260 (2020: £355,285)
- Designated Education Committee Fund £Nil (2020: £7,838)
- Designated Education Capital Fund £1,830,868 (2020: £253,864)

The **Endowment Funds** £14,267,952 (2020: £104,311). This comprises an endowment of £111,565 (2020: £104,311) for the objects of the Charity (see explanation of the objects earlier in this report), and a 'Disadvantage fund' permanent endowment of £14,156,387 (2020: £0). The circumstances in which the Charity acquired the 'Disadvantage fund' permanent endowment are explained in Note 9 to the Financial Statements, and the restriction attaching to income from it is set out in full in Note 11.

Restricted Funds not available for general purposes of the Charity £965,625 (2019: £130,744). The restrictions attaching to these funds are set out in full in Note 11 to the Financial Statements.

Likely timing of expenditure of Designated Funds

The Designated Covid Fund is likely to be spent down over the next five years. The existing funds in the Designated Education Committee Fund are likely to be spent on grant-making to advance education, within the next 18 months. The Trustees are likely to hold the Designated Education Capital Fund for at least ten years.

Reserves policy

The amount of reserves at the end of the reporting period was £391,372 (2020: £269,969), after making allowance for any restricted funds, designated funds, commitments (not provided for as a liability in the accounts) or the carrying amount of functional assets which the Charity considers to represent a commitment of the reserves it holds.

Of this sum, £108,594 (2020: £17,527) was in the form of net current assets, with the remainder held in the investment portfolio.

The Trustees do not feel that they are exposed to operational risks of the sort that would require or be ameliorated by emergency expenditure and have intentionally preserved the investment element so that they can respond to future demands, and therefore consider this level and balance of reserves as appropriate.

The Trustees will review the Charity's reserves policy in 2021/22, as new assets and income streams have arrived pursuant to the Trustees' new vision for the Charity. See further in 'Future Plans' below.

FUTURE PLANS

As noted above, the Charity has been re-positioned as a grant-making foundation with a wider ambit, and that process will be further developed in forthcoming periods.

The Charity will implement its revised grant-making strategy to tackle disadvantage, as explained earlier in this report. The Charity will continue disbursing funds from the Designated Covid Fund.

During 2021/22, the Trustees will review the Charity's reserves policy and its investment policy as noted earlier in this report. They will continue to monitor closely the impact of the Covid-19 pandemic on the Charity's own finances, and on the charities and educational institutions which the Charity supports.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by a Trust Deed dated 17th February 2015, as amended in April 2020 and May 2021.

Appointment of Trustees

The Trustees are appointed and removed by the Court of The Merchant Taylors' Company. This recognizes the Court's role as keeper of corporate memory of the membership of the Company, which is the pool from which Trustees of the Charity are drawn. All current Trustees are members of the Merchant Taylors' Company.

Induction and training of Trustees

The Trustees are currently reviewing the governance arrangements of the Charity, including the process for induction of new Trustees. In the context of the pandemic, Trustee training has been by online presentations. Trustees are also invited to training seminars organized by the Charity's investment managers. In addition, the Charity has joined the National Council of Voluntary Organisations, through which Trustees have access to other training opportunities.

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

Management personnel

The Charity does not employ management personnel but employs 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 in the following areas by Committees of the Merchant Taylors' Company, whose members are drawn from members of the Merchant Taylors' Company and selected for their particular interest in, and/or experience of, the relevant areas:

- Grant-making to advance education (the Company's Education Committee)
- Grant-making to tackle disadvantage (the Company's Charities Committee)
- Investments (the Company's Investment Committee).

Related parties

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

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 Trustees or by members of the separate Education Committee or Charities Committee as appropriate, the Trustees do not believe that such connections impact on the grant-making process.

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REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NAME:	The Merchant Taylors' Foundation
REGISTERED CHARITY NUMBER:	1161568 (registered with the Charity Commission for England and Wales)
ADDRESS:	30 Threadneedle Street London EC2R 8JB
TRUSTEES:	Mr C M Keville Mr R H C Nourse (Chair) Ms L Gillott Mr P T E Massey Mr R Sullivan (appointed 30 May 2021) Ms S Morgan (appointed 30 May 2021) Mr R Godsall (appointed 30 May 2021) Mr D Jackson (appointed 30 May 2021) Mr R Bull (appointed 30 May 2021)
CHIEF EXECUTIVE OFFICER:	Rear Admiral J R H Clink CBE
BANKERS:	Royal Bank of Scotland plc 60-62 Threadneedle Street London EC2R 8LA
INVESTMENT MANAGERS:	Rathbone Investment Management Ltd 8 Finsbury Circus London EC2M 7AZ
INDEPENDENT AUDITORS:	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
SOLICITORS:	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD

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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;
- 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 Trust Deed. 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
and signed on their behalf:

18/05/2022

Trustee

DocuSigned by:
Richard Nourse
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THE MERCHANT TAYLORS' FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2021

Opinion

We have audited the financial statements of The Merchant Taylors' Foundation for the period ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 July 2021 and of its incoming resources and application of resources for the period 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 Charities Act 2011.

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 Charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 course of the audit or

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otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees 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 Charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

THE MERCHANT TAYLORS' FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2021

We assessed the susceptibility of the Charity's financial statements to material misstatement and how fraud might occur, including through discussions with the Trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Charity by discussions with Trustees and updating our understanding of the sector in which the Charity operates.

Laws and regulations of direct significance in the context of the Charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustees 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 Charity and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE MERCHANT TAYLORS' FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2021

DocuSigned by:
Saffery Champness LLP
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.....

Saffery Champness LLP

71 Queen Victoria Street

London

Chartered Accountants

EC4V 4BE

Statutory Auditors

Date: 5/23/2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE MERCHANT TAYLORS' FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 JULY 2021

	Note	Unrestricted fund £	Restricted fund £	Endowment fund £	7 Month Total 2021 £	12 Month Total 2020 £
Income and endowments from:						
Donations and legacies	2	1,901,271	912,386	13,771,560	16,585,217	1,316,406
Other income		780	-	-	780	300
Investments		5,959	69,495	-	75,454	6,319
Total income		1,908,010	981,881	13,771,560	16,661,451	1,323,025
Expenditure on:						
Raising funds						
Investment management costs		1,979	555	20,149	22,683	2,048
Charitable activities						
Grants	3	264,765	157,624	-	422,389	626,550
Grant related support costs	4	96,478	2,382	-	98,860	90,128
Educational Activities	5	645	-	-	645	-
		361,888	160,006	-	521,894	716,678
Total expenditure		363,867	160,561	20,149	544,577	718,726
Net gains on investments		77,401	13,561	412,230	503,192	124,139
Net income/(expenditure)		1,621,544	834,881	14,163,641	16,620,066	728,438
Transfers		-	-	-	-	-
Net movement in funds		1,621,544	834,881	14,163,641	16,620,066	728,438
Fund balances at 1 January 2021		886,956	130,744	104,311	1,122,011	393,573
Fund balances at 31 July 2021		2,508,500	965,625	14,267,952	17,742,077	1,122,011

The accounting policies and notes on pages 22 to 34 form part of these financial statements.

THE MERCHANT TAYLORS' FOUNDATION

BALANCE SHEET
AS AT 31 JULY 2021

	Note	31 July 2021		31 December 2020	
		£	£	£	£
Fixed assets					
Investments	6		16,133,590		496,251
Current assets					
Debtors	7	30,988		501,777	
Stock		2,431		2,504	
Cash at bank		1,655,582		158,217	
		1,689,001		662,498	
Creditors: due within one year	8	80,514		36,738	
Net current assets			1,608,487		625,760
Total assets			17,742,077		1,122,011
Funds					
Endowment	9		14,267,952		104,311
Restricted	10		965,625		130,744
Unrestricted	11		2,508,500		886,956
	12		17,742,077		1,122,011

These financial statements were approved by the Trustees on 18/05/2022

Trustee  898CFBC10B26463...

The accounting policies and notes on pages 22 to 34 form part of these financial statements

THE MERCHANT TAYLORS' FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JULY 2021

	31 July 2021 £	31 December 2020 (restated) £
Cash flows from operating activities:		
Net cash provided by operating activities	1,695,911	150,032
Cash flows from investing activities:		
Proceeds from sale of investments	415,173	-
Purchase of investments	(325,428)	(6,936)
Net cash provided by/(used in) investing activities:	89,745	(6,936)
Change in cash and cash equivalents in the reporting period	1,785,656	143,096
Cash and cash equivalents at the beginning of the reporting period	166,236	23,140
Cash and cash equivalents at the end of the reporting period (note 15)	1,951,892	166,236
	2021 £	2020 £
Cash flows from operating activities		
Net income for the reporting period	16,620,066	728,438
Adjustments for:		
(Gains) on investments and change in investment cash	(525,703)	(107,534)
(Donations) of investments	(14,913,089)	-
(Increase) / decrease in debtors	470,789	(487,590)
Decrease / (increase) in stock	73	(2,504)
Increase in creditors	43,776	19,042
Net cash generated by operating activities	1,695,911	150,032

In the above cash flow statement, cash and cash equivalents at year end reflects cash held within the investment portfolio as well as cash at bank and in hand. This is a change from prior year when the balance reflected cash at bank and in hand only. Prior year figures have been restated in these financial statements so as to be comparable

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021

1. Accounting Policies**Charity information**

The Merchant Taylors' Foundation is registered with the Charity Commission for England and Wales (registered number 1161568). The registered address is 30 Threadneedle Street, London, EC2R 8JB.

Basis of preparation

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) (Second edition) (Charities SORP (FRS 102)) and the Charities Act 2011.

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.

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 key accounting estimates and judgements which have the most significant impact on the financial statements are set out in the accounting policies below:

Going Concern

The ongoing Covid-19 pandemic has not had a significant impact on the charity's operations or finances. 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

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. 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.

Donation income is recognised when their receipt is probable.

Income from investments is recognised when received.

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 (including investment property) and raising investment income.

Support costs are allocated in line with the level of support time required for each fund.

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021

Grants

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.

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.

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.

Financial Instruments

The Charity 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.

Critical Accounting Judgements and Estimates

The preparation of the Charity's financial statements requires the use of certain judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based or as a result of new information or more experience.

Reporting period

These financial statements cover a seven-month period, being the period from 1 January 2021 to 31 July 2021, as the Trustees decided to align the reporting period with Bradestrete Services Limited, a wholly owned subsidiary of Merchant Taylors' Company, which provides administrative support services to the charity. The comparative figures, including the related notes, are therefore not entirely comparable.

Funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as a restricted fund or an endowment fund. Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent.

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**2. Income****Donations and legacy income:**

	7 Months	12 Months
	2021	2020
	£	£
Unrestricted		
Merchant Taylors' Company	226,599	760,875
Sir Thomas White's Charity	32,793	32,400
Merchant Taylors' Educational Trust	30,000	30,000
Merchant Taylors' Company Charities Fund	1,468,030	-
Legacy income	117,509	260,000
Other Donations	26,340	72,231
	1,901,271	1,090,806
Restricted		
Income from Covid appeal	-	64,700
Merchant Taylors' Consolidated Charities for the Poor	912,386	160,900
	912,386	225,600
Endowment		
Merchant Taylors' Consolidated Charities for the Poor	13,771,560	-
Total	16,585,217	1,316,406

The income received from the Merchant Taylors' Company Charities Fund and Merchant Taylors' Consolidated Charities for the Poor was received as part of the ongoing project to consolidate charitable activities in the Merchant Taylors' Foundation.

3. Grants paid

	7 Months	12 Months
	2021	2020
	£	£
Disadvantage & relief from Covid (from restricted funds)		
Core Arts	19,300	-
Hotline Meals Service	12,600	-
Irish Chaplaincy	9,900	-
MediCinema	7,600	-
Merchant Taylors' Consolidated Charities for the Poor	6,657	-
North London Action for the Homeless	19,800	-
Sense	5,000	-

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021

3. Grants paid (continued)	7 Months	12 months
	2021	2020
	£	£
The Blue Ribbon Foundation	12,400	-
The Change Foundation	9,800	-
The Country Trust	9,900	-
The Maypole Project	10,000	-
Toucan Employment	4,900	-
Waterloo Action Centre	7,967	-
Aldgate Primary School	-	500
Resources for Autism	19,800	30,200
Bromley by Bow Centre	-	9,500
Child Brain Injury Trust	-	14,800
Depaul UK	-	4,000
Deptford Methodist Mission Disabled People's Contact	-	9,000
Hestia	-	5,000
Magic Breakfast	-	10,000
Merchant Taylors' Oxfordshire Academy Trust	-	6,226
Noah's Ark	-	5,000
Room to Heal	-	5,900
Rushey Green Time Bank	-	11,000
Soundabout	-	15,900
Spitalfields Crypt Trust	-	29,800
Spitalfields Festival Ltd	-	10,000
St Peters Community Wellbeing Projects	-	8,000
St Saviour's & St Olave's School	-	7,450
Toynbee Hall	-	21,000
Woman's Trust	-	14,800
	155,624	218,076
Disadvantage & relief from Covid (from unrestricted funds)		
Depaul UK	-	100,000
St Michael's Cornhill	839	
The Feast Youth Project	4,882	35,000
	5,721	135,000

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**3. Grants paid (continued)**

	7 Months	12 months
	2021	2020
	£	£
Education (from restricted funds)		
Slade School of Fine Art	2,000	2,000
	2,000	2,000
Education (from unrestricted funds)		
Smallpeice Trust (Arkwright Scholarships)	11,250	11,000
City & Guilds	5,000	5,000
Merchant Taylors' School Crosby	17,700	32,000
Foyle College	24,550	27,650
Guildhall School of Music and Drama	-	6,000
John Harrison Prize	200	900
The King's School Macclesfield	50	5,000
Sir Stephen Jenyns Prize	600	600
Livery Companies Skills Council	-	100
Mansion House Scholarship Scheme	5,000	3,000
Medicinema	-	3,000
Merchant Taylors' Oxfordshire Academy Trust	97,210	66,475
Merchant Taylors' School	11,365	
Pembroke College	10,000	10,000
Photography Prizes	-	575
Slade School of Fine Art	-	2,000
St Helen's School	10,050	
St John's School	50	
St Paul's Cathedral School	12,000	12,000
St Saviour's & St Olave's School	32,469	78,774
Wallingford School	-	3,200
Wolverhampton Grammar School	50	5,200
London Music Fund	6,000	1,000

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021

3. Grants Paid (continued)	7 Months	12 Months
	2021	2020
UK Fashion & Textile Association	12,500	-
Miscellaneous donations	3,000	-
	259,044	271,474
Total grants paid	422,389	626,550

4. Grant related support costs

	7 Months	12 Months
	2021	2020
	£	£
Administration costs	90,462	75,140
Insurance	286	418
Bank charges	834	1,542
Governance costs :		
Audit fee	6,960	5,920
Legal & professional fees	318	7,108
Total	98,860	90,128

Trustees received no remuneration (2020: £nil) and were not reimbursed for any of their expenses in the year (2020: £nil). The Charity had no employees during the current or prior year.

5. Educational Activities

	7 Months	12 Months
	2021	2020
	£	£
Quiz	645	-
Total	645	-

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**6. Investments**

	July 2021	December 2020
	£	£
Valuation at 1 January 2021	496,251	373,942
Transferred from other charities	14,913,089	-
Additions	325,428	6,936
Disposals	(415,173)	-
Market value gains	525,433	124,139
Movement in investment cash	288,562	(8,766)
Valuation at 31 July 2021	16,133,590	496,251

7. Debtors

	July 2021	December 2020
	£	£
Other debtors	30,508	501,535
Prepayments and accrued income	480	242
Total	30,988	501,777

	July 2021	December 2020
	£	£
Balances with connected parties:		
Merchant Taylors' Company	-	500,000

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**8. Creditors**

	July 2021	December 2020
	£	£
Other creditors	51,855	23,596
Accruals	28,659	13,142
Total	80,514	36,738

Balances with connected parties:

Bradestrete Services Limited	48,658	22,356
Merchant Taylors' Educational Trust	-	860
Merchant Taylors' Consolidated Charities for the Poor	-	364

9. Permanent Endowment fund

	Balance 1 January 2021	Income	Expenditure	Investment gains	Balance 31 July 2021
	£	£	£	£	£
Original fund	104,311	-	(309)	7,563	111,565
Disadvantage fund	-	13,771,560	(19,840)	404,667	14,156,387
	104,311	13,771,560	(20,149)	412,230	14,267,952

During the year the Charity received a transfer of £13,771,560 from Merchant Taylors' Consolidated Charities for the Poor as part of the ongoing programme of consolidation of philanthropic activities across charities related to the Merchant Taylors' Livery Company. Prior to the transfer the Merchant Taylors' Consolidated Charities for the Poor had adopted a total return approach to the endowment, establishing an original value of the endowment of £5,836,232 and unapplied return of £7,935,328. As at year-end the Trustees of Merchant Taylors' Foundation have not formally adopted a total return approach but they will be reviewing this course of action over the coming year.

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**9. Endowment fund (continued)****Prior year comparative**

	Balance 1 January 2020	Income	Expenditure	Investment gains	Balance 31 December 2020
	£	£	£	£	£
Endowment fund	65,693	-	(535)	39,153	104,311

The endowment fund was acquired on registration in 2015. Income derived from this is applied in line with the charity's objects.

10. Restricted funds

	Balance 1 January 2021	Income	Expenditure	Investment gains and transfers	Balance 31 July 2021
	£	£	£	£	£
Pocock fund	130,744	1,460	(2,555)	13,561	143,210
Relief of disadvantage	-	980,421	(158,006)	-	822,415
Restricted funds	130,744	981,881	(160,561)	13,561	965,625

Prior year comparative

	Balance 1 January 2020	Income	Expenditure	Investment gains and transfers	Balance 31 December 2020
	£	£	£	£	£
Pocock fund	112,893	1,993	(5,978)	21,836	130,744
Covid appeal	-	64,700	(64,700)	-	-
Relief of disadvantage	-	160,900	(186,939)	26,039	-
Restricted funds	112,893	227,593	(257,617)	47,875	130,744

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**10. Restricted funds (continued)**

Pocock fund is for the purpose of funding scholarships at the Slade School of Fine Art or to make grants to encourage the study of art abroad by pupils of Merchant Taylors' School.

The Covid Appeal fund relates to an appeal launched in response to the Covid-19 pandemic to alleviate problems in the community.

The Relief of Disadvantage fund relates to donations given from Merchant Taylors' Consolidated Charities for the Poor for the benefit of those who are in need by reason of age, ill health, disability, financial hardship or other disadvantage. During the year the Merchant Taylors' Consolidated Charities for the Poor donated the majority of its assets to the Merchant Taylors' Foundation.

11. Unrestricted funds

	Balance 1 January 2021 £	Income £	Expenditure £	Investment gains and transfers £	Balance 31 July 2021 £
Designated funds					
Covid fund	355,285	10,500	(79,525)	-	286,260
Education committee fund	7,838	170,550	(180,164)	1,776	-
Education capital fund	253,864	1,523,455	(1,979)	55,528	1,830,868
General funds	269,969	203,505	(102,198)	20,096	391,372
Unrestricted funds	886,956	1,908,010	(363,866)	77,400	2,508,500

Prior year comparative

	Balance 1 January 2020 £	Income £	Expenditure £	Investment gains and transfers £	Balance 31 December 2020 £
Covid fund	-	500,000	(144,715)	-	355,285
Education committee	-	302,388	(294,550)	-	7,838
Education capital fund	-	260,000	(6,136)	-	253,864
General funds	214,987	33,044	(15,173)	37,111	269,969
Unrestricted funds	214,987	1,095,432	(460,574)	37,111	886,956

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021

11. Unrestricted funds (continued)

Covid fund is funds earmarked for use to alleviate problems created by the Covid-19 pandemic in the community. Some donors to the coronavirus appeal expressed intention that their funds were used for the benefit of specific classes of beneficiaries and these wishes have been monitored and honoured in full by the Trustees.

Education committee is funds delegated to the Merchant Taylors' Company's Education Committee for distribution for the advancement of education

Education capital fund is funds earmarked to create sufficient capital reserves to generate ongoing investment income and reduce the need for continual and costly fundraising efforts. During the year the Merchant Taylors' Company Charities Fund donated £1,420,801 which has been added to this fund at the Trustees' discretion.

12. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £
Investments	1,761,284	143,211	14,229,095	16,133,590
Current assets	747,216	822,414	38,857	1,608,487
	2,508,500	965,625	14,267,952	17,742,077

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Investments	252,442	156,518	87,291	496,251
Current assets	634,514	(25,774)	17,020	625,760
	886,956	130,744	104,311	1,122,011

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021

13. Related party transactions

Bradestrete Services Limited, a connected party, incurred administration, establishment and management expenses during the 7 month period on behalf of this Trust amounting to £86,375 (12 month total 2020: £66,739).

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 Charity received donations from sister charities and the Merchant Taylors' Company as detailed in note 2.

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 July 2021 are disclosed in notes 7 and 8 to the financial statements.

Trustees made donations totalling £1,250 in the period (12 month total 2020: £30,354).

14. Analysis of cash and cash equivalents and changes in net funds

	At 1 January 2021	Cashflows	At 31 July 2021
Cash in bank and at hand	158,217	1,497,365	1,655,582
Cash held by investment managers	8,019	288,291	296,310
	166,236	1,785,656	1,951,892

THE MERCHANT TAYLORS' FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2021**15. Comparative information**

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total 2020 £
Income and endowments from:				
Donations and legacies	1,090,806	225,600	-	1,316,406
Other income	300	-	-	300
Investments	4,326	1,993	-	6,319
Total income and endowments	1,095,432	227,593	-	1,323,025
Expenditure on:				
Raising funds				
Investment management costs	1,041	472	535	2,048
Charitable activities				
Grants	406,474	220,076	-	626,550
Grant related support costs	53,059	37,069	-	90,128
Educational Activities	-	-	-	-
	459,533	257,145	-	716,678
Total expenditure	460,574	257,617	535	718,726
Net gains on investments	63,150	21,836	39,153	124,139
Net income/(expenditure)	698,008	(8,188)	38,618	728,438
Transfers	(26,039)	26,039	-	-
Net movement in funds	671,969	17,851	38,618	728,438
Fund balances at 1 January 2020	214,987	112,893	65,693	393,573
Fund balances at 31 December 2020	886,956	130,744	104,311	1,122,011