

Registered Charity Number: 214267

MERCHANT TAYLORS' CONSOLIDATED CHARITIES FOR THE POOR

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

31 December 2020

*Merchant Taylors' Consolidated Charities for the Poor***INDEX**

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*Merchant Taylors' Consolidated Charities for the Poor***TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees submit their report and financial statements for the year ended 31 December 2020.

The accounts comply with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)) second edition, and with the Charities Act 2011.

Note: by Charity Commission Scheme dated 20 August 2020, the following charities were merged into the Charity:

- Merchant Taylors' Consolidated Charities for the Infirm ('MTCCInfirm')
- Harold and Dorothy Howitt Trust Fund (Merchant Taylors' Company) ('Howitt')

In this report, comparative figures for 2019 are reported as if the merger had already taken place during 2019.

OBJECTIVES AND ACTIVITIES**Charitable Objects**

The Objects of the Charity are "the relief, for the benefit of the public, of those people who are in need by reason of age, ill health, disability, financial hardship or other disadvantage. In particular, but not exclusively, by providing: grants, items and services to individuals in need and/or charities or other organisations".

Aims and Objectives

The Charity's main aim is to support the work of its sister charity The Merchant Taylors' Foundation ('MTF', registered charity no. 1161568), by making donations to MTF (restricted for use within the charitable Objects of the Charity).

The Charity's second aim is to fund nursing home or care home fees in the Greater London area, in cases of financial hardship.

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 does not discriminate on the grounds of any characteristic protected by the Equality Act or any other relevant legislation.

Grant-making policies

The Charity does not accept unsolicited applications for funding.

Its policy is to donate most of its unrestricted income to MTF, on the basis that MTF is better placed to reach a wide range of beneficiaries in a high impact, strategic way.

Its policy on funding nursing/care home fees is:

- To assist ex-residents of almshouse accommodation provided by The Merchant Taylors' Boone's Charity in Lewisham, who are in financial hardship

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- By funding the shortfall, if any, between the cost of the preferred nursing/care home place and the aggregate of the following: the Local Authority's statutory contribution, and any statutory contribution the individual is required to make from her or his own assets.

Strategy

The strategy during the first quarter of the year, before MTF had launched, was as follows in relation to the Charity's unrestricted funds:

- To relax restrictions on existing awards, to enable the grantees to cope better with providing a service to their beneficiaries despite the challenges of the Covid-19 pandemic. This approach was in accordance with the London Funders pledge, to which the Charity was a signatory.
- To award Year 2 or Year 3 funding to charities on the Conditional Multi-Year Track if, in the Trustees' absolute discretion, they were satisfied that the recipient had made satisfactory use of the previous year's funds, subject to any reasonable changes in the light of the pandemic.

For the remaining quarters, the strategy was to make donations to MTF.

Throughout the year, the strategy in relation to funding nursing/care home places was to monitor the progression of residents at The Merchant Taylors' Boone's Charity ('MTBC') towards needing such a place.

Review of Activities

The Charity's Objects were modernised to the wording set out earlier in this report, via the Charity Commission Scheme dated 20 August 2020.

The comments about grants below made by 'the Charity' include all grants made by MTCCInfirm and Howitt during 2020 before the merger date.

Total grant-making to charities amounted to £363,519 (2019: £487,234). The Charity also paid out a voluntary allowance by way of charitable donation for relief of financial hardship, to a resident of the almshouses managed by The Merchant Taylors' Boone's Charity, totalling £2,172 (2019: £7,130).

After a write-back of historical grants, total grant-making from unrestricted funds amounted to £349,441 (2019: £494,364).

Near the end of the year, one resident of The Merchant Taylors' Boone's Charity ('MTBC') became incapable of independent living and the Charity offered that it might be able to assist if there was a shortfall on the resident's chosen care home place upon moving out of MTBC accommodation. However, in the event the Local Authority fully funded the resident's care home place when the resident moved out early in 2021.

The Trustees decided to reduce grant-making during 2020 as compared to the previous year, by not beginning new funding relationships. This would enable the Charity to manage its cashflow so as still to be able to make grants on a worthwhile scale during 2021, when the Trustees anticipate the need will be greater as measures such as the Government's furlough scheme come to an end. The background was that the Charity's income is derived partly from a commercial lease, whose tenant exercised its rights under the Coronavirus Act to defer rental payments.

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ACHIEVEMENTS AND PERFORMANCE**Performance against strategy**

The Charity was able to provide the following support to previous grantees:

- Relaxing restrictions on previous grants so as to enable the grantees to divert the funds to core costs if that appeared a sensible strategy to enable the grantee to continue delivering a service to its beneficiaries, given restrictions imposed by the pandemic
- Making Year 2 or Year 3 grants on the Conditional Multi-Year Track where the Trustees felt in their absolute discretion that the recipients had made satisfactory use of the previous year's funding, subject to any adjustments reasonably necessary in light of the pandemic.

Investment performance

The investment income was £326,685 (2019: £452,003).

There was a total return of 0.2% 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 0.5%. The fund's secondary benchmark is RPI + 3.5% per annum over the longer term.

There was a total return of 10.6% 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 0.8%.

FINANCIAL REVIEW**Covid-19 pandemic: impact on finances**

The Charity's commercial tenant exercised its statutory right to defer rental payments. The Act remained in force and the deferral was continuing as at year-end.

Investment Powers and Policy

The Trustees' investment policy is that income should be maximised as far as possible whilst seeking to maintain capital growth.

Both the Growth Charities fund and the Income Biased Charities fund are managed on a discretionary basis. They have a balanced mandate so are managed for a combination of capital growth and income. There are no investment restrictions and hence no social, environmental or ethical considerations as such are taken into account on those funds.

The Growth Charities fund 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.

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The Income Biased Charities fund is a fund for investors with a medium risk tolerance, with a 6 -10 year time horizon and the capacity to tolerate a temporary or, sometimes, permanent capital loss.

The benchmarks for the two funds are explained earlier in this report, under the heading Investment Performance.

Risk management

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

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

Grants are mostly made to organisations rather than to individuals, and only very rarely to organisations which are not, or are not yet, registered with the Charity Commission or an equivalent regulator. Personal contact is established by the staff with each and every grantee organisation, and grantees are required to signify written agreement to an extensive and binding set of Terms and Conditions before any payment may be made.

The individual grantee is a long-standing resident of the almshouses provided by The Merchant Taylors' Boone's Charity.

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

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

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

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Financial reserves

The Trustees' policy on liquid and expendable reserves is under review at the time of writing, since the Charity has now switched to a model where its sole beneficiary is likely to be its sister charity The Merchant Taylors' Foundation.

Subject to the outcome of that review, the Trustees' reserves policy is to retain between £170,000 and £220,000 in liquid and expendable funds as a reserve, although it is considered appropriate to make use of the reserve rather than to dismiss what would otherwise be very compelling applications for grants. The policy reflects the fact that the Trustees invite certain grantees to re-apply for funds in the following year, under the Multi-Year Conditional Track. There is no guarantee that any award will be made in response to the re-application since it is at the Trustees' discretion and this is made clear to these grantees. The Trustees believe it is prudent to have a level of reserves which would allow them to grant those re-applications in at least the majority of cases, even if income were to suffer. The Trustees believe the current reserves policy would be sufficient to cover this eventuality, given the charities which had been invited to re-apply as at the end of the reporting period.

As at 31 December 2020, the Unrestricted Fund stood at £1,430,648 (2019: £1,101,296). That figure includes the Debtors of £870,814 which the Trustees did not treat as liquid and expendable funds when budgeting for grant-making during the reporting period.

The remaining balance of £559,834 in unrestricted funds represented the liquid and expendable funds as at 31 December 2020, which exceeds the reserves policy. This was due to the Trustees' decision to budget conservatively during 2020, so as to be well placed to make grants in 2021 when they anticipate that the social and economic effects of the Covid-19 pandemic are likely to be even more severe than in 2020, as Government support schemes are wound down.

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

The Unrestricted Fund stood at £1,430,648 (2019: £1,101,296) at year-end and the Endowment Fund stood at £18,976,388 (2019: £18,965,128). The Restricted Fund stood at £222,752 (2019: £151,616).

FUTURE PLANS

In May 2021 the Charity donated much of its assets as restricted funds to MTF.

For the short to medium term, the Charity will continue to exist in order to:

- Hold the freehold of its investment property Rectory Court
- Receive income for use on nursing/care home fees in Greater London, from the Alfred Charles Cuthbert Parker Will Trust (reg. charity 290030), whose governing document specifically names the Charity's predecessor MTCCInfirm as its beneficiary.

The Charity will donate its income from Rectory Court, less the Charity's running costs, to MTF as a restricted fund in MTF's hands.

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STRUCTURE, GOVERNANCE AND MANAGEMENT**Governing document**

The Charity is governed by a Charity Commission Scheme dated 20 August 2020. This superseded a Scheme dated 11th October 1960, and before that, a Scheme made in 1924 which consolidated thirty-eight charitable trusts established by will, deed, or indenture between 1452 and 1923.

Appointment of Trustees

The Trustees are appointed by resolution of the existing Trustees from the membership of the Merchant Taylors' Company, with regard paid to the particular skills and expertise that the Charity needs at the relevant time. Trustees serve for fixed terms of three years.

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 given a comprehensive induction pack covering key matters such as the Charity's Objects, grant-making policy, and sources of income. They are offered at least one opportunity each year to receive training, either by Merchant Taylors' Company staff or external speakers.

Trustees have access to the governing document, previous minutes, and Charity Commission guidance. They are also supported by qualified and experienced staff based at Merchant Taylors' Hall. Further advice and guidance is offered to the Trustees through a system of committees within the Company, culminating with the Court of the Merchant Taylors' Company.

Management Personnel

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

Decision-making and delegation

The Trustees are supported in their decision making by a wider 'Charities Committee' drawn from the membership of the Merchant Taylors' Company.

On some occasions the Trustees meet on their own, but usually they meet jointly with and as a subset of the Charities Committee of the Merchant Taylors' Company. However, in the latter scenario:

- the agenda makes clear which decisions are for the Trustees only, and at those point, only Trustees vote
- the minutes make clear that the decision was taken by the Trustees only, with the other Committee members in attendance at that point.

At the start of each meeting, the Chairman asks the Trustees to declare any personal interest which might directly or indirectly cause them a conflict. If a Trustee does declare an interest, they do not participate in any decision where that interest is relevant nor do they count towards the quorum at the time of taking such decision.

Grants of less than £5,000 may customarily be awarded by the Chairman, subject to ratification by the Trustees, where a where a rapid decision is required in order for the grant to be effective.

Merchant Taylors' Consolidated Charities for the Poor

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Related Parties

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

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

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FOR THE YEAR ENDED 31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NAME:	Merchant Taylors' Consolidated Charities for the Poor
REGISTERED CHARITY NUMBER:	214267 (registered with the Charity Commission for England and Wales)
ADDRESS:	Merchant Taylors' Hall 30 Threadneedle Street London, EC2R 8JB
TRUSTEES:	Mr R A D Sullivan (Chairman) Mr R J A Bull Mr D Jackson (Appointed 11 th June 2020) Revd Canon R Godsall (Appointed 11 th June 2020) Mr A G Moss (Resigned 11th June 2020) Mr J A J Price (Resigned 11th June 2020) Dr J J Oram FRCP (Resigned 11th June 2020)
CHIEF EXECUTIVE OFFICER:	Rear Admiral J R H Clink CBE
BANKERS:	Royal Bank of Scotland PLC 62 Threadneedle Street London, EC2R 8LA
INVESTMENT MANAGERS:	Rathbone Investment Management Ltd 8 Finsbury Circus London, EC2M 7AZ
INDEPENDENT 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 TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Report of the Trustees was approved by the Trustees on the 12/07/2021 2021 and signed on their behalf:

Name:

DocuSigned by:

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Trustee

*Merchant Taylors' Consolidated Charities for the Poor***INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Opinion

We have audited the financial statements of Merchant Taylors' Consolidated Charities for the Poor for the year ended 31 December 2020 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 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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.

Emphasis of matter - property valuations

The charity carries its investment properties at fair value. The charity has valued its properties at £6,180,903 at the balance sheet date, 31 December 2020 (2019: £6,497,775). As disclosed in note 4 to the financial statements, because of the impact of the Coronavirus (Covid-19) pandemic, the valuer has expressed a material valuation uncertainty in accordance with RICS Valuation - Global Standards. Our opinion is not modified in this respect.

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.

**INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 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 Trustees' Responsibilities Statement set out on page 11, 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

INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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:

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.

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FOR THE YEAR ENDED 31 DECEMBER 2020**


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.

Other matter

The financial statements for the year ended 31 December 2019 were not audited as in the previous accounting period, the trustees took advantage of audit exemption under s145 of the Charities Act 2011. Therefore the comparative financial information presented in these financial statements has not been subject to audit.

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.

DocuSigned by:

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Saffery Champness LLP
 Chartered Accountants
 Statutory Auditors
 71 Queen Victoria Street
 London
 EC4V 4BE

Date: 16/07/2021

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

*Merchant Taylors' Consolidated Charities for the Poor***STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted fund	Restricted fund	Endowment fund	Total 2020	Total 2019 (Combined)
		£	£	£	£	£
Income and endowments from:						
Donations and legacies		5,300	71,136	-	76,436	156,112
Rental income		410,526	-	-	410,526	453,942
Investment income		326,685	-	-	326,685	452,003
Total income and endowments		742,511	71,136	-	813,647	1,062,057
Expenditure on:						
Raising funds						
Property costs		600	-	-	600	3,000
Investment costs		-	-	47,670	47,670	51,265
		600	-	47,670	48,270	54,265
Charitable activities						
Grants	2	349,441	-	-	349,441	494,364
Grant related support costs	3	63,118	-	-	63,118	107,301
		412,559	-	-	412,559	601,665
Total expenditure		413,159	-	47,670	460,829	655,930
Gains on investments		-	-	58,930	58,930	1,357,066
Net movement in funds		329,352	71,136	11,260	411,748	1,763,193
Funds at 1 January 2020		1,101,296	151,616	18,965,128	20,218,040	18,454,847
Funds at 31 December 2020		1,430,648	222,752	18,976,388	20,629,788	20,218,040

*Merchant Taylors' Consolidated Charities for the Poor***BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020	2019 (Combined)
		£	£
Fixed assets			
Investment property	4	6,180,903	6,497,775
Investments	5	12,846,293	12,486,605
		<hr/>	<hr/>
		19,027,196	18,984,380
Current assets			
Debtors	6	870,814	658,144
Cash at bank		782,813	707,269
		<hr/>	<hr/>
		1,653,627	1,365,413
Creditors	7	51,035	131,753
		<hr/>	<hr/>
Net current assets		1,602,592	1,233,660
		<hr/>	<hr/>
		20,629,788	20,218,040
		<hr/>	<hr/>
Funds			
Endowment	10	18,976,388	18,965,128
Restricted	9	222,752	151,616
Unrestricted	8	1,430,648	1,101,296
		<hr/>	<hr/>
	10	20,629,788	20,218,040
		<hr/>	<hr/>

These financial statements were approved by the Trustees on 12/07/2021 2021.

Trustee

DocuSigned by:

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*Merchant Taylors' Consolidated Charities for the Poor***STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019 (Combined)
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	64,435	192,461
Cash flows from investing activities:		
Proceeds from sale of investments	2,013,710	1,330,728
Purchase of investments	(2,002,601)	(1,350,203)
Net cash used in investing activities:	11,109	(19,475)
Change in cash and cash equivalents in the period	75,544	172,986
Cash and cash equivalents at the beginning of the period	707,269	536,083
Cash and cash equivalents at the end of the period	782,813	707,269
Cash flows from operating activities	2020	2019 (Combined)
	£	£
Net income for the reporting period (as per the statement of financial activities)	411,748	1,763,193
Adjustments for:		
(Gains) on investments and change in investment cash	(53,925)	(1,357,066)
(Increase) in debtors	(212,670)	(63,258)
(Decrease) in creditors	(80,718)	(150,408)
	64,435	192,461
Analysis of net debt	2020	2019 (Combined)
	£	£
Cash at start of period	707,269	536,083
Cash flows	75,544	172,986
Cash at end of period	782,813	707,269

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies

Charity information

Merchant Taylors' Consolidated Charities for the Poor is registered with the Charity Commission for England and Wales (registered number 214267). 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.

Merger accounting

The merger of Merchant Taylors' Consolidated Charities for the Poor with the Merchant Taylors' Consolidated Charities for the Infirm and the Harold & Dorothy Howitt Trust has been accounted for using the merger accounting method. The carrying values of the assets and liabilities are reflected at book value as at the date of the merger, with adjustments made for any balances between the merged charities. The results and cash flows of all the merged charities are shown from the beginning of the financial year and the comparative information has been restated to show the combined results.

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 receivable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

Investments

Listed investments are included in the balance sheet at their open market value at the end of the financial period. Realised and unrealised gains or losses are recorded in the Statement of Financial Activities in the year in which they arise.

Investment property is revalued annually by the Trustees using appropriate professional advice.

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.

The key accounting judgement in the financial statements relates to the investment property valuation, as detailed in note 4.

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****2. Grants**

	2020
	£
Institutional grants	
Treloar	8,350
Sydenham Garden	4,000
The Merchant Taylors' Foundation	160,900
Resources for Autism	3,000
Tower Hamlets Friends	19,500
Medicinema	8,302
Sense	10,000
Irish Chaplaincy	10,000
The Maypole Project	12,000
Blue Ribbon Foundation	14,000
Hot Line Meals Service	15,000
NLAH	19,900
Core Arts	19,400
Link Age Southwark	14,900
Waterloo Action Centre	8,067
The Nehemiah Project	9,900
Bonny Downs Community	16,400
The Change Foundation	9,900
Individual Grants	2,172
Historical grants written back	(16,250)
Total	349,441

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****2. Grants (continued)**

	2019 (Combined) £
Prior Year Comparative	
Institutional grants	
The Albany	9,000
Bow Haven	35,000
Breakthrough Deaf Hearing	5,000
Bench Outreach	14,500
Bromley by Bow Centre	10,000
Bromley Care Counselling Service	5,000
Care Plus	5,000
Caritas Anchor House	8,000
Child Brain Injury Trust	15,000
Claremont Project	15,000
Connaught Opera	4,900
Contact the Elderly	8,950
Create Arts	8,000
Crossroads Counsel	12,000
Deptford Methodist Mission	11,000
Entelechy Arts	8,000
Fare Share	10,000
Food Chain (UK)	12,000
Interact Stroke Support	3,500
Jubilee Community	19,200
Mental Fight Club	9,500
Music in Hospitals	9,000
Noah's Ark Children Ventures	5,000
Prisoners Abroad	20,000
REACT	6,652
Resources for Autism	26,400
Room to Heal	6,000
Royal Society for Blind Children	10,000
Toucan Employment	5,000
Tower Hamlets Friends	20,000

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****2. Grants (continued)**

	2019 (Combined) £
Toynbee Hall	21,364
RNID Action on Hearing	10,883
Rushey Green Time Bank	6,400
Soundabout	12,000
Spitalfields Crypt Trust	29,900
Spitalfields Festival	10,000
Step by Step	4,000
St Peters Community Wellbeing	9,000
Treloar Trust	8,350
Waterloo Action	8,167
Woman's Trust	15,000
CHICKS	363
The Feast Youth Project	7,000
Shine Charity	7,000
Wallingford School	1,205
Individual grants	7,130
Total	494,364

3. Grant related support costs

	2020 £	2019 (Combined) £
Administration costs	48,738	91,373
Insurance	770	1,058
Bank charges	8	-
Professional fees	1,072	-
Audit fees	12,530	14,870
	63,118	107,301

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****4. Investment property**

	2020	2019 (Combined)
	£	£
Valuation at 1 January 2020	6,497,775	6,523,000
Revaluation	(316,872)	(25,225)
Valuation at 31 December 2020	6,180,903	6,497,775

Investment properties were valued at 31 December 2020 by Nigel Gammon, a member of the Royal Institute of Chartered Surveyors employed by the Merchant Taylors' group on the basis of market value in accordance with the Statements of Asset Valuation Practice and Guidance Notes published by the Royal Institution of Chartered Surveyors. At the valuation date the Charity continued to face an unprecedented set of circumstances caused by COVID-19. Due to this the valuation is reported as being subject to 'material valuation uncertainty' as set out in the RICS Valuation - Global Standards. Consequently, in respect of the valuation, less certainty and a higher degree of caution should be attached to this valuation than would normally be the case. This does not mean that the valuation cannot be relied upon.

5. Investments

	2020	2019 (Combined)
	£	£
Valuation at 1 January 2020	12,486,605	11,084,840
Additions	2,002,601	1,350,203
Disposals	(2,013,710)	(1,330,728)
Market value gains	375,802	1,382,291
Movement in investment cash	(5,005)	-
Valuation at 31 December 2020	12,846,293	12,486,605
Held as:		
Equities	11,072,200	10,434,884
Fixed interest	991,523	1,243,735
Alternatives	509,875	540,381
Cash	272,695	267,605
Total	12,846,293	12,486,605

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

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****6. Debtors**

	2020	2019 (Combined)
	£	£
Prepayments & accrued income	1,484	3,435
Other debtors	603,104	582,401
Trade debtors	266,226	72,308
	870,814	658,144

Other debtors include balances with connected parties:

	2020	2019 (Combined)
	£	£
Bradestrete Services Limited	720	-
The Merchant Taylors' Foundation	364	364
Merchant Taylors' Company	5,097	-
Debs Price Foundation	-	600

6. Creditors

	2020	2019 (Combined)
	£	£
Accruals	27,477	30,945
Other creditors	23,558	63,958
Trade creditors	-	1,100
Grants payable	-	35,750
	51,035	131,753

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****7. Creditors (continued)**

Other creditors includes balances with connected parties:

	2020	2019 (Combined)
	£	£
Merchant Taylors' Boones Charity	5,585	-
Henry Colbron Foundation	17,973	38,905
Bradestrete Services Limited	-	966
The Marler Trust	-	11,187

8. Unrestricted funds

	Balance 1 January 2020	Income	Expenditure	Balance 31 December 2020
	£	£	£	£
Unrestricted funds	1,101,296	742,511	413,159	1,430,648

9. Restricted Funds

	Balance 1 January 2020	Income	Expenditure	Balance 31 December 2020
	£	£	£	£
Parker bequest	151,616	71,136	-	222,752

This fund is restricted to use on paying grants to assist with nursing home or residential care home fees in the Greater London area.

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****10. Endowment Funds**

	Balance 1 January 2020	Income & expenditure	Realised & unrealised gains	Balance 31 December 2020
	£	£	£	£
Permanent Endowment	18,965,128	(47,670)	58,930	18,976,388

This balance represents the consolidation of several historic endowments.

11. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	£	£	£	£
Investments	50,808	-	18,976,388	19,027,196
Current assets	1,379,840	222,752	-	1,602,592
	1,430,648	222,752	18,976,388	20,269,788

12. Related party transactions

Bradestrete Services Limited, a connected party, incurred administration, establishment and management expenses during the year on behalf of this Trust amounting to £48,738 (2019: £101,288).

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

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

The balances due to and from the other Trusts administered by the Merchant Taylors' Company at 31 December 2020 are disclosed in notes 6 and 7 to the financial statements.

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****13. Operating leases**

	2020	2019
	£	£
Due within one year	410,526	410,526
Due between one and five years	1,642,107	1,642,107
Due after five years	6,619,746	7,030,272
	8,672,381	9,082,907

The balance represents the minimum amounts due under non-cancelling operating leases.

14. Comparative information

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total 2019 £
Income from:				
Donations and legacies	4,496	151,616	-	156,112
Rental income	453,942	-	-	453,942
Investment income	452,003	-	-	452,003
Total income	910,441	151,616	-	1,062,057
Expenditure on:				
Raising funds				
Property costs	3,000	-	-	3,000
Investment costs	51,265	-	-	51,265
	54,265	-	-	54,265
Charitable activities				
Grants	494,364	-	-	494,364
Grant related support costs	107,301	-	-	107,301
	601,665	-	-	601,665
Total expenditure	655,930	-	-	655,930
Gains on investments	-	-	1,357,066	1,357,066
Transfers between funds	-	-	-	-
Net movement in funds	254,511	151,616	1,357,066	1,763,193
Funds at 1 January 2019	846,785	-	17,608,062	18,454,847
Funds at 31 December 2019	1,101,296	151,616	18,965,128	20,218,040

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****14. Comparative information (continued)**

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Investments	19,252	-	18,965,128	18,984,380
Current assets	1,082,044	151,616	-	1,233,660
	1,101,296	151,616	18,965,128	20,218,040

15. Merger of charities

On 20 August 2020 Merchant Taylors' Consolidated Charities for the Infirm and the Harold & Dorothy Howitt Trust Fund merged with Merchant Taylors' Consolidated Charities for the Poor. In accordance with Charities SORP, these financial statements present the combined results of the merged charities for the year ended 31 December 2020. Results for the comparative period have been restated so as to also reflect the combined results of the merged charities, as if they had always been part of the same reporting charity.

The results and balances of the individual charities and the combined totals are shown below.

Analysis of principal SoFA components for 2020

	Results to 20 August 2020			Post merger	
	MT CCI	HDHT	MT CCP	Combined	Total
	£	£	£	£	£
Total income	515,275	4,579	135,559	158,233	813,647
Total expenditure	243,026	7,422	14,638	195,743	460,829
Net income	272,249	(2,843)	120,921	(37,510)	352,818
Other gains/losses	(437,402)	(1,458)	(194,793)	692,582	58,930
Net movement in funds	(165,152)	(4,300)	(73,872)	655,072	411,748

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****15. Merger of charities (continued)****Analysis of principal SoFA components for 2019**

	MT CCI	HDHT	MT CCP	Total
	£	£	£	£
Total income	966,758	5,173	90,126	1,062,057
Total expenditure	598,182	3,375	54,373	655,930
Net income	368,576	1,798	35,753	406,127
Other gains/losses	1,151,277	1,529	204,260	1,357,066
Net movement in funds	1,519,853	3,327	240,013	1,763,193
Funds balance at 1.1.19	16,507,396	15,063	1,932,388	18,454,847
Funds balance at 31.12.19	18,027,249	18,390	2,172,401	20,218,040

Analysis of net assets at start of period

	MT CCI	HDHT	MT CCP	Total
	£	£	£	£
Net assets	18,027,249	18,390	2,172,401	20,218,040
Represented by:				
Unrestricted funds	1,006,083	2,901	92,312	1,101,296
Restricted funds	151,616	-	-	151,616
Endowment funds	16,869,550	15,489	2,080,089	18,965,128
Total funds	18,027,249	18,390	2,172,401	20,218,040

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****14. Merger of charities (continued)****Analysis of movement in net assets from start of year to date of merger**

	MT CCI	HDHT	MT CCP	Total
	£	£	£	£
Assets at start of period	18,027,249	18,390	2,172,401	20,218,040
Movement in funds	(165,152)	(4,300)	(73,872)	(243,324)
Net assets at merger	17,862,097	14,090	2,098,529	19,974,716
Represented by:				
Unrestricted funds	1,220,900	1,632	213,232	1,435,764
Restricted funds	209,049	-	-	209,049
Endowment funds	16,432,148	12,458	1,885,297	18,329,904
Total funds	17,862,097	14,090	2,098,529	19,974,716