

Registered Charity Number: 214267

**MERCHANT TAYLORS' CONSOLIDATED CHARITIES FOR THE POOR**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2023**

*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 JULY 2023**

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The Trustees submit their report and financial statements for the year ended 31 July 2023.

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')

**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.

*Merchant Taylors' Consolidated Charities for the Poor***TRUSTEES' REPORT  
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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
- 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 was to utilise the income received from the investment property to support the work of MTF by way of donations.

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.

Total grant-making in the year, all to Merchant Taylors' Foundation and from unrestricted funds, amounted to £324,148 (2022: £300,000).

**ACHIEVEMENTS AND PERFORMANCE****Performance against strategy**

The Charity was able to make grants to MTF in line with the overall philanthropic strategy.

The Charity did not make any grants for care/nursing home fees from the ACC Parker Income restricted fund. This was due in part to a lack of demand but also for the logistical and legal difficulties of using charitable grant funds as a contribution to care/nursing home fees in cases where the Local Authority is also obliged to make a contribution. See further under Future Plans.

**FINANCIAL REVIEW**

As at 31 July 2023, the Unrestricted Fund stood at £863,841 (2022: £832,585). That figure includes the Debtors of £791,770 which the Trustees did not treat as liquid and expendable funds when budgeting for grant-making during the reporting period.

The remaining balance of £72,071 in unrestricted funds represented the liquid and expendable funds as at 31 July 2023. This is likely to exceed any amount need for operational expenditure in the year.

**Risk management**

The most significant risk to the charity is interruption to the income generated by its investment property. This is monitored closely and regularly to ensure any necessary mitigation is in place.

*Merchant Taylors' Consolidated Charities for the Poor***TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 JULY 2023**

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

The Unrestricted Fund stood at £863,841 (2022: £832,585) at year-end and the Endowment Fund stood at £6,500,000 (2022: £6,271,175). The Restricted Fund stood at £319,270 (2022: £282,489). Due to the low level of activity the Trustees do not have a target level of reserves.

**FUTURE PLANS**

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

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

It is thought such amendment will require the Charity Commission's involvement since the governing document is a Commission Scheme.

The Trustees will review whether the ACC Parker Income restricted fund is still a viable vehicle for delivering a charitable impact, while subject to the current terms of the restriction and in the Charity's ownership. The review will include considering whether it would be in the Charity's best interests to ask the Charity Commission for permission to vary the fund's terms and transfer it to a sister charity (The Merchant Taylors' Boone's Charity).

**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.

*Merchant Taylors' Consolidated Charities for the Poor***TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 JULY 2023**

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**Induction and training of Trustees**

Trustees are given a Charity Governance Handbook and 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 sub-set 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.

The Trustees have delegated authority to the Clerk of the Merchant Taylors' Company to incur expenditure from the ACC Parker Income restricted fund, in certain circumstances and subject to certain conditions. The delegation is reviewed annually.

**Related Parties**

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

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

*Merchant Taylors' Consolidated Charities for the Poor*

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 JULY 2023**

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**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 Revd Canon R Godsall
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 LLP 71 Queen Victoria Street London, EC4V 4BE
SOLICITORS:	Charles Russell Speechlys LLP 5 Fleet Place London, EC4M 7RD

*Merchant Taylors' Consolidated Charities for the Poor***TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 JULY 2023**

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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 03/05/2024 and signed on their behalf:

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Name: Richard Sullivan

Trustee



## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023**

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### **Opinion**

We have audited the financial statements of Merchant Taylors' Consolidated Charities for the Poor for the year ended 31 July 2023 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 2023 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.

### **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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2023**

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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 8, 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.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2023**

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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 representatives of 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 representatives of 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

*Merchant Taylors' Consolidated Charities for the Poor***INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 JULY 2023**

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**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.

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

Date: 09/05/2024

SafferyLLP 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 JULY 2023**

	<b>Note</b>	<b>Unrestricted fund £</b>	<b>Restricted fund £</b>	<b>Endowment fund £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>Income and endowments from:</b>						
Donations and legacies		-	40,560	-	40,560	28,892
Rental income		395,337	-	-	395,337	410,526
Investment income		3,201	-	-	3,201	135
<b>Total</b>		<b>398,538</b>	<b>40,560</b>	<b>-</b>	<b>439,098</b>	<b>439,553</b>
<b>Raising funds</b>						
Investment costs		6,000	-	-	6,000	-
		<b>6,000</b>	<b>-</b>	<b>-</b>	<b>6,000</b>	<b>-</b>
<b>Charitable activities</b>						
Grants	2	324,148	-	-	324,148	300,000
Support costs	3	37,134	3,779	-	40,913	45,168
		<b>361,282</b>	<b>3,779</b>	<b>-</b>	<b>365,061</b>	<b>345,168</b>
<b>Total expenditure</b>		<b>367,282</b>	<b>3,779</b>	<b>-</b>	<b>371,061</b>	<b>345,168</b>
Net gains on investments	4	-	-	228,825	228,825	142,192
Net movement in funds		<b>31,256</b>	<b>36,781</b>	<b>228,825</b>	<b>296,862</b>	<b>236,577</b>
Funds at 1 August 2022		832,585	282,489	6,271,175	7,386,249	<b>7,149,672</b>
Funds at 31 July 2023		<b>863,841</b>	<b>319,270</b>	<b>6,500,000</b>	<b>7,683,111</b>	<b>7,386,249</b>

The notes on pages 16 to 25 form part of these financial statements

*Merchant Taylors' Consolidated Charities for the Poor***BALANCE SHEET  
AS AT 31 JULY 2023**

	Note	31 July 2023	31 July 2022
		£	£
<b>Fixed assets</b>			
Investment property	4	6,500,000	6,271,175
		<b>6,500,000</b>	<b>6,271,175</b>
<b>Current assets</b>			
Debtors	5	791,770	768,048
Cash at bank		470,491	412,516
		<b>1,262,261</b>	<b>1,180,564</b>
Creditors	6	79,150	65,490
<b>Net current assets</b>		<b>1,183,111</b>	<b>1,115,074</b>
<b>Total assets</b>		<b>7,683,111</b>	<b>7,386,249</b>
<b>Funds</b>			
Endowment	9	6,500,000	6,271,175
Restricted	8	319,270	282,489
Unrestricted	7	863,841	832,585
	10	<b>7,683,111</b>	<b>7,386,249</b>

03/05/2024

These financial statements were approved by the Trustees on and signed on their behalf by:

Trustee

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Trustee Richard Sullivan

*Merchant Taylors' Consolidated Charities for the Poor***STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JULY 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
Net cash provided by operating activities	54,774	21,521
<b>Cash flows from investing activities:</b>		
Investment income	3,201	-
Change in cash and cash equivalents in the reporting period	<b>57,975</b>	<b>21,521</b>
Cash and cash equivalents at 1 August 2022	412,516	390,995
<b>Cash and cash equivalents at 31 July 2023</b>	<b>470,491</b>	<b>412,516</b>
<b>Cash flows from operating activities</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the statement of financial activities)	296,862	236,577
<b>Adjustments for:</b>		
(Gains) on investments	(228,825)	(142,192)
Investment income	(3,201)	-
(Increase) in debtors	(23,722)	(56,376)
Increase/(Decrease) in creditors	13,660	(16,488)
	<b>54,774</b>	<b>21,521</b>

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**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**

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.

**Going Concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements

**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 JULY 2023**

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**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**

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 JULY 2023****2. Grants****Total 2023**

£

**Institutional grants**

Merchant Taylors' Foundation

324,148

**Total****324,148****Comparative information****Total 2022**

£

**Institutional grants**

Merchant Taylors' Foundation

300,000

**Total****300,000****3. Grant related support costs****Total 2023****Total 2022**

£

£

Administration costs

31,689

29,048

Insurance

466

520

Audit fees – current year

8,758

7,200

Audit fees – prior year

-

8,400

**40,913****45,168**

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023****4. Investment property**

	2023	2022
	£	£
Valuation at 1 August 2022	6,271,175	6,128,983
Revaluation	228,825	142,192
Valuation at 31 July 2023	<b>6,500,000</b>	<b>6,271,175</b>

Investment properties were valued as at 31 July 2023 by Knight Frank LLP. The valuation was a RICS valuation provided for the purpose of financial reporting. It was carried out using the comparative and investment methods. The valuation is necessarily based on a number of assumptions and involves professional judgement.

**5. Debtors**

	2023	2022
	£	£
Prepayments & accrued income	428	427
Rent receivable	-	16,019
Other debtors	791,342	751,602
	<b>791,770</b>	<b>768,048</b>

Included in other debtors is a balance of £791,342 representing the income accrued during the rent-free period which will be spread over the life of the lease in respect of Rectory Court.

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023****6. Creditors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Accruals	14,730	10,203
Deferred income	61,338	49,285
Other creditors	3,082	6,002
	<b>79,150</b>	<b>65,490</b>

Other creditors includes balances with connected parties:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Bradestrete Services Limited	3,082	6,002

**7. Unrestricted funds**

	Balance 1 August 2022	Income	Expenditure	Balance 31 July 2023
	£	£	£	£
Unrestricted funds	832,585	398,538	(367,282)	<b>863,841</b>

<b>Comparative information</b>	Balance 1 August 2021	Income	Expenditure	Balance 31 July 2022
	£	£	£	£
Unrestricted funds	767,092	410,661	(345,168)	<b>832,585</b>

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023****8. Restricted Funds**

	Balance 1 August 2022 £	Income £	Expenditure £	Balance 31 July 2023 £
Parker bequest	282,489	40,560	(3,779)	<b>319,270</b>

<b>Comparative information</b>	Balance 1 August 2021 £	Income £	Expenditure £	Balance 31 July 2022 £
Parker bequest	253,597	28,892	-	<b>282,489</b>

This fund is restricted to use on paying grants to assist with nursing home or residential care home fees in the Greater London area. The charity continues to seek ways in which to utilise these funds.

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023****9. Endowment Funds**

	Balance 1 August 2022 £	Net Income £	Investment gains £	Balance 31 July 2023 £
Permanent Endowment	6,271,175	-	228,825	<b>6,500,000</b>

<b>Comparative information</b>	Balance 1 August 2021 £	Net Income £	Investment gains £	Balance 31 July 2022 £
Permanent Endowment	6,128,983	-	142,192	<b>6,271,175</b>

This balance represents the consolidation of several historic endowments.

In 2021 the Charity donated all endowments, excluding those held as property investment in Rectory Court, to the Merchant Taylors' Foundation.

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023****10. Analysis of net assets between funds**

<b>At 31 July 2023</b>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Investments	-	-	6,500,000	6,500,000
Current assets	863,841	319,270	-	1,183,111
	<b>863,841</b>	<b>319,270</b>	<b>6,500,000</b>	<b>7,683,111</b>

<b>At 31 July 2022</b>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Investments	-	-	6,271,175	6,271,175
Current assets	832,585	282,489	-	1,115,074
	<b>832,585</b>	<b>282,489</b>	<b>6,271,175</b>	<b>7,386,249</b>

**11. Related party transactions**

Bradestrete Services Limited, a connected party, incurred and recharged administration, establishment and management expenses during the year to this Trust amounting to £31,688 (2022: £29,048).

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

The balances due to and from the other Trusts and companies associated with the Merchant Taylors' Company at 31 July 2023 are disclosed in notes 5 and 6 to the financial statements. During the year the charity made a substantial donation to MTF, see note 2 for further details.

No Trustees have received any remuneration in the year nor have they been reimbursed for expenses (2022: none and none).

*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023**

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**12. Operating leases**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Due within one year	410,526	410,526
Due between one and five years	1,642,107	1,642,107
Due after five years	5,388,168	5,798,694
	<b>7,440,801</b>	<b>7,851,327</b>

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



*Merchant Taylors' Consolidated Charities for the Poor***NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023****13. Comparative information**

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total 2022 £
<b>Income and endowments from:</b>				
Donations and legacies	-	28,892	-	28,892
Rental income	410,526	-	-	410,526
Investment income	135	-	-	135
<b>Total</b>	<b>410,661</b>	<b>28,892</b>	<b>-</b>	<b>439,553</b>
<b>Raising funds</b>				
Investment costs	-	-	-	-
	-	-	-	-
<b>Charitable activities</b>				
Grants	300,000	-	-	300,000
Support costs	45,168	-	-	45,168
	<b>345,168</b>	<b>-</b>	<b>-</b>	<b>345,168</b>
<b>Total expenditure</b>	<b>345,168</b>	<b>-</b>	<b>-</b>	<b>345,168</b>
Net gains on investments	-	-	142,192	142,192
Net movement in funds	<b>65,493</b>	<b>28,892</b>	<b>142,192</b>	<b>236,577</b>
Funds at 1 August 2021	767,092	253,597	6,128,983	<b>7,149,672</b>
Funds at 31 July 2022	<b>832,585</b>	<b>282,489</b>	<b>6,271,175</b>	<b>7,386,249</b>