

TALLOW CHANDLERS BENEVOLENT FUND NO 2

England & Wales · Charity number 246255

Details

Other names	CHARITIES ADMINISTERED BY THE WORSHIPFUL COMPANY OF TALLOW CHANDLERS, TALLOW CHANDLERS COMPANY BENEVOLENT FUND, TALLOW CHANDLERS BENEVOLENT FUND
Status	Registered
Legal form	Trust
Registered	1966-04-01
Register	View on the Charity Commission register

Contact

Address
The Tallow Chandlers Co
Tallow Chandlers Hall
4 Dowgate Hill
London
EC4R 2SH

Phone 02072484726

Email clerk@tallowchandlers.org

Website www.tallowchandlers.org

Activities

Objects: FOR SUCH CHARITABLE PURPOSES AS THE MASTER AND WARDENS OF THE TALLOW CHANDLERS COMPANY DECIDE

Activities: The Tallow Chandlers Benevolent Fund supports charities and other organisations having charitable purposes, principally those which the Tallow Chandlers' Company has historical trade connections and those which have links to the City of London and Greater London and those in which Members are actively involved - including youth clubs, education, hospices, and the disabled/disadvantaged.

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** CITY OF LONDON
- City Of London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£772,574	£598,851	£11,514,386	0
2024-04-05	£756,848	£1,097,258	£12,022,892	0
2023-04-05	£913,320	£618,657	£11,404,162	0
2022-04-05	£1,030,809	£1,064,083	£12,421,138	0
2021-04-05	£704,236	£498,378	£11,486,996	0

Trustees

Name	Role	Appointed
Tallow Chandlers Company		2017-04-25

Linked charities

- JOHN STEWART (246255-1)
- WILLIAM KILLINGWORTH HEDGES (246255-10)
- MATTHEW KEMPSTER FOR POOR (246255-11)
- RALPH HUMPHRIES (246255-12)
- STEPHEN LITTLEBAKER (246255-2)
- MATHEW KEMPSTER (246255-3)
- MRS FRANCES CLARK (246255-4)
- THOMAS CURZON (246255-5)
- MRS SUSAN IBELL (246255-6)
- TALLOW CHANDLERS BENEVOLENT FUND NO 2 (246255-7)
- ROGER MONK FOR POOR LIVERYMEN (FOUNDED BY INDENTURE OF 1828) (246255-8)
- ROGER MONK FOR POOR LIVERYMEN (FOUNDED BY WILL OF 1828) (246255-9)

TALLOW CHANDLERS BENEVOLENT FUND NO 2

England & Wales - Charity number 246255

Accounts

Charity number: 246255

Tallow Chandlers Benevolent Fund No 2.

Audited

Trustee's Report and Financial Statements

For the Year Ended 5 April 2025

Tallow Chandlers Benevolent Fund No 2.

Contents

	Page
Reference and Administrative Details of the Charity, its Trustee and Advisers	1
Trustee's Report	2 - 6
Independent Auditors' Report on the Financial Statements	7 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 34

Tallow Chandlers Benevolent Fund No 2.

Reference and Administrative Details of the Charity, its Trustee and Advisers For the Year Ended 5 April 2025

Trustee	The Worshipful Company of Tallow Chandlers
Charity registered number	246255
Principal office	Tallow Chandlers' Hall 4 Dowgate Hill London EC4R 2SH
Independent auditors	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment managers	Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report For the Year Ended 5 April 2025

Introduction

The Trustee presents the Report and the audited Financial Statements for the year ended 5 April 2025. These have been prepared in accordance with the Trust Deed and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

Structure, governance, and management

The Trust was established in 1979 and is governed by a Trust Deed dated 25 September 1979.

The Master and Wardens of The Worshipful Company of Tallow Chandlers ("the Company") as advised by the Court of Assistants have the power to appoint Trustees. In 2017 the Company was appointed as the sole Trustee.

The management of the Trust is vested in the Company and its appointed Education & Charity Committee.

Management and administrative resources are provided by The Worshipful Company of Tallow Chandlers. The notional value of these support services is £196,694 (2024 - £205,801) as per Note 4 of the financial statements.

Investment Policy

The main objectives for the charity's investment portfolio are to:

- (1) preserve the charity's reserves in real terms after allowing for inflation;
- (2) deliver a reasonable overall total return across the investment cycle;
- (3) ensure sufficient liquidity to fund the committed donations

The Trustee has a detailed Statement of Investment Policy which is regularly reviewed and communicated to the Charity's investment advisors.

The Charity wishes to be a responsible investor. Environmental, social and governance (ESG) criteria are a set of standards for an entity's operations that socially conscious investors, such as the charity, consider when reviewing their investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

The Charity's investment managers are instructed to take account of ESG issues in their investment analysis and decision-making processes and engage with the Charity management when appropriate.

The manager has categorised the Charity's responsible investment preference as 'Aware' which means that the aim is to optimise the Charity's stipulated returns for the given level of risk, believing that to achieve this, being aware of environmental, social and governance factors are important inputs. Each year they have to provide a detailed Responsible Investment report to the Charity, covering activity and engagement specific to the Charity's investments.

In November 2023 the Charity purchased an investment property to provide a regular rental income and diversify the investment portfolio to mitigate risk.

Fund Raising Policy

The Charity derives its income from investments, and donations from the members of the Tallow Chandlers' Company. Consequently, there is a minimal level of fundraising from third parties and therefore the charity has not signed up to a code of conduct.

Objectives and activities for the public benefit

The Trust is established for charitable purposes. It supports charities and charitable organisations that provide public benefit by providing donations, bursaries, and scholarships.

The Trust's principal aim is to provide relevant, focused support and giving for the benefit of disadvantaged young people in the Greater London area, to encourage them to succeed in life. This support is primarily provided through education. In achieving this aim, the Trust is providing public benefit and meeting its requirements of being established for charitable purposes.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2025

Objectives and activities for the public benefit (continued)

The Trustee seeks to achieve an impact through a structured programme of giving and by drawing on the support of the Tallow Chandlers' Company, its members, trade links, City connections, and wider affiliations.

The Trustee regularly reviews the impact of the support given by ongoing engagement with the relevant charities and charitable organisations. Through the support of the members of the Tallow Chandlers' Company, a network of links with the individual bodies has been established and each new application for support is carefully reviewed and discussed to assess the impact the requested support would have.

Grants and awards disbursed during the year, before any movements in grant commitments in the year, totalled £584,745. Please refer to Note 7 of the financial statements.

The Trustee has referred to Charity Commission guidance on public benefit when reviewing aims and objectives, planning for the future, and setting grant making policy.

Achievements and performance

Our flagship beneficiaries, which receive our largest annual donations and programmes of non-financial support, are Greig City Academy in Haringey, Leigh Academy Halley (formerly The Halley Academy) in Greenwich, and Cubitt Town Primary School in Tower Hamlets. All three schools have a high proportion of students receiving free school meals and a high proportion of students from ethnic minority backgrounds. The proportion of students that have English as an additional language (EAL) is also very high. The donations are intended to enhance and add value and do not contribute to core costs or delivery of the standard curricula.

In September 2022, the Company embarked on a new strand of its strategy — regionalisation. Three volunteer regional coordinators, one for each of the Company's flagship schools, started the process of identifying individual charities, educational establishments and youth organisations in the schools' regional areas which would add value to the school 'outside the school gates' and enhance the Company's support to that school.

Our relationship with Greig City Academy (GCA) began in 2013. Our aim is to promote STEM and help students with their transition to university, further education, or employment. Over the last eleven years, our annual core donation has increased from £15,000 to £60,000, reflecting the success of the association. Two Tallow Chandler members sit on the Board as Governors.

Annual prizes are presented to students who have excelled in STEM subjects and bursaries are awarded to students who go on to university. During that time, we have facilitated university visits, participated in careers fairs and mentoring events, advised on CV writing and interview techniques, helped GCA connect with other schools, and contributed to the costs of participation in international science competitions.

The STEM Centre, in which the Trustee has previously invested, has continued to be used to facilitate the Academy's programme of extra-curricular STEM activities, such as the robotics league which supports primary schools in the local area and beyond, including Cubitt Town Primary School. Some of the donation was used to pay travel costs for students attending the VEX Robotics World Championships 2024 in Dallas, USA.

The Trustee funded £2,530 in 2023 to support a two-year Arkwright Engineering Scholarship through The Smallpeice Trust. The scholar is a student of Greig City Academy and completes their Scholarship at the end of academic year 2024-25.

An annual donation of £3,000 per annum over three years continues to Future Frontiers, a charity supporting young people aged 16 - 18 from disadvantaged backgrounds to fulfil their potential at school and when moving to education, employment or training. Connections were made between the charity and GCA staff responsible for careers and work experience at the Academy.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2025

Achievements and performance (continued)

A one-off donation of £6,000 was approved in November 2023 to Voyage, a social justice charity tackling racial imbalance in London with a focus on young black people. The charity is working with 20 Year 9 and 10 pupils at Greig City Academy (those at risk of exclusion, displaying antisocial and challenging behaviour, underperforming at GCSE and at risk of participating in gang-related activity) by running its Safe in the City programme. The charity was given continued support this year to run the programme again and also to run associated teacher training at GCA.

Support to Leigh Academy Halley (LAH) (formerly The Halley Academy) began in 2017, with the award of their first donation of £20,000. Over the last seven years, the annual donation has increased to £60,000. A programme of non-financial giving has been developed with the Academy and the Leigh Academies Trust (LAT), the parent body of the Academy, and continues to grow. A Company member continues in the role of Director at the Leigh Academies Trust, and two Company members sit on the Board as Governors. Members of the Company participate in a range of mentoring and careers events.

As part of the regionalisation strategy, in 2022, the Trustee agreed a one-off donation of £20,000 to Roots4Life, a charity addressing the physical and mental health challenges that come with malnutrition, obesity and social isolation. The charity has a close relationship with LAH, and had outreach to families, schools and community groups in its area, and therefore falls within the regionalisation strategy. In 2023, a further three years of funding to Roots4Life was agreed at £20,000 per annum.

Platform Cricket, which focuses on children in inner London by delivering coaching programmes and community cricket clubs in areas where there is high child poverty and little or no cricket provision, continues to be supported with a three-year funding donation of £2,000 per annum.

The Children's Literary Charity (also working with Cubitt Town Primary School) received a one-off donation this year to work with Year 7 and 8 pupils at Leigh Academy Halley, running a Reading Lab and a Reader Leader peer mentoring programme, both designed to close the reading age gap.

Cubitt Town Primary School (CTPS) was awarded a three-year grant by the Company in 2016. Over the last eight years, the annual donation has increased from £15,000 to £60,000.

Links with Greig City Academy continue, with the Academy's robotics department sharing advice and expertise with the school, and pupils participating in the Academy's robotics league. Pupils also participate in the Launch Car Challenge, an annual STEM programme hosted by Reed's School, which the Trustee supports with a £2,000 per annum donation over three years. Cubitt Town Primary pupils also visit the Hall to take part in an annual Dragons' Den Science Competition.

The Royal Academy of Culinary Arts' food and nutrition programme, Adopt a School, at Cubitt Town Primary School has been supported this year with a donation of £825, and the donation of £4,000 per annum to the London Symphony Orchestra's Music in the Classroom programme continues, with non-music specialist teachers from CTPS attending the programme to learn how to teach music in school. Open City was given a one-off donation of £3,000 to run its Architecture in Schools STEM and Design programme at Cubitt Town Primary School and one other primary school in Tower Hamlets.

The AHOY Centre, offering pupils from inner London opportunities to engage in on-the-water activities and courses, is receiving a three year donation of £5,000, agreed in September 2023, and this year the charity has offered an annual two-day sailing programme for Cubitt Town Primary School pupils.

In June 2023, the Trustee approved a donation of £15,000 for The Children's Literacy Charity to run its Literacy Lab programme in academic year 2023-24, and a further one-off donation of the same value was given this year for continuation of its work with Cubitt Town Primary School pupils. The programme aims to close the literacy gap for pupils in Key Stage One, most of whom have special educational needs, receive free school lunches, have complex home situations which prevent them from flourishing, or are from non-English speaking backgrounds.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2025

Achievements and performance (continued)

City of London institutions, our associated trades and affiliated military organisations are important parts of the Company's culture. Support within the City of London during the year included donations to the Lord Mayor's Appeal, the Sheriffs' and Recorder's Fund, City of London School for Girls, City & Guilds, City of London School and City of London Volunteer Police Cadets. Bursaries were funded at Barts and the London School of Medicine and Dentistry, Guildhall School of Music and Drama, and St Paul's Chorister Trust. This year, a donation of £5,000 per annum over a three year period has been given to First Battalion The Rifles for its Always a Rifleman programme.

The Trustee approved 61 grants to a total of 54 organisations. In all cases, the Trustee has received appropriate acknowledgement of their award and a summary of the benefits and impact this has enabled for the public benefit.

During the year £411,214 of grant commitments provided for last year were paid, together with £173,531 of grant commitments entered into this year. A further £168,423 of grant commitments were provided for this year. The overall result is a decrease in the provision of £242,791.

Although not supported by separately identified endowments, several small and ancient charities were paid £950 in total by standing order out of General Funds, whilst they are available.

Grant making policy

Our members make generous contributions to the Tallow Chandlers Benevolent Fund each year which, combined with the Gift Aid recoverable and an annual gift from the Company itself, go towards increasing the capital of the fund.

Each year the charity budgets to disburse an amount equal to 3.5% of the average of the last 20 quarterly valuations of the total capital of the fund. Combined with time given by our members this enables us to make significant donations that can have real impact. This practice allows continuity of support to our carefully selected causes over a number of years, even in the event of periodic downturns in investment performance.

The charity is further protected against diminution in its capital by its practice of making commitments for a maximum of three years and reviewing each charity every three years. This would enable, in any one year, a reduction — if deemed necessary — of up to one third of our giving.

Financial review

In the year to 5 April 2025, there was net income before recognised gains and losses of £173,723 (2024 - net expenditure before recognised gains and losses of £340,410) and a net decrease in total funds of £508,506 (2023 - net increase in total funds of £618,730).

The value of the fixed asset investments held by the Trust decreased from £10,902,839 at 5 April 2024 to £10,282,014 at the year end. This decrease in value comprised acquisitions during the year of £5,324,037 less disposals of £5,196,683. The balance of £748,179 results from a decrease in market value of investments of £643,660, together with a decrease in cash balances of £104,519 from £198,998 at the start of the year to £94,479 at the end.

Total incoming resources were £772,574 (2024 - £756,848). The principal funding sources arise from donation income from the members of The Worshipful Company of Tallow Chandlers and from income generated by the fixed asset investments.

Reserves policy

The Trust has an accounting policy to treat as Designated funds the charitable receipts, tax recoveries, and other support from the Company and from its Members, which are treated as capital to be invested, thus continuing the charitable activities of the Trust for the long term. Any capital or income not required for the immediate charitable purpose of the Trust is reinvested.

The Trust uses the invested funds to generate a return to provide for the long-term activities as described in the Grant making policy.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2025

Reserves policy (continued)

The level of designated funds held at the year end was £11,511,546 (2024 - £12,031,439).

The Trust has an accounting policy to treat as Restricted funds any charitable receipts, which on the instruction of the donor, are to be used for specific purposes.

At the year end the restricted funds held were £2,840 (2024 - deficit of £8,547).

Plans for Future Periods

The Trustee will continue to approve and distribute Grants in accordance with the Grant Making Policy. The Trustee was pleased that the Halley Appeal Target was successfully achieved and will seek to build on its achievement.

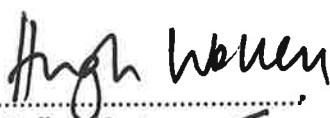
Trustee's Responsibilities Statements

The Trustee is responsible for preparing the Trustee's Annual 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 & Wales requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 operation.

Approved by order of the members of the board of Trustee and signed on their behalf by:



.....
Mr H Wolley, Master

On behalf of The Worshipful Company of Tallow Chandlers
Trustee

Date: 16th Jun 2025

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2.

Opinion

We have audited the financial statements of Tallow Chandlers Benevolent Fund No 2. (the 'charity') for the year ended 5 April 2025 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Trustee with respect to going concern are described in the relevant sections of this report.

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustee are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee 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 Trustee 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 Trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to Charity Law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019) and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated the Trustee and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements and the recognition of grant commitments in the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Verification of year-end cash at bank balances to an external bank audit letter; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, 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 charity's Trustee those matters we are required to state to them in an Auditors' 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 its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Horsham

Date: 23 June 2015

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Tallow Chandlers Benevolent Fund No 2.

Statement of financial activities For the Year Ended 5 April 2025

	Note	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	12,160	372,453	384,613	399,125
Investments	5	-	387,961	387,961	357,723
Total income		12,160	760,414	772,574	756,848
Expenditure on:					
Raising funds	6	-	72,043	72,043	89,520
Charitable activities	8	773	526,035	526,808	1,007,738
Total expenditure		773	598,078	598,851	1,097,258
Net (expenditure)/ income before net gains/(losses) on investments		11,387	162,336	173,723	(340,410)
Net (losses)/gains on investments		-	(682,229)	(682,229)	959,140
Net movement in funds		11,387	(519,893)	(508,506)	618,730
Reconciliation of funds:					
Total funds brought forward		(8,547)	12,031,439	12,022,892	11,404,162
Net movement in funds		11,387	(519,893)	(508,506)	618,730
Total funds carried forward		2,840	11,511,546	11,514,386	12,022,892

The Statement of Financial Activities includes all gains and losses recognised in the year.

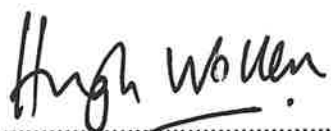
The notes on pages 14 to 34 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Balance Sheet As at 5 April 2025

	Note	2025 £	2024 £
Fixed assets			
Investments	13	10,282,014	10,902,839
Investment property	12	1,365,000	1,403,569
		<u>11,647,014</u>	<u>12,306,408</u>
Current assets			
Debtors	14	50,799	47,584
Cash at bank and in hand		285,653	388,490
		<u>336,452</u>	<u>436,074</u>
Creditors: amounts falling due within one year	15	(362,005)	(442,140)
Net current liabilities		<u>(25,553)</u>	<u>(6,066)</u>
Total assets less current liabilities		<u>11,621,461</u>	<u>12,300,342</u>
Creditors: amounts falling due after more than one year	16	(107,075)	(277,450)
Net assets		<u>11,514,386</u>	<u>12,022,892</u>
Total net assets		<u><u>11,514,386</u></u>	<u><u>12,022,892</u></u>
Charity funds			
Restricted funds	18	2,840	(8,547)
Unrestricted funds	18	11,511,546	12,031,439
Total funds		<u><u>11,514,386</u></u>	<u><u>12,022,892</u></u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



Mr H Wolley, Master

On behalf of The Worshipful Company of Tallow Chandlers

Date: 16th Jun 2025

The notes on pages 14 to 34 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Statement of Cash Flows For the Year Ended 5 April 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	(467,963)	(190,211)
Cash flows from investing activities		
Dividends, interests and rents from investments	387,961	354,179
Proceeds from sale of investments	5,196,683	5,408,831
Purchase of investments	(5,324,037)	(4,411,895)
Purchase of investment property	-	(1,403,569)
Net cash provided by/(used in) investing activities	260,607	(52,454)
Change in cash and cash equivalents in the year	(207,356)	(242,665)
Cash and cash equivalents at the beginning of the year	587,488	830,153
Cash and cash equivalents at the end of the year	380,132	587,488

The notes on pages 14 to 34 form part of these financial statements

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

1. General information

Tallow Chandlers Benevolent Fund No 2. constitutes a public benefit entity as defined by FRS 102. It's registered charity number is 246255.

The financial statements have been prepared in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficiently within the level of reserves for the charity to be able to continue as a going concern.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Investment income includes rent receivable which is recognised based on the rental period that the rent accrues over, interest from listed investments which is recognised based on the period the interest accrues over, and dividend income which is recognised based on the date the dividend is declared.

Income from rent receivable is recognised net of VAT.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and that the amount of the obligation can be reliably measured.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and consists of investment management costs and an apportionment of support costs.

Charitable activities and Governance costs consist of grants and donations made and an apportionment of support costs.

Grants and donations payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient has been notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Trust.

Where an unconditional multi-year grant is awarded the full amount of the grant is recognised in the year of the award. The proportion of any multi-year grant unpaid at the year end is recognised as a liability on the balance sheet at its present value.

Expenditure relating directly to investment property costs are recognised net of VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investment properties are measured at fair value at each reporting date.

At each reporting date the property is valued externally. Revaluation losses caused only by the change in market value shall be recognised in the Statement of Financial Activities until the carrying amount of the asset reaches its historical cost. If the value of the property falls below historical cost an impairment loss is recognised immediately in the Statement of Financial Activities. Revaluation gains shall be recognised in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 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.

2.12 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed above in Note 2 "Accounting policies". Grant commitments are recognised at the point the decision has been sufficiently communicated to the recipient, creating a valid expectation on the recipient's part that the grant will be received. The decision is communicated to the recipient upon approval of the Education and Charity Committee meeting minutes by the court.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

4. Income from donations and legacies

	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £
Donations from Liverymen and Freemen (including tax recoveries)	-	108,864	108,864
Other donations	12,160	33,730	45,890
Donation from The Worshipful Company of Tallow Chandlers	-	196,694	196,694
Legacies	-	33,165	33,165
Total 2025	12,160	372,453	384,613

	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £
Donations from Liverymen and Freemen (including tax recoveries)	-	113,909	113,909
Other donations	9,375	50,040	59,415
Donation from The Worshipful Company of Tallow Chandlers	-	205,801	205,801
Legacies	-	20,000	20,000
Total 2024	9,375	389,750	399,125

Within designated income is a notional donation in kind of £196,694 (2024 - £205,801) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

Tallow Chandlers Benevolent Fund No 2.

**Notes to the Financial Statements
For the Year Ended 5 April 2025**

5. Investment Income

	Designated funds 2025 £	Total funds 2025 £
Rental income	90,756	90,756
Dividends	262,837	262,837
Interest	34,368	34,368
Total 2025	387,961	387,961

	Designated funds 2024 £	Total funds 2024 £
Rental income	38,457	38,457
Dividends	270,919	270,919
Interest	48,347	48,347
Total 2024	357,723	357,723

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

6. Expenditure on raising funds

	Designated funds 2025 £	Total funds 2025 £
Investment management costs	44,105	44,105
Support costs - raising funds	27,928	27,928
Exchange losses on quoted investments	10	10
Total 2025	72,043	72,043

	Designated funds 2024 £	Total funds 2024 £
Investment management costs	46,642	46,642
Support costs - raising funds	33,737	33,737
Exchange losses on quoted investments	3,544	3,544
Investment property insurance	5,597	5,597
Total 2024	89,520	89,520

Analysis of support costs

	Designated funds 2025 £	Total funds 2025 £
Staff costs	18,430	18,430
Office costs	3,212	3,212
Premises costs	4,520	4,520
Professional costs	1,766	1,766
Total 2025	27,928	27,928

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

	Designated funds 2024 £	Total funds 2024 £
Staff costs	27,321	27,321
Office costs	3,959	3,959
Premises costs	2,315	2,315
Professional costs	142	142
Total 2024	<u>33,737</u>	<u>33,737</u>

7. Analysis of grants

	Grants to Institutions 2025 £	Total funds 2025 £
Grant funding	<u>341,954</u>	<u>341,954</u>

	Grants to Institutions 2024 £	Total funds 2024 £
Grant funding	<u>825,630</u>	<u>825,630</u>

Analysis of grants

	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £
Grants paid to institutions in the current year	3,447	571,398	574,845
Awards	-	8,950	8,950
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	950	950
Movement in grant creditor	(2,674)	(240,117)	(242,791)
Total 2025	<u>773</u>	<u>341,181</u>	<u>341,954</u>

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

	Designated funds 2024 £	Total funds 2024 £
Grants paid to institutions in the current year	439,887	439,887
Awards	11,230	11,230
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	1,450	1,450
Movement in grant creditor	373,063	373,063
Total 2024	<u>825,630</u>	<u>825,630</u>

All grants are to institutions and are for the same charitable purpose as defined by the objectives and activities in the Trustee's Report.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

Analysis of grants (continued)

The following institutions received grants of £1,000 or more:

	Restricted funds 2025 £	Grants to Institutions 2025 £	Total funds 2025 £
Cubitt Town Junior School	-	170,000	170,000
Leigh Academy Halley	3,447	60,000	63,447
Greig City Academy	-	60,000	60,000
The Children's Literacy Charity	-	29,200	29,200
Roots4Life	-	20,000	20,000
Bart's & Royal London School of Medicine	-	17,500	17,500
City University Future Professionals	-	14,000	14,000
St Paul's Cathedral Chorister Trust and Friends of St Paul's	-	11,837	11,837
Voyage	-	11,816	11,816
Skerries for Schools	-	10,500	10,500
Guildhall School Trust	-	10,000	10,000
Into University	-	10,000	10,000
Renaissance Foundation	-	10,000	10,000
London Air Ambulance	-	8,400	8,400
First Aid Nursing Yeomanry (FANY)	-	8,000	8,000
Manchester University	-	8,000	8,000
Reeds School	-	8,000	8,000
The Poppy Factory	-	8,000	8,000
City of London Volunteer Police Cadets	-	7,500	7,500
FOSFA	-	6,250	6,250
Ahoy Centre	-	5,000	5,000
Batemans Trust	-	5,000	5,000
Clean Break Theatre Company	-	5,000	5,000
London Youth Choir	-	5,000	5,000
Lord Mayor's Appeal	-	5,000	5,000
First Battalion The Rifles	-	5,000	5,000
Downright Excellent	-	5,000	5,000
Number Champions	-	5,000	5,000
CERES Reimagine Science	-	5,000	5,000
Emmaus Suffolk	-	4,170	4,170
London Symphony Orchestra	-	4,000	4,000
Switch - Snow Camp	-	4,000	4,000
Iron Bridge	-	4,000	4,000
Believe UK	-	3,000	3,000
Future Frontiers	-	3,000	3,000
Open City Architect	-	3,000	3,000
The Creative Dimension Trust	-	3,000	3,000
The Royal Academy of Culinary Arts	-	2,825	2,825

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

Platform Cricket TH Youth Support	-	2,000	2,000
Sheriff's and Recorder's Fund	-	2,000	2,000
Homers Company Science Opens Doors	-	1,400	1,400
City of London Girls	-	1,000	1,000
Total 2025	3,447	571,398	574,845

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Designated funds 2025 £	Total 2025 £
Grant funding	773	513,095	513,868
Support costs	-	12,940	12,940
Total 2025	773	526,035	526,808

	Designated funds 2024 £	Total 2024 £
Grant funding	998,738	998,738
Support costs	9,000	9,000
Total 2024	1,007,738	1,007,738

Grant funding of £513,868 (2024 - £998,738) includes grants paid as per note 7 of £341,954 (2024 - £825,630) and support costs allocated as per note 9 of £171,914 (2024 - £173,108).

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

9. Analysis of expenditure by activities

	Grant funding 2025 £	Support costs 2025 £	Total funds 2025 £
Grant funding	341,954	171,914	513,868
Governance costs	-	12,940	12,940
Total 2025	341,954	184,854	526,808

	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Grant funding	825,630	173,108	998,738
Governance costs	-	9,000	9,000
Total 2024	825,630	182,108	1,007,738

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	127,259	149,734
Office costs	3,212	3,959
Premises costs	13,561	6,945
Other costs	20,581	12,044
Professional costs	7,301	426
Governance costs (see note 10)	12,940	9,000
Total 2025	184,854	182,108

Allocation of support costs:

Staff costs

Staff costs incurred by The Worshipful Company of Tallow Chandlers have been allocated based on the time spent on each activity. The cost of the charity secretary employed by the Company has been fully allocated to grant funding activities. The remaining costs have been allocated with 75% relating to grant funding activities and 25% relating to time spent raising funds.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

9. Analysis of expenditure by activities (continued)

Office costs

The office is owned by the Company and used by staff employed in the Company. The office costs incurred are for the purpose of both grant funding activities and raising funds. Costs have therefore been allocated equally to these activities.

Premises costs

Premises costs relate to the maintenance of the Hall and office which are owned by the Company. The Trust only use the Hall for award functions and other charitable occasions whilst the office is used by the Company staff for both the purpose of grant funding activities and raising funds. Premises costs have been allocated with 75% relating to grant funding activities and 25% relating to raising funds.

Other costs

Other costs relate to the award functions that are held in the Hall which is owned by the Company. The award functions relate wholly to grant funding activities and have therefore been attributed in this way.

Professional costs

Professional costs relate to the pension management and payroll costs incurred by the Company for their staff. These have been allocated with 75% relating to grant funding activities and 25% relating to raising funds. This treatment is consistent with the treatment of staff costs.

10. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	9,600	7,800
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	3,340	1,200

11. Trustee's remuneration and expenses

During the year the Trustees did not receive any remuneration, refund of expenses, or any other benefits (2024 - £NIL).

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

12. Investment property

	Long term leasehold investment property £
Valuation	
At 6 April 2024	1,403,569
Loss on revaluation	(38,569)
	<u>1,365,000</u>
At 5 April 2025	<u>1,365,000</u>

The investment property was revalued on 5 April 2025 by Rapleys LLP, who are external to the charity. The property has a current value of £1,365,000 (2024: £1,403,569) and a carrying amount at historical cost of £1,403,569. The depreciation on this historical cost is £nil.

13. Fixed asset investments

	Listed investments £	Cash for re- investment £	Total £
Cost or valuation			
At 6 April 2024	10,703,841	198,998	10,902,839
Additions	5,324,037	-	5,324,037
Disposals	(5,196,683)	(104,519)	(5,301,202)
Revaluations	(643,660)	-	(643,660)
At 5 April 2025	<u>10,187,535</u>	<u>94,479</u>	<u>10,282,014</u>

Included within the revaluation losses on listed investments are realised gains of £206,452 (2024 - £187,971).

14. Debtors

	2025 £	2024 £
Due within one year		
The Worshipful Company of Tallow Chandlers	780	-
Other debtors	37,303	40,818
Income tax recoverable (gift aid)	12,716	6,766
	<u>50,799</u>	<u>47,584</u>

Included within other debtors is £Nil (2024 - £11,387) due from the designated fund to the restricted fund in relation to amounts owed for the Halley Academy appeal.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	89	81
Other taxation and social security	6,050	2,138
Other creditors	-	11,387
Accruals and deferred income	17,068	17,320
Grant commitments	338,798	411,214
	<u>362,005</u>	<u>442,140</u>

Included within other creditors is £Nil (2024 - £11,387) due to the restricted fund from the designated fund in relation to amounts owed for the Halley Academy appeal.

16. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Grant commitments	<u>107,075</u>	<u>277,450</u>

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

17. Accrued funding commitments

	Under one year 2025 £	Over one year 2025 £	Total funds 2025 £
Grant commitments brought forward	411,214	277,450	688,664
New commitments entered into in year	174,304	167,650	341,954
Grants paid during year	(584,745)	-	(584,745)
Commitments now due within one year	338,025	(338,025)	-
Total 2025	338,798	107,075	445,873

	Under one year 2024 £	Over one year 2024 £	Total funds 2024 £
Grant commitments brought forward	200,264	115,337	315,601
New commitments entered into in year	586,680	238,950	825,630
Grants paid during year	(452,567)	-	(452,567)
Commitments now due within one year	76,837	(76,837)	-
Total 2024	411,214	277,450	688,664

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

18. Statement of funds

Statement of funds - current year

	Balance at 6 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2025 £
Unrestricted funds					
Designated funds	12,031,439	760,414	(598,078)	(682,229)	11,511,546
	Balance at 6 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2025 £
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - Leigh Academy Halley	(11,387)	12,160	(773)	-	-
	(8,547)	12,160	(773)	-	2,840
Total of funds	12,022,892	772,574	(598,851)	(682,229)	11,514,386

Statement of funds - prior year

	Balance at 6 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2024 £
Unrestricted funds					
Designated funds	11,422,084	747,473	(1,097,258)	959,140	12,031,439
	Balance at 6 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2024 £
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - Leigh Academy Halley	(20,762)	9,375	-	-	(11,387)
	(17,922)	9,375	-	-	(8,547)
Total of funds	11,404,162	756,848	(1,097,258)	959,140	12,022,892

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

19. Summary of funds

Summary of funds - current year

	Balance at 6 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2025 £
Designated funds	12,031,439	760,414	(598,078)	(682,229)	11,511,546
Restricted funds	(8,547)	12,160	(773)	-	2,840
	<u>12,022,892</u>	<u>772,574</u>	<u>(598,851)</u>	<u>(682,229)</u>	<u>11,514,386</u>

Summary of funds - prior year

	Balance at 6 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2024 £
Designated funds	11,422,084	747,473	(1,097,258)	959,140	12,031,439
Restricted funds	(17,922)	9,375	-	-	(8,547)
	<u>11,404,162</u>	<u>756,848</u>	<u>(1,097,258)</u>	<u>959,140</u>	<u>12,022,892</u>

Fund descriptions

a) Designated funds

The designated fund derives from the charitable receipts, tax recoveries and other support from the Company and from its Members, which are treated as capital to be invested. Any capital or income not required for the immediate charitable purposes of the Trust is reinvested by the Trustee.

b) Restricted funds

- FOSFA - the restricted fund derives from charitable receipts from FOSFA which are to be granted as and when an appropriate candidate for the FOSFA award is nominated.

- Leigh Academy Halley - the restricted fund derives from charitable receipts from donors, including matched funding from The Worshipful Company of Tallow Chandlers, which have been specifically donated in response to the Leigh Academy Halley appeal. The intention of the monies raised from the appeal is to fund the construction and establishment of an engineering and design centre. Income of £10,441 (2024 - £7,500) was received from members of the Company during the year. Gift aid of £1,719 (2024 - £1,875) is recoverable on this income, £Nil (2024 - £1,185) of this is included in tax recoveries within debtors at the year end. During the year £3,447 (2024 - £Nil) was paid to the Leigh Academy Halley, and the remaining £773 (2024 - £3,427) is included within the grant commitment creditor.

The deficit on the Leigh Academy Halley restricted fund had arisen due to amounts paid over to the Leigh Academy Halley Appeal exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however this had not been paid over as at 5 April 2024. The Trust had made the additional payments to the Leigh Academy Halley Appeal on the basis that the remaining donations pledged would be received from the members. The deficit on the Leigh Academy Halley restricted fund reversed in the current financial year.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Designated funds 2025 £	Total funds 2025 £
Fixed asset investments	-	10,282,014	10,282,014
Investment property	-	1,365,000	1,365,000
Current assets	3,613	332,839	336,452
Creditors due within one year	(773)	(361,232)	(362,005)
Creditors due in more than one year	-	(107,075)	(107,075)
Total	2,840	11,511,546	11,514,386

Analysis of net assets between funds - prior year

	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £
Fixed asset investments	-	10,902,839	10,902,839
Investment property	-	1,403,569	1,403,569
Current assets	4,025	432,049	436,074
Creditors due within one year	(12,572)	(429,568)	(442,140)
Creditors due in more than one year	-	(277,450)	(277,450)
Total	(8,547)	12,031,439	12,022,892

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(508,506)	618,730
Adjustments for:		
Losses/(gains) on investments	682,229	(959,140)
Dividends and interest from investments	(387,961)	(354,179)
(Increase)/decrease in debtors	(3,215)	132,151
(Decrease)/increase in creditors	(250,510)	372,227
Net cash used in operating activities	(467,963)	(190,211)

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2025

22. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	285,653	388,490
Investment cash	94,479	198,998
Total cash and cash equivalents	380,132	587,488

23. Analysis of changes in net debt

	At 6 April 2024 £	Cash flows £	At 5 April 2025 £
Cash in hand	388,490	(102,837)	285,653
	388,490	(102,837)	285,653

24. Related party transactions

The Worshipful Company of Tallow Chandlers
Trustee

During the year the charity received a notional donation in kind of £196,694 (2024 - £205,801) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

Total donation income received by the charity in the year, including the above notional donation, amounted to £196,694 (2024 - £205,801).

At the balance sheet date the amount due to the charity from The Worshipful Company of Tallow Chandlers was £780 (2024 - £Nil).

TALLOW CHANDLERS BENEVOLENT FUND NO 2

England & Wales - Charity number 246255

Accounts

Charity number: 246255

Tallow Chandlers Benevolent Fund No 2.

Audited

Trustee's Report and Financial Statements

For the Year Ended 5 April 2024

Tallow Chandlers Benevolent Fund No 2.

Contents

	Page
Reference and Administrative Details of the Charity, its Trustee and Advisers	1
Trustee's Report	2 - 6
Independent Auditors' Report on the Financial Statements	7 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 33

Tallow Chandlers Benevolent Fund No 2.

Reference and Administrative Details of the Charity, its Trustee and Advisers For the Year Ended 5 April 2024

Trustee	The Worshipful Company of Tallow Chandlers
Charity registered number	246255
Principal office	Tallow Chandlers' Hall 4 Dowgate Hill London EC4R 2SH
Independent auditors	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment managers	Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report For the Year Ended 5 April 2024

Introduction

The Trustee presents the Report and the audited Financial Statements for the year ended 5 April 2024. These have been prepared in accordance with the Trust Deed and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

Structure, governance, and management

The Trust was established in 1979 and is governed by a Trust Deed dated 25 September 1979.

The Master and Wardens of The Worshipful Company of Tallow Chandlers ("the Company") as advised by the Court of Assistants have the power to appoint Trustees. In 2017 the Company was appointed as the sole Trustee.

The management of the Trust is vested in the Company and its appointed Education & Charity Committee.

Management and administrative resources are provided by The Worshipful Company of Tallow Chandlers. The notional value of these support services is £205,801 (2023 - £164,921) as per Note 4 of the financial statements.

Investment Policy

The main objectives for the charity's investment portfolio are to:

- (1) preserve the charity's reserves in real terms after allowing for inflation;
- (2) deliver a reasonable overall total return across the investment cycle;
- (3) ensure sufficient liquidity to fund the committed donations

The Trustee has a detailed Statement of Investment Policy which is regularly reviewed and communicated to the Charity's investment advisors.

The Charity wishes to be a responsible investor. Environmental, social and governance (ESG) criteria are a set of standards for an entity's operations that socially conscious investors, such as the charity, consider when reviewing their investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

The Charity's investment managers are instructed to take account of ESG issues in their investment analysis and decision-making processes and engage with the Charity management when appropriate.

The manager has categorised the Charity's responsible investment preference as 'Aware' which means that the aim is to optimise the Charity's stipulated returns for the given level of risk, believing that to achieve this, being aware of environmental, social and governance factors are important inputs. Each year they have to provide a detailed Responsible Investment report to the Charity, covering activity and engagement specific to the Charity's investments.

Fund Raising Policy

The Charity derives its income from investments, and donations from the members of the Tallow Chandlers' Company. Consequently, there is a minimal level of fundraising from third parties and therefore the charity has not signed up to a code of conduct.

Objectives and activities for the public benefit

The Trust is established for charitable purposes. It supports charities and charitable organisations that provide public benefit by providing donations, bursaries, and scholarships.

The Trust's principal aim is to provide relevant, focused support and giving for the benefit of disadvantaged young people in the Greater London area, to encourage them to succeed in life. This support is primarily provided through education. In achieving this aim, the Trust is providing public benefit and meeting its requirements of being established for charitable purposes.

The Trustee seeks to achieve an impact through a structured programme of giving and by drawing on the support of the Tallow Chandlers' Company, its members, trade links, City connections, and wider affiliations.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2024

Objectives and activities for the public benefit (continued)

The Trustee regularly reviews the impact of the support given by ongoing engagement with the relevant charities and charitable organisations. Through the support of the members of the Tallow Chandlers' Company, a network of links with the individual bodies has been established and each new application for support is carefully reviewed and discussed to assess the impact the requested support would have.

Grants and awards disbursed during the year, before any movements in grant commitments in the year, totalled to £452,567. Please refer to Note 7 of the financial statements.

The Trustee has referred to Charity Commission guidance on public benefit when reviewing aims and objectives, planning for the future, and setting grant making policy.

Achievements and performance

Our flagship beneficiaries, which receive some of our largest annual donations and programmes of non-financial support, are Greig City Academy in Haringey, The Halley Academy in Greenwich, and Cubitt Town Primary School in Tower Hamlets. All three schools have a high proportion of students receiving free school meals and a high proportion of students from Black and Minority Ethnic communities. The proportion of students that have English as an additional language (EAL) is also very high. The donations are intended to enhance and add value and do not contribute to core costs or delivery of the standard curricula.

In September 2022, the Company embarked on a new strand of its strategy – regionalisation. Three volunteer regional coordinators, one for each of the Company's flagship schools, started the process of identifying individual charities, educational establishments and youth organisations in the schools' regional areas which would add value to the school 'outside the school gates' and enhance the Company's support to that school.

Our relationship with Greig City Academy (GCA) began in 2013. Our aim is to promote STEM and help students with their transition to university, further education, or employment. Over the last ten years, our annual core donation has increased from £15,000 to £60,000, reflecting the success of the association. Annual prizes are presented to students who have excelled in STEM subjects and bursaries awarded to students who go on to university. During that time, we have facilitated university visits, held mentoring events, advised on CV writing and interview techniques, helped GCA connect with other schools and contributed to the costs of participation in international science competitions.

The STEM Centre, in which the Trustee has previously invested, has continued to be used to facilitate the Academy's programme of extra-curricular STEM activities, such as the robotics league which supports junior schools in the local area and beyond, including Cubitt Town Primary School. This year, the Trustee agreed to an extra donation of £10,000, to mark the 10-year anniversary of its support to GCA. Some of this extra donation was used to pay travel costs for students attending the VEX Robotics World Championships 2024 in Dallas, USA.

The Trustee also agreed to fund £2,530 to support a two-year Arkwright Engineering Scholarship through The Smallpeice Trust. The scholar is a student of Greig City Academy.

The annual donation of £2,000 over three years, agreed in 2021, continues to Future Frontiers, a charity supporting young people aged 16 – 18 from disadvantaged backgrounds to fulfil their potential at school and when moving to education, employment or training. Connections were made between the charity and GCA staff responsible for careers and work experience at the Academy.

A one-off donation of £6,000 was approved in November 2023 to Voyage, a social justice charity tackling racial imbalance in London with a focus on young black people. The charity is working with 20 Year 9 and 10 pupils at Greig City Academy: those at risk of exclusion, those displaying antisocial and challenging behaviour, those at risk of underperforming at GCSE and those at risk of participating in gang-related activity.

Two Tallow Chandler members sit on the Board as Governors.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2024

Achievements and performance (continued)

Support to The Halley Academy (then Corelli College) began in 2016, with the award of their first donation of £20,000. Over the last eight years, our annual donation has increased to £60,000. A programme of non-financial giving has been developed with the Academy and the Leigh Academies Trust (LAT), the parent body of the Academy, and continues to grow. A Company member continues in the role of Director at the Leigh Academies Trust, and two Company members sit on the Board as Governors. Members of the Company participate in a range of mentoring and careers events.

As part of the regionalisation strategy, in 2022, the Trustee agreed a one-off donation of £20,000 to Roots4Life, a charity addressing the physical and mental health challenges that come with malnutrition, obesity and social isolation. The charity has a close relationship with The Halley Academy, and has outreach to families, schools and community groups in its area, and therefore falls within the regionalisation strategy. In 2023, a further three years of funding to Roots4Life was agreed at £20,000 per annum.

Platform Cricket, which focuses on children in inner London by delivering coaching programmes and community cricket clubs in areas where there is high child poverty and little or no cricket provision, continues to be supported with a three-year funding cycle of £2,000 per annum.

This year, The Halley Academy students reached the finals of the CERES Reimagine Science Animation Competition, which receives a three-year donation of £5,000, agreed in March 2023.

As reported previously, the Trustee funded an appeal to donate £750,000 for the creation of an engineering and design centre. This was funded by an appeal with a target of £375,000 aimed at the members of the Tallow Chandlers' Company with the Trustee agreeing to match the sum raised. The Centre was officially opened on 6 July 2022 and continues to attract students wishing to study STEM subjects at GCSE and A level.

Cubitt Town Primary School was awarded a three-year grant by the Company in 2016. Over the last eight years, our annual donation has increased from £15,000 to £60,000.

Links with Greig City Academy continue, with the Academy's robotics department sharing advice and expertise with the school, and pupils participating in the Academy's robotics league. Pupils also participate in the Launch Car Challenge, an annual STEM programme hosted by Reed's School, which the Trustee supports with a £2,000 per annum donation over three years. Cubitt Town Primary pupils also visit the Hall to take part in an annual Dragons' Den Science Competition.

The Royal Academy of Culinary Arts' food and nutrition programme, Adopt a School, at Cubitt Town Primary School has been supported this year with a donation of £825, and the donation of £4,000 per annum to the London Symphony Orchestra's Music in the Classroom programme continues, with non-music specialist teachers from the school attending the programme to learn how to teach music in school. Open City was given a one-off donation of £3,000 to run its Architecture in Schools STEM and Design programme at Cubitt Town Primary School and one other primary school in Tower Hamlets.

The AHOY Centre, offering pupils from inner London opportunities to engage in on the water activities and courses, is receiving a three year donation of £5,000, agreed in September 2023, with links to Cubitt Town Primary School and a 'taster day' for pupils being explored.

In March 2023, the Trustee agreed to support the Tower Hamlets Opportunity Group which is located in the footprint area of Cubitt Town Primary and is the only playgroup in the borough that supports under 5s with a disability or additional need, for three years with a donation of £5,000 per annum and links were being explored between the charity and Cubitt Town Primary School. However, the charity is closing from July 2024 and so no further donations will be given.

In June 2023, the Trustee approved a donation of £15,000 for The Children's Literacy Charity to run its Literacy Lab programme in academic year 2023-24. The programme aims to close the literacy gap for pupils in Key Stage One, most of whom have special educational needs, receive free school lunches, have complex home situations which prevent them from flourishing and are from non-English speaking backgrounds.

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2024

Achievements and performance (continued)

City of London institutions, our associated trades and affiliated military organisations are important parts of the Company's culture. Support within the City of London during the year included donations to the Lord Mayor's Appeal, the Sheriffs' and Recorder's Fund, City of London School for Girls, City & Guilds and City of London Volunteer Police Cadets. We funded bursaries at Barts and the London School of Medicine and Dentistry, Guildhall School of Music and Drama, and St Paul's Chorister Trust.

The Trustee approved 61 grants to a total of 60 organisations. In all cases, the Trustee has received appropriate acknowledgement of their award and a summary of the benefits and impact this has enabled for the public benefit.

During the year £196,837 of grant commitments (excluding the Halley Appeal) provided for last year were paid, together with £255,730 of grant commitments entered into this year. A further £569,900 of grant commitments were provided for this year. The overall result is an increase in the provision of £373,063 before the Halley Appeal.

Although not supported by separately identified endowments, several small and ancient charities were paid £1,450 in total by standing order out of General Funds, whilst they are available.

Grant making policy

Our members make generous contributions to the Tallow Chandlers Benevolent Fund each year which, combined with the Gift Aid recoverable and an annual gift from the Company itself, go towards increasing the capital of the fund.

Each year the charity budgets to disburse an amount equal to 3.5% of the average of the last 20 quarterly valuations of the total capital of the fund. Combined with time given by our members this enables us to make significant donations that can have real impact. This practice allows continuity of support to our carefully selected causes over a number of years, even in the event of periodic downturns in investment performance.

The charity is further protected against diminution in its capital by its practice of making commitments for a maximum of three years and reviewing each charity every three years. This would enable, in any one year, a reduction – if deemed necessary – of up to one third of our giving.

Financial review

In the year to 5 April 2024, there was net expenditure before recognised gains and losses of £340,410 (2023 - net income before recognised gains and losses of £294,663) and a net increase in total funds of £618,730 (2023 - net decrease in total funds of £1,016,976).

The value of the fixed asset investments held by the Trust decreased from £11,322,966 at 5 April 2023 to £10,902,839 at the year end. This decrease in value comprised acquisitions during the year of £4,411,895 less disposals of £5,408,831. The balance of £576,809 results from an increase in market value of investments of £959,140, together with a decrease in cash balances of £382,331 from £581,329 at the start of the year to £198,998 at the end. In November 2023 the Charity purchased an investment property for £1,403,569. This will provide a regular rental income and diversify the investment portfolio to mitigate risk.

Total incoming resources were £756,848 (2023 - £913,320). The principal funding sources arise from donation income from the members of The Worshipful Company of Tallow Chandlers and from income generated by the fixed asset investments.

Reserves policy

The Trust has an accounting policy to treat as Designated funds the charitable receipts, tax recoveries, and other support from the Company and from its Members, which are treated as capital to be invested, thus continuing the charitable activities of the Trust for the long term. Any capital or income not required for the immediate charitable purpose of the Trust is reinvested.

The Trust uses the invested funds to generate a return to provide for the long-term activities as described in the Grant making policy.

The level of designated funds held at the year end was £12,031,439 (2023 - £11,422,084).

Tallow Chandlers Benevolent Fund No 2.

Trustee's Report (continued) For the Year Ended 5 April 2024

Reserves policy (continued)

The Trust has an accounting policy to treat as Restricted funds any charitable receipts, which on the instruction of the donor, are to be used for specific purposes.

At the year end the restricted funds held were a deficit of £8,547 (2023 - £17,922).

The deficit on the restricted funds arose due to amounts paid over to the Halley Academy Appeal, exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however it had not been paid over as at 5 April 2024. In the prior year, the Trust made the additional payments to the Halley Academy Appeal on the basis that the remaining donations pledged would be received from the members, along with the matched funding from the Company. There were no grants paid to the Halley Academy Appeal in the year ended 5 April 2024, and the deficit on the Halley Academy restricted fund has reduced from £20,762 at 5 April 2023 to £11,387 at the year end.

Plans for Future Periods

The Trustee will continue to approve and distribute Grants in accordance with the Grant Making Policy. The Trustee was pleased that the Halley Appeal Target was successfully achieved and will seek to build on its achievement.

Trustee's Responsibilities Statements

The Trustee is responsible for preparing the Trustee's Annual 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 & Wales requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 operation.

Approved by order of the members of the board of Trustee and signed on their behalf by:



.....
Mr J Hill, Master
On behalf of The Worshipful Company of Tallow Chandlers
Trustee

Date:

2nd July 2024

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2.

Opinion

We have audited the financial statements of Tallow Chandlers Benevolent Fund No 2. (the 'charity') for the year ended 5 April 2024 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2024 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Trustee with respect to going concern are described in the relevant sections of this report.

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustee are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee 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 Trustee 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 Trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to Charity Law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements and the recognition of grant commitments in the financial statements. Audit procedures performed by the charity engagement team and included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Reading minutes of meetings of those charged with governance; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

Tallow Chandlers Benevolent Fund No 2.

Independent Auditors' Report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, 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 charity's Trustee those matters we are required to state to them in an Auditors' 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 its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Horsham

Date: 4 July 2024

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Tallow Chandlers Benevolent Fund No 2.

Statement of financial activities For the Year Ended 5 April 2024

	Note	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	9,375	389,750	399,125	555,849
Investments	5	-	357,723	357,723	357,471
Total income		9,375	747,473	756,848	913,320
Expenditure on:					
Raising funds	6	-	89,520	89,520	70,135
Charitable activities	8	-	1,007,738	1,007,738	548,522
Total expenditure		-	1,097,258	1,097,258	618,657
Net (expenditure)/ income before net gains/(losses) on investments		9,375	(349,785)	(340,410)	294,663
Net gains/(losses) on investments		-	959,140	959,140	(1,311,639)
Net movement in funds		9,375	609,355	618,730	(1,016,976)
Reconciliation of funds:					
Total funds brought forward		(17,922)	11,422,084	11,404,162	12,421,138
Net movement in funds		9,375	609,355	618,730	(1,016,976)
Total funds carried forward		(8,547)	12,031,439	12,022,892	11,404,162

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 33 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Balance Sheet As at 5 April 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	13	10,902,839	11,322,966
Investment property	12	1,403,569	-
		<u>12,306,408</u>	<u>11,322,966</u>
Current assets			
Debtors	14	47,584	179,735
Cash at bank and in hand		388,490	248,824
		<u>436,074</u>	<u>428,559</u>
Creditors: amounts falling due within one year	15	(442,140)	(232,026)
Net current liabilities / assets		<u>(6,066)</u>	<u>196,533</u>
Total assets less current liabilities		<u>12,300,342</u>	<u>11,519,499</u>
Creditors: amounts falling due after more than one year	16	(277,450)	(115,337)
Net assets		<u>12,022,892</u>	<u>11,404,162</u>
Total net assets		<u>12,022,892</u>	<u>11,404,162</u>
Charity funds			
Restricted funds	18	(8,547)	(17,922)
Unrestricted funds	18	12,031,439	11,422,084
Total funds		<u>12,022,892</u>	<u>11,404,162</u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



.....
Mr J Hill, Master

On behalf of The Worshipful Company of Tallow Chandlers

Date: 2nd July 2024

The notes on pages 14 to 33 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

**Statement of Cash Flows
For the Year Ended 5 April 2024**

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(190,211)	28,667
Cash flows from investing activities		
Dividends, interests and rents from investments	354,179	357,471
Proceeds from sale of investments	5,408,831	1,304,168
Purchase of investments	(4,411,895)	(978,232)
Purchase of investment property	(1,403,569)	-
Net cash (used in)/provided by investing activities	(52,454)	683,407
Change in cash and cash equivalents in the year	(242,665)	712,074
Cash and cash equivalents at the beginning of the year	830,153	118,079
Cash and cash equivalents at the end of the year	587,488	830,153

The notes on pages 14 to 33 form part of these financial statements

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

1. General information

Tallow Chandlers Benevolent Fund No 2. constitutes a public benefit entity as defined by FRS 102. It's registered charity number is 246255.

The financial statements have been prepared in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficiently within the level of reserves for the charity to be able to continue as a going concern.

**Notes to the Financial Statements
For the Year Ended 5 April 2024**

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Investment income includes rent receivable which is recognised based on the rental period that the rent accrues over, interest from listed investments which is recognised based on the period the interest accrues over, and dividend income which is recognised based on the date the dividend is declared.

Income from rent receivable is recognised net of VAT.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and that the amount of the obligation can be reliably measured.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and consists of investment management costs and an apportionment of support costs.

Charitable activities and Governance costs consist of grants and donations made and an apportionment of support costs.

Grants and donations payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient has been notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Trust.

Where an unconditional multi-year grant is awarded the full amount of the grant is recognised in the year of the award. The proportion of any multi-year grant unpaid at the year end is recognised as a liability on the balance sheet at its present value.

Expenditure relating directly to investment property costs are recognised net of VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investment properties are measured at fair value at each reporting date.

At each reporting date the property is valued externally. Revaluation losses caused only by the change in market value shall be recognised in the Statement of Financial Activities until the carrying amount of the asset reaches its historical cost. If the value of the property falls below historical cost an impairment loss is recognised immediately in the Statement of Financial Activities. Revaluation gains shall be recognised in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 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.

2.12 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

3. Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed above in Note 2 "Accounting policies". Grant commitments are recognised at the point the decision has been sufficiently communicated to the recipient, creating a valid expectation on the recipient's part that the grant will be received. The decision is communicated to the recipient upon approval of the Education and Charity Committee meeting minutes by the court.

Critical areas of judgement:

The most significant judgement is the valuation of the investment properties which are sensitive to fluctuations in the property market, as set out in note 12 of the financial statements.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

4. Income from donations and legacies

	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £
Donations from Liverymen and Freemen (including tax recoveries)	-	113,909	113,909
Other donations	9,375	50,040	59,415
Donation from The Worshipful Company of Tallow Chandlers	-	205,801	205,801
Legacies	-	20,000	20,000
Total 2024	9,375	389,750	399,125

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Donations			
Donations from Liverymen and Freemen (including tax recoveries)	-	111,723	111,723
Other donations	35,802	293,403	329,205
Donation from The Worshipful Company of Tallow Chandlers	-	114,921	114,921
Total donations	35,802	520,047	555,849
Total 2023	35,802	520,047	555,849

Within designated income is a notional donation in kind of £205,801 (2023 - £164,921) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2. The prior year notional donation is offset by the cancellation of a £50,000 donation which was previously recognised as a debtor within the financial statements. This resulted in an overall donation of £114,921 from The Worshipful Company of Tallow Chandlers in the prior year.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

5. Investment income

	Designated funds 2024 £	Total funds 2024 £
Rental income	38,457	38,457
Dividends	270,919	270,919
Interest	48,347	48,347
Total 2024	357,723	357,723

	Designated funds 2023 £	Total funds 2023 £
Dividends	322,963	322,963
Interest	34,508	34,508
Total 2023	357,471	357,471

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

6. Expenditure on raising funds

	Designated funds 2024 £	Total funds 2024 £
Investment management costs	46,642	46,642
Investment property insurance	5,597	5,597
Support costs - raising funds	33,737	33,737
Exchange losses on quoted investments	3,544	3,544
Total 2024	89,520	89,520

	Designated funds 2023 £	Total funds 2023 £
Investment management costs	48,170	48,170
Support costs - raising funds	21,965	21,965
Total 2023	70,135	70,135

Analysis of support costs

	Designated funds 2024 £	Total funds 2024 £
Staff costs	27,321	27,321
Office costs	3,959	3,959
Premises costs	2,315	2,315
Professional costs	142	142
Total 2024	33,737	33,737

	Designated funds 2023 £	Total funds 2023 £
Staff costs	15,531	15,531
Office costs	3,217	3,217
Premises costs	3,057	3,057
Professional costs	160	160
Total 2023	21,965	21,965

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

7. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £
Grant funding	825,630	825,630

	Grants to Institutions 2023 £	Total funds 2023 £
Grant funding	393,967	393,967

Analysis of grants

	Designated funds 2024 £	Total funds 2024 £
Grants paid to institutions in the current year	439,887	439,887
Awards	11,230	11,230
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	1,450	1,450
Movement in grant creditor	373,063	373,063
Total 2024	825,630	825,630

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Grants paid to institutions in the current year	62,974	350,426	413,400
Awards	-	5,893	5,893
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	700	700
Movement in grant creditor	(62,974)	36,948	(26,026)
Total 2023	-	393,967	393,967

All grants are to institutions and are for the same charitable purpose as defined by the objectives and activities in the Trustee's Report.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

Analysis of grants (continued)

The following institutions received grants of £1,000 or more:

	Grants to Institutions 2024 £	Total funds 2024 £
Greig City Academy	70,000	70,000
The Halley Academy	60,000	60,000
Cubitt Town Junior School	60,000	60,000
Roots4Life	20,000	20,000
Bart's & Royal London School of Medicine	17,500	17,500
School of Oriental and African Studies (SOAS)	15,000	15,000
Childrens Literacy	15,000	15,000
St Paul's Cathedral Chorister Trust and Friends of St Paul's	11,837	11,837
It's Your Life	10,800	10,800
Into University	10,000	10,000
Guildhall School Trust	10,000	10,000
City & Guilds	10,000	10,000
Reeds School	8,000	8,000
City of London Volunteer Police Cadets	7,500	7,500
The Poppy Factory	7,000	7,000
Manchester University	6,600	6,600
First Aid Nursing Yeomanry (FANY)	6,000	6,000
King Edward's School	6,000	6,000
Voyage	6,000	6,000
Lord Mayor's Appeal	5,000	5,000
Reimagine	5,000	5,000
London Youth Choir	5,000	5,000
TalentEd	5,000	5,000
Batemans Trust	5,000	5,000
FOSFA	5,000	5,000
Ahoy Centre	5,000	5,000
Tower Hamlets Oppurtunity Group	5,000	5,000
Horatio's Garden	4,475	4,475
Clean Break Theatre Company	4,000	4,000
London Symphony Orchestra	4,000	4,000
Switch	4,000	4,000
Open City Architect	3,000	3,000
The Creative Dimension Trust	3,000	3,000
Believe UK	3,000	3,000
Lambourne End	2,500	2,500
Music Illuminated	2,000	2,000
Future Frontiers	2,000	2,000
Sheriff's and Recorder's Fund	2,000	2,000

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

Analysis of grants (continued)

Platform Cricket TH Youth Support	2,000	2,000
London Air Ambulance	1,700	1,700
Homers Company Science Open Doors	1,400	1,400
Manchester Cadets	1,000	1,000
Jubilant Trust	1,000	1,000
Grants of less than £1,000 were made totalling	1,575	1,575
Total 2024	439,887	439,887

8. Analysis of expenditure on charitable activities

Summary by fund type

	Designated funds 2024 £	Total 2024 £
Grant funding	998,738	998,738
Support costs	9,000	9,000
	1,007,738	1,007,738
	Designated funds 2023 £	Total 2023 £
Grant funding	537,582	537,582
Support costs	10,940	10,940
	548,522	548,522

Grant funding of £1,007,738 (2023 - £548,522) includes grants paid as per note 7 of £825,630 (2023 - £393,967) and support costs allocated as per note 9 of £173,108 (2023 - £143,615).

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

9. Analysis of expenditure by activities

	Grant funding 2024 £	Support costs 2024 £	Total funds 2024 £
Grant funding	825,630	173,108	998,738
Governance costs	-	9,000	9,000
Total 2024	825,630	182,108	1,007,738

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Grant funding	393,967	143,615	537,582
Governance costs	-	10,940	10,940
Total 2023	393,967	154,555	548,522

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	149,734	115,430
Office costs	3,959	3,217
Premises costs	6,945	9,171
Other costs	12,044	15,316
Professional costs	426	481
Governance costs	9,000	10,940
Total 2024	182,108	154,555

Allocation of support costs:

Staff costs

Staff costs incurred by The Worshipful Company of Tallow Chandlers have been allocated based on the time spent on each activity. The cost of the charity secretary employed by the Company has been fully allocated to grant funding activities. The remaining costs have been allocated with 75% relating to grant funding activities and 25% relating to time spent raising funds.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

9. Analysis of expenditure by activities (continued)

Office costs

The office is owned by the Company and used by staff employed in the Company. The office costs incurred are for the purpose of both grant funding activities and raising funds. Costs have therefore been allocated equally to these activities.

Premises costs

Premises costs relate to the maintenance of the Hall and office which are owned by the Company. The Trust only use the Hall for award functions and other charitable occasions whilst the office is used by the Company staff for both the purpose of grant funding activities and raising funds. Premises costs have been allocated with 75% relating to grant funding activities and 25% relating to raising funds.

Other costs

Other costs relate to the award functions that are held in the Hall which is owned by the Company. The award functions relate wholly to grant funding activities and have therefore been attributed in this way.

Professional costs

Professional costs relate to the pension management and payroll costs incurred by the Company for their staff. These have been allocated with 75% relating to grant funding activities and 25% relating to raising funds. This treatment is consistent with the treatment of staff costs.

10. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,800	10,280
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	1,200	660

11. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 5 April 2024, no Trustee expenses have been incurred (2023 - £NIL).

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

12. Investment property

	Long term leasehold investment property £
Valuation	
Additions	1,403,569
At 5 April 2024	<u>1,403,569</u>

The property Unit 1, Zone A, Chelmsford Road Industrial Estate, Dunmow was purchased on 2 November 2023 for £1,403,569, with the purchase price considered to be the market value of the property at the year end.

13. Fixed asset investments

	Listed investments £	Cash for re- investment £	Total £
Cost or valuation			
At 6 April 2023	10,741,637	581,329	11,322,966
Additions	4,411,895	-	4,411,895
Disposals	(5,408,831)	(382,331)	(5,791,162)
Revaluations	959,140	-	959,140
At 5 April 2024	<u>10,703,841</u>	<u>198,998</u>	<u>10,902,839</u>

Included within the revaluation gains on listed investments are realised gains of £187,971 (2023 - realised losses of £315,305).

14. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	40,818	170,734
Income tax recoverable (gift aid)	6,766	9,001
	<u>47,584</u>	<u>179,735</u>

Included within other debtors is £11,387 (2023 - £20,762) due from the designated fund to the restricted fund in relation to amounts owed for the Halley Academy appeal.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

15. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	81	-
Other taxation and social security	2,138	-
Other creditors	11,387	20,762
Accruals and deferred income	17,320	11,000
Grant commitments	411,214	200,264
	<u>442,140</u>	<u>232,026</u>

Included within other creditors is £11,387 (2023 - £20,762) due to the restricted fund from the designated fund in relation to amounts owed for the Halley Academy appeal.

16. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Grant commitments	<u>277,450</u>	<u>115,337</u>

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

17. Accrued funding commitments

	Under one year 2024 £	Over one year 2024 £	Total funds 2024 £
Grant commitments brought forward	200,264	115,337	315,601
New commitments entered into in year	586,680	238,950	825,630
Grants paid during year	(452,567)	-	(452,567)
Commitments now due within one year	76,837	(76,837)	-
Total 2024	411,214	277,450	688,664

	Under one year 2023 £	Over one year 2023 £	Total funds 2023 £
Grant commitments brought forward	242,626	99,000	341,626
New commitments entered into in year	278,631	115,337	393,968
Grants paid during year	(419,993)	-	(419,993)
Commitments now due within one year	99,000	(99,000)	-
Total 2023	200,264	115,337	315,601

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

18. Statement of funds

Statement of funds - current year

	Balance at 6 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2024 £
Unrestricted funds					
Designated funds	11,422,084	747,473	(1,097,258)	959,140	12,031,439
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	(20,762)	9,375	-	-	(11,387)
	(17,922)	9,375	-	-	(8,547)
Total of funds	11,404,162	756,848	(1,097,258)	959,140	12,022,892

Statement of funds - prior year

	Balance at 6 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2023 £
Unrestricted funds					
Designated funds	12,474,862	877,518	(618,657)	(1,311,639)	11,422,084
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	(56,564)	35,802	-	-	(20,762)
	(53,724)	35,802	-	-	(17,922)
Total of funds	12,421,138	913,320	(618,657)	(1,311,639)	11,404,162

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

19. Summary of funds

Summary of funds - current year

	Balance at 6 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2024 £
Designated funds	11,422,084	747,473	(1,097,258)	959,140	12,031,439
Restricted funds	(17,922)	9,375	-	-	(8,547)
	<u>11,404,162</u>	<u>756,848</u>	<u>(1,097,258)</u>	<u>959,140</u>	<u>12,022,892</u>

Summary of funds - prior year

	Balance at 6 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2023 £
Designated funds	12,474,862	877,518	(618,657)	(1,311,639)	11,422,084
Restricted funds	(53,724)	35,802	-	-	(17,922)
	<u>12,421,138</u>	<u>913,320</u>	<u>(618,657)</u>	<u>(1,311,639)</u>	<u>11,404,162</u>

Fund descriptions

a) Designated funds

The designated fund derives from the charitable receipts, tax recoveries and other support from the Company and from its Members, which are treated as capital to be invested. Any capital or income not required for the immediate charitable purposes of the Trust is reinvested by the Trustee.

b) Restricted funds

- FOSFA - the restricted fund derives from charitable receipts from FOSFA which are to be granted as and when an appropriate candidate for the FOSFA award is nominated.

- The Halley Academy - the restricted fund derives from charitable receipts from donors, including matched funding from The Worshipful Company of Tallow Chandlers, which have been specifically donated in response to the The Halley Academy appeal. The intention of the monies raised from the appeal is to fund the construction and establishment of an engineering and design centre. Income of £7,500 (2023 - £29,924) was received from members of the Company during the year. Gift aid of £1,875 (2023 - £5,878) is recoverable on this income, £1,185 (2023 - £690) of this is included in tax recoveries within debtors at the year end. During the year £122,404 (2023 - £15,000) was received from the Company in relation to the matched funding debt, with matched funding amounts now fully received and a balance of Nil (2023 - £122,404) included within debtors. During the year £Nil (2023 - £62,974) was paid to The Halley Academy, and the remaining £3,427 (2023 - £3,427) is included within the grant commitment creditor.

The deficit on the Halley Academy restricted fund has arisen due to amounts paid over to the Halley Academy Appeal exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however had not been paid over as at 5 April 2024. The Trust has made the additional payments to the Halley Academy Appeal on the basis that the remaining donations pledged will be received from the members, along with the matched funding from the Company. The deficit on the Halley Academy restricted fund is £11,367 (2023 - £20,762). The deficit is expected to reverse in the 2025 financial year end.

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Designated funds 2024 £	Total funds 2024 £
Fixed asset investments	-	10,902,839	10,902,839
Investment property	-	1,403,569	1,403,569
Current assets	4,025	432,049	436,074
Creditors due within one year	(12,572)	(429,568)	(442,140)
Creditors due in more than one year	-	(277,450)	(277,450)
Total	(8,547)	12,031,439	12,022,892

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Fixed asset investments	-	11,322,966	11,322,966
Current assets	125,934	302,625	428,559
Creditors due within one year	(143,856)	(88,170)	(232,026)
Creditors due in more than one year	-	(115,337)	(115,337)
Total	(17,922)	11,422,084	11,404,162

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	618,730	(1,016,976)
Adjustments for:		
(Gains)/losses on investments	(959,140)	1,311,639
Dividends and interest from investments	(354,179)	(357,471)
Decrease in debtors	132,151	150,931
Increase/(decrease) in creditors	372,227	(59,456)
Net cash provided by/(used in) operating activities	(190,211)	28,667

Tallow Chandlers Benevolent Fund No 2.

Notes to the Financial Statements For the Year Ended 5 April 2024

22. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	388,490	248,824
Investment cash	198,998	581,329
Total cash and cash equivalents	587,488	830,153

23. Analysis of changes in net debt

	At 6 April 2023 £	Cash flows £	At 5 April 2024 £
Cash in hand	248,824	139,666	388,490
	248,824	139,666	388,490

24. Related party transactions

The Worshipful Company of Tallow Chandlers
Trustee

During the year the charity received a notional donation in kind of £205,801 (2023 - £164,921) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

During the prior year a donation of £50,000, which had been recognised as a debtor in the 2022 financial statements, was cancelled by the The Worshipful Company of Tallow Chandlers.

Total donation income received by the charity in the year, including the above notional donation, amounted to £205,801 (2023 - £114,921).

At the balance sheet date the amount due to the charity from The Worshipful Company of Tallow Chandlers was £Nil (2023 - £122,404).

TALLOW CHANDLERS BENEVOLENT FUND NO 2

England & Wales - Charity number 246255

Accounts

Charity number: 246255

Tallow Chandlers Benevolent Fund No 2.

Audited

Trustee's report and financial statements

for the year ended 5 April 2023

Tallow Chandlers Benevolent Fund No 2.

Contents

	Page
Reference and administrative details of the Charity, its Trustee and advisers	1
Trustee's report	2 - 6
Independent auditors' report on the financial statements	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 30

Tallow Chandlers Benevolent Fund No 2.

Reference and administrative details of the Charity, its Trustee and advisers for the year ended 5 April 2023

Trustee	The Worshipful Company of Tallow Chandlers
Charity registered number	246255
Principal office	Tallow Chandlers' Hall 4 Dowgate Hill London EC4R 2SH
Independent auditors	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment managers	Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB

Tallow Chandlers Benevolent Fund No 2.

Trustee's report for the year ended 5 April 2023

Introduction

The Trustee presents the Report and the audited Financial Statements for the year ended 5 April 2023. These have been prepared in accordance with the Trust Deed and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

Structure, governance, and management

The Trust was established in 1979 and is governed by a Trust Deed dated 25 September 1979.

The Master and Wardens of The Worshipful Company of Tallow Chandlers ("the Company") as advised by the Court of Assistants have the power to appoint Trustees. In 2017 the Company was appointed as the sole Trustee.

The management of the Trust is vested in the Company and its appointed Education & Charity Committee.

Management and administrative resources are provided by The Worshipful Company of Tallow Chandlers. The notional value of these support services is £164,921 (2022 - £140,260) as per Note 4 of the financial statements.

Investment Policy

The main objectives for the charity's investment portfolio are to:

- (1) preserve the charity's reserves in real terms after allowing for inflation;
- (2) deliver a reasonable overall total return across the investment cycle;
- (3) ensure sufficient liquidity to fund the committed donations

The Trustee has a detailed Statement of Investment Policy which is regularly reviewed and communicated to the Charity's investment advisors.

The Charity wishes to be a responsible investor. Environmental, social and governance (ESG) criteria are a set of standards for an entity's operations that socially conscious investors, such as the charity, consider when reviewing their investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

The Charity's investment managers are instructed to take account of ESG issues in their investment analysis and decision-making processes and engage with the Charity management when appropriate.

The manager has categorised the Charity's responsible investment preference as 'Aware' which means that the aim is to optimise the Charity's stipulated returns for the given level of risk, believing that to achieve this, being aware of environmental, social and governance factors are important inputs. Each year they have to provide a detailed Responsible Investment report to the Charity, covering activity and engagement specific to the Charity's investments.

Fund Raising Policy

The Charity derives its income from investments, and donations from the members of the Tallow Chandlers Company. Consequently, there is a minimal level of fundraising from third parties and therefore the charity has not signed up to a code of conduct.

Objectives and activities for the public benefit

The Trust is established for charitable purposes. It supports charities and charitable organisations that provide public benefit by providing donations, bursaries, and scholarships.

The Trust's principal aim is to provide relevant, focused support and giving for the benefit of disadvantaged young people in the Greater London area, to encourage them to succeed in life. This support is primarily provided through education. In achieving this aim, the Trust is providing public benefit and meeting its requirements of being established for charitable purposes.

The Trustee seeks to achieve an impact through a structured programme of giving and by drawing on the support of the Tallow Chandlers' Company, its members, trade links, City connections, and wider affiliations.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2023

Objectives and activities for the public benefit (continued)

The Trustee regularly reviews the impact of the support given by ongoing engagement with the relevant charities and charitable organisations. Though the support of the members of the Tallow Chandlers' Company a network of links with the individual bodies has been established and each new application for support is carefully reviewed and discussed to assess the impact the requested support would have.

Grants and awards disbursed during the year (excluding the payment made to the Halley Academy Appeal of £62,974), before any movements in grant commitments in the year, totalled to £357,019. Please refer to Note 7 of the financial statements.

The Trustee has referred to Charity Commission guidance on public benefit when reviewing aims and objectives, planning for the future, and setting grant making policy.

Achievements and performance

Our flagship beneficiaries, which receive some of our largest annual donations and programmes of non-financial support, are Greig City Academy in Haringey, The Halley Academy in Greenwich, and Cubitt Town Primary School in Tower Hamlets. All three schools have a high proportion of students receiving free school meals and a high proportion of students from Black and Minority Ethnic communities. The proportion of students that have English as an additional language (EAL) is also very high. The Company's donations are intended to enhance and add value and do not contribute to core costs or delivery of the standard curricula.

In September 2022, the Company embarked on a new strand of its strategy – regionalisation. Three volunteer regional coordinators, one for each of the Company's flagship schools, started the process of identifying individual charities, educational establishments and youth organisations in the schools' regional areas which would add value to the school 'outside the school gates' and enhance the Company's support to that school.

Our relationship with Greig City Academy (GCA) began in 2013. Our aim is to promote STEM and help students with their transition to university, further education, or employment. Over the last ten years, our annual donation has increased from £15,000 to £30,000, reflecting the success of the association. Annual prizes are presented to students who have excelled in STEM subjects and bursaries awarded to students who go on to university. During that time, we have facilitated university visits, held mentoring events, advised on CV writing and interview techniques, helped GCA connect with other schools and contributed to the costs of participation in international science competitions.

In September 2022, the Trustee awarded £1,000 each to the rowing and robotics teams in recognition of their achievements. The STEM Centre, in which the Trustee has previously invested, has continued to be used to facilitate the Academy's programme of extra-curricular STEM activities, such as the robotics league which supports junior schools in the local area and beyond, including Cubitt Town Primary School. At this year's VEX Robotics World Championships 2023 in Dallas, USA, the Upper School team placed 34th out of 811 teams, and the Junior School teams placed 55th and 65th out of 790 teams. The Trustee agreed to assist with travel costs for the GCA teams to compete in Dallas.

The Trustee also agreed to fund £2,300 to support a two-year Arkwright Engineering Scholarship through The Smallpeice Trust. The scholar is a student of Greig City Academy.

The annual donation of £2,000 over three years, agreed in 2021, continues to Future Frontiers, a charity supporting young people aged 16 – 18 from disadvantaged backgrounds to fulfil their potential at school and when moving to education, employment or training. Connections were made between the charity and GCA staff responsible for careers and work experience at the Academy.

Support to The Halley Academy (then Corelli College) began in 2016, with the award of their first donation of £20,000. Over the last seven years, our annual donation has increased to £30,000. A programme of non-financial giving has been developed with the Academy and the Leigh Academies Trust (LAT) – the parent body of the Academy and continues to grow. This year, a Company member has been appointed Director at the Leigh Academies Trust. Members of the Company participate in a wide range of mentoring and careers events. As reported previously, the Trustee funded an appeal to donate £750,000 for the creation of an engineering and design centre. This was funded by an appeal with a target of £375,000 targeted on the members of the Tallow Chandlers' Company with the Trustee agreeing to match the sum raised. The Centre was officially opened on 6 July 2022 and has already begun to attract students wishing to study STEM subjects at GCSE and A level.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2023

Achievements and performance (continued)

In 2022, the Trustee agreed a one-off donation of £20,000 to Roots4Life, a charity addressing the physical and mental health challenges that come with malnutrition, obesity and social isolation. The charity has a close relationship with The Halley Academy, has outreach to families, schools and community groups in its area, and therefore falls within the regionalisation strategy. In 2023, a further three years of funding to Roots4Life was agreed at £20,000 per annum.

Cubitt Town Primary School was awarded a three-year grant by the Company in 2016. Over the last seven years, our annual donation has increased from £15,000 to £30,000. The Trustee agreed an additional donation of £7,480 for specialist equipment for SEND pupils in Key Stage 1 - ear defenders, dyslexia dictionaries, fidget toys, sit and move cushions and standing desks.

Links with Greig City Academy continue, with the Academy's robotics department sharing advice and expertise with the school, and pupils participating in the Academy's robotics league. The Headteacher recently visited The Halley Academy's Engineering and Design Centre. Pupils also participate in the Launch Car Challenge, an annual STEM programme hosted by Reed's School. Cubitt Town Primary pupils also visit the Hall to take part in an annual Dragons' Den science competition.

The Trustee made a one-off donation of £5,000 to the Tower Hamlets Opportunity Group which is located in the footprint area of Cubitt Town Primary and is the only playgroup in the borough that supports under 5s with a disability or additional need. The Trustee has agreed to a three-year donation of £5,000 to the charity, with links being explored between the charity and Cubitt Town Primary.

City of London institutions, our associated trades, affiliated military organisations and cadets are important parts of the Company's culture. Support within the City of London during the year included donations to the Lord Mayor's Appeal, the Sheriffs' and Recorder's Fund, the City of London School for Boys, the City of London School for Girls, City & Guilds and City of London Volunteer Police Cadets. We funded bursaries at Barts and the London School of Medicine and Dentistry, Guildhall School of Music and Drama, and St Paul's Chorister Trust.

The Trustee approved 70 grants to a total of 63 organisations. In all cases, the Trustee has received appropriate acknowledgement of their award and a summary of the benefits and impact this has enabled for the public benefit.

During the year £176,225 of grant commitments (excluding the Halley Appeal) provided for last year were paid, together with £180,794 of grant commitments entered into this year. A further £213,174 of grant commitments (excluding the Halley Appeal) were provided for this year. The overall result is an increase in the provision of £36,948 before the Halley Appeal.

Although not supported by separately identified endowments, several small and ancient charities were paid £700 in total by standing order out of General Funds, whilst they are available.

Grant making policy

Our members make generous contributions to the Tallow Chandlers Benevolent Fund each year which, combined with the Gift Aid recoverable and an annual gift from the Company itself, go towards increasing the capital of the fund.

Each year the charity budgets to disburse an amount equal to 3.5% of the average of the last 20 quarterly valuations of the total capital of the fund. Combined with time giving by our members this enables us to make significant donations that can have real impact. This practice allows continuity of support to our carefully selected causes over a number of years, even in the event of periodic downturns in investment performance.

The charity is further protected against diminution in its capital by its practice of making commitments for a maximum of three years and reviewing each charity every three years. This would enable, in any one year, a reduction – if deemed necessary – of up to one third of our giving.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2023

Financial review

In the year to 5 April 2023, there was net income before recognised gains and losses of £294,663 (2022 - net expenditure before recognised gains and losses of £33,274) and a net decrease in total funds of £1,016,976 (2022 - net increase in total funds of £934,142).

The value of the fixed asset investments held by the Trust decreased from £12,408,503 at 6 April 2022 to £11,322,966 at the year end. This decrease in value comprised acquisitions during the year of £978,232 less disposals of £1,304,168. The balance of £759,601 results from a decrease in market value of investments of £1,311,639, together with an increase in cash balances of £552,038 from £29,291 at the start of the year to £581,329 at the end.

Total incoming resources were £913,320 (2022 - £1,030,809). The principal funding sources arise from donation income from the members of The Worshipful Company of Tallow Chandlers and from income generated by the fixed asset investments.

Reserves policy

The Trust has an accounting policy to treat as Designated funds the charitable receipts, tax recoveries, and other support from the Company and from its Members, which are treated as capital to be invested, thus continuing the charitable activities of the Trust for the long term. Any capital or income not required for the immediate charitable purpose of the Trust is reinvested.

The Trust uses the invested funds to generate a return to provide for the long-term activities as described in the Grant making policy.

The level of designated funds held at the year end was £11,422,084 (2022 - £12,474,862).

The Trust has an accounting policy to treat as Restricted funds any charitable receipts, which on the instruction of the donor, are to be used for specific purposes.

At the year end the restricted funds held were a deficit of £17,922 (2022 - £53,724).

The deficit on the restricted funds arose due to amounts paid over to the Halley Academy Appeal, exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however had not been paid over as at 5 April 2023. The Trust made the additional payments to the Halley Academy Appeal on the basis that the remaining donations pledged would be received from the members, along with the matched funding from the Company. The deficit on the Halley Academy restricted fund is £20,762 (2022 - £56,564).

Plans for Future Periods

The Trustee will continue to approve and distribute Grants in accordance with the Grant Making Policy. The Trustee was pleased that the Halley Appeal Target was successfully achieved and will seek to build on its achievement.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2023

Trustee's Responsibilities Statements

The Trustee is responsible for preparing the Trustee's Annual 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 & Wales requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 operation.

Approved by order of the members of the board of Trustee and signed on their behalf by:



Mr P Cazalet, Master

On behalf of The Worshipful Company of Tallow Chandlers
Trustee

Date: 4th July 2023

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2.

Opinion

We have audited the financial statements of Tallow Chandlers Benevolent Fund No 2. (the 'charity') for the year ended 5 April 2023 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

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

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Matters on which we are required to report by exception

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

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee 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 Trustee 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 Trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements and the recognition of grant commitments in the financial statements. Audit procedures performed by the charity engagement team and included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, 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 charity's Trustee those matters we are required to state to them in an auditors' 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 its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Horsham

Date: 5 July 2023

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Tallow Chandlers Benevolent Fund No 2.

Statement of financial activities for the year ended 5 April 2023

	Note	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	35,802	520,047	555,849	705,310
Investments	5	-	357,471	357,471	325,499
Total income		35,802	877,518	913,320	1,030,809
Expenditure on:					
Raising funds	6	-	70,135	70,135	67,757
Charitable activities	8	-	548,522	548,522	996,326
Total expenditure		-	618,657	618,657	1,064,083
Net income/(expenditure) before net (losses)/gains on investments		35,802	258,861	294,663	(33,274)
Net (losses)/gains on investments		-	(1,311,639)	(1,311,639)	967,416
Total transfers		-	-	-	-
Net movement in funds		35,802	(1,052,778)	(1,016,976)	934,142
Reconciliation of funds:					
Total funds brought forward		(53,724)	12,474,862	12,421,138	11,486,996
Net movement in funds		35,802	(1,052,778)	(1,016,976)	934,142
Total funds carried forward		(17,922)	11,422,084	11,404,162	12,421,138

The Statement of financial activities includes all gains and losses recognised in the year.

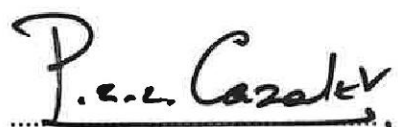
The notes on pages 14 to 30 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Balance sheet as at 5 April 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	12	11,322,966	12,408,503
		<u>11,322,966</u>	<u>12,408,503</u>
Current assets			
Debtors	13	179,735	330,666
Cash at bank and in hand		248,824	88,788
		<u>428,559</u>	<u>419,454</u>
Creditors: amounts falling due within one year	14	(232,026)	(307,819)
Net current assets		<u>196,533</u>	<u>111,635</u>
Total assets less current liabilities		<u>11,519,499</u>	<u>12,520,138</u>
Creditors: amounts falling due after more than one year	15	(115,337)	(99,000)
Net assets		<u>11,404,162</u>	<u>12,421,138</u>
Total net assets		<u>11,404,162</u>	<u>12,421,138</u>
Charity funds			
Restricted funds	17	(17,922)	(53,724)
Unrestricted funds	17	11,422,084	12,474,862
Total funds		<u>11,404,162</u>	<u>12,421,138</u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



Mr P Cazalet, Master

On behalf of The Worshipful Company of Tallow Chandlers

Date: 4th July 2023

The notes on pages 14 to 30 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

**Statement of cash flows
for the year ended 5 April 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	28,667	(585,438)
Cash flows from investing activities		
Dividends, interests and rents from investments	357,471	325,499
Proceeds from sale of investments	1,304,168	932,899
Purchase of investments	(978,232)	(1,294,196)
Net cash provided by/(used in) investing activities	683,407	(35,798)
Change in cash and cash equivalents in the year	712,074	(621,236)
Cash and cash equivalents at the beginning of the year	118,079	739,315
Cash and cash equivalents at the end of the year	830,153	118,079

The notes on pages 14 to 30 form part of these financial statements

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

1. General information

Tallow Chandlers Benevolent Fund No 2. constitutes a public benefit entity as defined by FRS 102. It's registered charity number is 246255.

The financial statements have been prepared in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Tallow Chandlers Benevolent Fund No 2. meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficiently within the level of reserves for the charity to be able to continue as a going concern.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and that the amount of the obligation can be reliably measured.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and consists of investment management costs and an apportionment of support costs.

Charitable activities and Governance costs consist of grants and donations made and an apportionment of support costs.

Grants and donations payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient has been notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Trust.

Where an unconditional multi-year grant is awarded the full amount of the grant is recognised in the year of the award. The proportion of any multi-year grant unpaid at the year end is recognised as a liability on the balance sheet at its present value.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 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.

2.11 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed above in Note 2 "Accounting policies". Grant commitments are recognised upon approval of the Education and Charity Committee meeting minutes by the court.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

4. Income from donations and legacies

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Donations from Liverymen and Freemen (including tax recoveries)	-	111,723	111,723
Other donations	35,802	293,403	329,205
Donation from The Worshipful Company of Tallow Chandlers	-	114,921	114,921
Total 2023	35,802	520,047	555,849

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Donations			
Donations from Liverymen and Freemen (including tax recoveries)	-	111,134	111,134
Other donations	177,679	39,030	216,709
Donation from The Worshipful Company of Tallow Chandlers	237,207	140,260	377,467
Total donations	414,886	290,424	705,310
Total 2022	414,886	290,424	705,310

Within designated income is a notional donation in kind of £164,921 (2022 - £140,260) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2. The current year notional donation is offset by the cancellation of a £50,000 donation which was previously recognised as a debtor within the financial statements. This resulted in an overall donation of £114,921 (2022 - £140,260) from The Worshipful Company of Tallow Chandlers.

Tallow Chandlers Benevolent Fund No 2.

**Notes to the financial statements
for the year ended 5 April 2023**

5. Investment income

	Designated funds 2023 £	Total funds 2023 £
Dividends	322,963	322,963
Interest	34,508	34,508
Total 2023	357,471	357,471
	Designated funds 2022 £	Total funds 2022 £
Dividends	305,352	305,352
Interest	20,147	20,147
Total 2022	325,499	325,499

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

6. Expenditure on raising funds

	Designated funds 2023 £	Total funds 2023 £
Investment management costs	48,170	48,170
Support costs - raising funds	21,965	21,965
Total 2023	70,135	70,135

	Designated funds 2022 £	Total funds 2022 £
Investment management costs	48,851	48,851
Support costs - raising funds	18,906	18,906
Total 2022	67,757	67,757

Analysis of support costs

	Designated funds 2023 £	Total funds 2023 £
Staff costs	15,531	15,531
Office costs	3,217	3,217
Premises costs	3,057	3,057
Professional costs	160	160
Total 2023	21,965	21,965

	Designated funds 2022 £	Total funds 2022 £
Staff costs	13,860	13,860
Office costs	2,794	2,794
Premises costs	2,099	2,099
Professional costs	153	153
Total 2022	18,906	18,906

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

7. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grant funding	393,967	393,967

	Grants to Institutions 2022 £	Total funds 2022 £
Grant funding	866,377	866,377

Analysis of grants

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Grants paid to institutions in the current year	62,974	350,426	413,400
Awards	-	5,893	5,893
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	700	700
Movement in grant creditor	(62,974)	36,948	(26,026)
Total 2023	-	393,967	393,967

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Grants paid to institutions in the current year	666,893	365,747	1,032,640
Awards	-	6,593	6,593
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	700	700
Movement in grant creditor	(195,443)	21,887	(173,556)
Total 2022	471,450	394,927	866,377

All grants are to institutions and are for the same charitable purpose as defined by the objectives and activities in the Trustee's Report.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

Analysis of grants (continued)

The following institutions received grants of £1,000 or more:

	Grants to Institutions 2023 £	Total funds 2023 £
The Halley Academy	92,974	92,974
Cubitt Town Junior School	45,070	45,070
Greig City Academy	39,500	39,500
Bart's & Royal London School of Medicine	22,500	22,500
St Paul's Cathedral Chorister Trust and Friends of St Paul's Cathedral	11,837	11,837
It's Your Life	10,800	10,800
London Wildlife Trust	10,000	10,000
Into University	10,000	10,000
Blossoms London	8,400	8,400
Reed's School	8,000	8,000
City of London School for Girls	8,000	8,000
Guildhall School Trust	8,000	8,000
City of London Volunteer Police Cadets	7,500	7,500
The Poppy Factory	7,000	7,000
Manchester University	6,600	6,600
Bankside Open Spaces Trust	6,500	6,500
First Aid Nursing Yeomanry	6,000	6,000
King Edward's School	6,000	6,000
Lord Mayor's Appeal	5,000	5,000
Kids Space	5,000	5,000
London Youth Choir	5,000	5,000
TalentEd	5,000	5,000
Batemans Trust	5,000	5,000
CPotential Trust	5,000	5,000
Highlights	5,000	5,000
North London Hill Club	5,000	5,000
FOSFA	5,000	5,000
London's Air Ambulance	4,425	4,425
Clean Break Theatre Company	4,000	4,000
London Symphony Orchestra	4,000	4,000
Switch	4,000	4,000
Ellen McArthur Cancer Trust	3,294	3,294
Cherry Trees	3,000	3,000
The Creative Dimension Trust	3,000	3,000
Ahoy Centre	3,000	3,000
Helping Disabilities	3,000	3,000
Turkey Syria Disaster	2,500	2,500
Future Frontiers	2,000	2,000

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

Analysis of grants (continued)

Sheriff's and Recorders Fund	2,000	2,000
Miracles	2,000	2,000
Believe UK	2,000	2,000
Girls Friendly Society	2,000	2,000
Platform Cricket TH Youth Support	2,000	2,000
Youth Futures	2,000	2,000
Homers Company Science Open Doors	1,400	1,400
Level Water	1,000	1,000
British Red Cross Ukraine appeal	1,000	1,000
Grants of less than £1,000 were made totalling	2,100	2,100
Total 2023	413,400	413,400

8. Analysis of expenditure on charitable activities

Summary by fund type

	Designated funds 2023 £	Total 2023 £
Grant funding	537,582	537,582
Support costs	10,940	10,940
	548,522	548,522

	Restricted funds 2022 £	Designated funds 2022 £	Total 2022 £
Grant funding	471,450	517,088	988,538
Support costs	-	7,788	7,788
	471,450	524,876	996,326

Grant funding of £548,522 (2022 - £996,326) includes grants paid as per note 7 of £393,967 (2022 - £866,377) and support costs allocated as per note 9 of £143,615 (2022 - £122,161).

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

9. Analysis of expenditure by activities

	Grant funding 2023 £	Support costs 2023 £	Total funds 2023 £
Grant funding	393,967	143,615	537,582
Governance costs	-	10,940	10,940
Total 2023	393,967	154,555	548,522

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Grant funding	866,377	122,161	988,538
Governance costs	-	7,788	7,788
Total 2022	866,377	129,949	996,326

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	115,430	104,768
Office costs	3,217	2,794
Premises costs	9,171	6,296
Other costs	15,316	7,843
Professional costs	481	460
Governance costs	10,940	7,788
Total 2023	154,555	129,949

Allocation of support costs:

Staff costs

Staff costs incurred by The Worshipful Company of Tallow Chandlers have been allocated based on the time spent on each activity. The cost of the charity secretary employed by the Company has been fully allocated to grant funding activities. The remaining costs have been allocated with 75% relating to grant funding activities and 25% relating to time spent raising funds.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

9. Analysis of expenditure by activities (continued)

Office costs

The office is owned by the Company and used by staff employed in the Company. The office costs incurred are for the purpose of both grant funding activities and raising funds. Costs have therefore been allocated equally to these activities.

Premises costs

Premises costs relate to the maintenance of the Hall and office which are owned by the Company. The Trust only use the Hall for award functions and other charitable occasions whilst the office is used by the Company staff for both the purpose of grant funding activities and raising funds. Premises costs have been allocated with 75% relating to grant funding activities and 25% relating to raising funds.

Other costs

Other costs relate to the award functions that are held in the Hall which is owned by the Company. The award functions relate wholly to grant funding activities and have therefore been attributed in this way.

Professional costs

Professional costs relate to the pension management and payroll costs incurred by the Company for their staff. These have been allocated with 75% relating to grant funding activities and 25% relating to raising funds. This treatment is consistent with the treatment of staff costs.

10. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	10,280	7,128
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	660	660

11. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 5 April 2023, no Trustee expenses have been incurred (2022 - £NIL).

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

12. Fixed asset investments

	Listed investments £	Cash for re- investment £	Total £
Cost or valuation			
At 6 April 2022	12,379,212	29,291	12,408,503
Additions	978,232	552,038	1,530,270
Disposals	(1,304,168)	-	(1,304,168)
Revaluations	(1,311,639)	-	(1,311,639)
At 5 April 2023	<u>10,741,637</u>	<u>581,329</u>	<u>11,322,966</u>

Included within the revaluation losses on listed investments are realised losses of £315,305 (2022 - £75,676).

13. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	170,734	324,082
Income tax recoverable (gift aid)	9,001	6,584
	<u>179,735</u>	<u>330,666</u>

Included within other debtors is £20,762 (2022 - £56,564) due from the designated fund to the restricted fund in relation to amounts owed for the Halley Academy appeal.

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other creditors	20,762	56,564
Accruals and deferred income	11,000	8,628
Grant commitments	200,264	242,627
	<u>232,026</u>	<u>307,819</u>

Included within other creditors is £20,762 (2022 - £56,564) due to the restricted fund from the designated fund in relation to amounts owed for the Halley Academy appeal.

Tallow Chandlers Benevolent Fund No 2.

**Notes to the financial statements
for the year ended 5 April 2023**

15. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Grant commitments	115,337	99,000

16. Accrued funding commitments

	Under one year 2023 £	Over one year 2023 £	Total funds 2023 £
Grant commitments brought forward	242,626	99,000	341,626
New commitments entered into in year	278,631	115,337	393,968
Grants paid during year	(419,993)	-	(419,993)
Commitments now due within one year	99,000	(99,000)	-
Total 2023	200,264	115,337	315,601

	Under one year 2022 £	Over one year 2022 £	Total funds 2022 £
Grant commitments brought forward	444,358	70,825	515,183
New commitments entered into in year	767,376	99,000	866,376
Grants paid during year	(1,039,933)	-	(1,039,933)
Commitments now due within one year	70,825	(70,825)	-
Total 2022	242,626	99,000	341,626

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

17. Statement of funds

Statement of funds - current year

	Balance at 6 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2023 £
Unrestricted funds					
Designated funds	12,474,862	877,518	(618,657)	(1,311,639)	11,422,084
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	(56,564)	35,802	-	-	(20,762)
	(53,724)	35,802	-	-	(17,922)
Total of funds	12,421,138	913,320	(618,657)	(1,311,639)	11,404,162

Statement of funds - prior year

	Balance at 6 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2022 £
Unrestricted funds					
Designated funds	11,484,156	615,923	(592,633)	967,416	12,474,862
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	-	414,886	(471,450)	-	(56,564)
	2,840	414,886	(471,450)	-	(53,724)
Total of funds	11,486,996	1,030,809	(1,064,083)	967,416	12,421,138

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

18. Summary of funds

Summary of funds - current year

	Balance at 6 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2023 £
Designated funds	12,474,862	877,518	(618,657)	(1,311,639)	11,422,084
Restricted funds	(53,724)	35,802	-	-	(17,922)
	<u>12,421,138</u>	<u>913,320</u>	<u>(618,657)</u>	<u>(1,311,639)</u>	<u>11,404,162</u>

Summary of funds - prior year

	Balance at 6 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2022 £
Designated funds	11,484,156	615,923	(592,633)	967,416	12,474,862
Restricted funds	2,840	414,886	(471,450)	-	(53,724)
	<u>11,486,996</u>	<u>1,030,809</u>	<u>(1,064,083)</u>	<u>967,416</u>	<u>12,421,138</u>

Fund descriptions

a) Designated funds

The designated fund derives from the charitable receipts, tax recoveries and other support from the Company and from its Members, which are treated as capital to be invested. Any capital or income not required for the immediate charitable purposes of the Trust is reinvested by the Trustee.

b) Restricted funds

- FOSFA - the restricted fund derives from charitable receipts from FOSFA which are to be granted as and when an appropriate candidate for the FOSFA award is nominated.

- The Halley Academy - the restricted fund derives from charitable receipts from donors, including matched funding from The Worshipful Company of Tallow Chandlers, which have been specifically donated in response to the The Halley Academy appeal. The intention of the monies raised from the appeal is to fund the construction and establishment of an engineering and design centre. Income of £29,924 (2022 - £147,743) was received from members of the Company during the year. Gift aid of £5,878 (2022 - £29,937) is recoverable on this income, £690 (2022 - £750) of this is included in tax recoveries within debtors at the year end. There is remaining income of £Nil (2022 - £237,206) which is the matched funding due from the Company, of which £15,000 (2022 - £230,725) was received in the year and the remaining £122,404 (2022 - £137,404) is included within debtors. During the year £62,974 (2022 - £666,893) was paid to The Halley Academy, and the remaining £3,427 (2022 - £66,401) is included within the grant commitment creditor.

The deficit on the Halley Academy restricted fund has arisen due to amounts paid over to the Halley Academy Appeal exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however had not been paid over as at 5 April 2023. The Trust has made the additional payments to the Halley Academy Appeal on the basis that the remaining donations pledged will be received from the members, along with the matched funding from the Company. The deficit on the Halley Academy restricted fund is £20,762 (2022 - £56,564). The deficit is expected to reverse in the 2024 financial year end.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Fixed asset investments	-	11,322,966	11,322,966
Current assets	125,934	302,625	428,559
Creditors due within one year	(143,856)	(88,170)	(232,026)
Creditors due in more than one year	-	(115,337)	(115,337)
Total	(17,922)	11,422,084	11,404,162

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Fixed asset investments	-	12,408,503	12,408,503
Current assets	193,968	225,486	419,454
Creditors due within one year	(247,692)	(60,127)	(307,819)
Creditors due in more than one year	-	(99,000)	(99,000)
Total	(53,724)	12,474,862	12,421,138

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,016,976)	934,142
Adjustments for:		
Gains on investments	1,311,639	(967,416)
Dividends and interest from investments	(357,471)	(325,499)
Decrease/(increase) in debtors	150,931	(110,621)
Increase/(decrease) in creditors	(59,456)	(116,044)
Net cash provided by/(used in) operating activities	28,667	(585,438)

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2023

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	248,824	88,788
Investment cash	581,329	29,291
Total cash and cash equivalents	830,153	118,079

22. Analysis of changes in net debt

	At 6 April 2022 £	Cash flows £	At 5 April 2023 £
Cash in hand	88,788	160,036	248,824
	88,788	160,036	248,824

23. Related party transactions

The Worshipful Company of Tallow Chandlers
Trustee

During the year the charity received a notional donation in kind of £164,921 (2022 - £140,260) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

During the year a donation of £50,000, which had been recognised as a debtor in the 2022 financial statements, was cancelled by the The Worshipful Company of Tallow Chandlers.

Total donation income received by the charity in the year, including the above notional donation, amounted to £114,921 (2022 - £377,467).

At the balance sheet date the amount due to the charity from The Worshipful Company of Tallow Chandlers was £122,404 (2022 - £187,404).

TALLOW CHANDLERS BENEVOLENT FUND NO 2

England & Wales - Charity number 246255

Accounts

Charity number: 246255

Tallow Chandlers Benevolent Fund No 2.

Trustee's report and financial statements

for the year ended 5 April 2022

Tallow Chandlers Benevolent Fund No 2.

Contents

	Page
Reference and administrative details of the Charity, its Trustee and advisers	1
Trustee's report	2 - 6
Independent auditors' report on the financial statements	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 30

Tallow Chandlers Benevolent Fund No 2.

Reference and administrative details of the Charity, its Trustee and advisers for the year ended 5 April 2022

Trustee The Worshipful Company of Tallow Chandlers

Charity registered number 246255

Principal office Tallow Chandlers' Hall
4 Dowgate Hill
London
EC4R 2SH

Independent auditors Kreston Reeves LLP
Chartered Accountants
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Bankers Coutts & Co
440 Strand
London
WC2R 0QS

Investment Managers Quilter Cheviot Limited
Senator House
85 Queen Victoria Street
London
EC4V 4AB

Tallow Chandlers Benevolent Fund No 2.

Trustee's report for the year ended 5 April 2022

Introduction

The Trustee presents the Report and the audited Financial Statements for the year ended 5 April 2022. These have been prepared in accordance with the Trust Deed and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

Structure, governance, and management

The Trust was established in 1979 and is governed by a Trust Deed dated 25 September 1979.

The Master and Wardens of The Worshipful Company of Tallow Chandlers ("the Company") as advised by the Court of Assistants have the power to appoint Trustees. In 2017 the Company was appointed as the sole Trustee.

The management of the Trust is vested in the Company and its appointed Education & Charity Committee.

Management and administrative resources are provided by The Worshipful Company of Tallow Chandlers. The notional value of these support services is £140,260 (2021 - £136,242).

Investment Policy

The main objectives for the charity's investment portfolio are to:

- (1) preserve the charity's reserves in real terms after allowing for inflation;
- (2) deliver a reasonable overall total return across the investment cycle;
- (3) ensure sufficient liquidity to fund the committed donations

The Trustee has a detailed Statement of Investment Policy which is regularly reviewed and communicated to the Charity's investment advisors. The Trustee ensures that the investment advisors take due account of environmental, societal, and corporate governance matters when considering investments.

Fund Raising Policy

The Charity derives its income from investments, and donations from the members of the Tallow Chandlers Company. Consequently, there is a minimal level of fundraising from third parties and therefore the charity has not signed up to a code of conduct.

Objectives and activities for the public benefit

The Trust is established for charitable purposes. It supports charities and charitable organisations that provide public benefit by providing donations, bursaries, and scholarships.

The Trust's principal aim is to provide relevant, focused support and giving for the benefit of disadvantaged young people in the Greater London area, to encourage them to succeed in life. This support is primarily provided through education. In achieving this aim, the Trust is providing public benefit and meeting its requirements of being established for charitable purposes.

The Trustee seeks to achieve an impact through a structured programme of giving and by drawing on the support of the Tallow Chandlers' Company, its members, trade links, City connections, and wider affiliations.

The Trustee regularly reviews the impact of the support given by ongoing engagement with the relevant charities and charitable organisations. Though the support of the members of the Tallow Chandlers' Company a network of links with the individual bodies has been established and each new application for support is carefully reviewed and discussed to assess the impact the requested support would have.

At the start of the year, the Trustee approved a grant and awards distribution budget of £415,000 (excluding the Halley Appeal). Grants and awards disbursed during the year (excluding the Halley Appeal) before any movements in grant commitments in the year, totalled £572,973.

The Trustee has referred to Charity Commission guidance on public benefit when reviewing aims and objectives, planning for the future, and setting grant making policy.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2022

Achievements and performance

Our flagship beneficiaries, which receive some of our largest annual donations and programmes of non-financial support, are Greig City Academy in Haringey, Halley Academy in Greenwich and Cubitt Town Primary School in Tower Hamlets. All three schools have a high proportion of students receiving free school meals and a high proportion of students from Black and Minority Ethnic communities. The proportion of students that have English as an additional language (EAL) is also very high. The Company's donations are intended to enhance and add value and do not contribute to core costs or delivery of the standard curricula.

Our relationship with Greig City Academy (GCA) began in 2013. Our aim is to promote STEM and help students with their transition to university, further education, or employment.

Over the last eight years, our annual donation has increased from £15,000 to £30,000, reflecting the success of the association. Annual prizes are presented to students who have excelled in STEM subjects and bursaries awarded to students who go on to university. We have facilitated university visits, held mentoring events, advised on CV writing and interview techniques, helped GCA connect with other schools and contributed to the costs of participation in international science competitions.

During the year, the Trustee awarded an additional donation of £15,000 to purchase equipment to develop the STEM Centre, in which the Trustee has previously invested, to increase the ways in which the space can be used by students. The building is being used to facilitate the Academy's programme of extra-curricular STEM activities such as their robotics league which supports junior schools in the local area and beyond, including Cubitt Primary School. Four teams from the Academy will be representing the United Kingdom at the 2022 VEX Robotics World Championships in Dallas, Texas, USA.

The Trustee allocated an annual donation of £2,000 over three years to Future Frontiers, a charity supporting young people aged 16 – 18 from disadvantaged backgrounds to fulfil their potential at school and when transitioning to education, employment or training. Connections are being made between the charity and GCA staff responsible for careers and work experience at the Academy.

Support to the Halley Academy began in 2016, with the award of their first donation of £20,000. Over the last six years, our annual donation has increased to £30,000. During that time, the Trustee awarded additional donations to support projects delivered in the school by other registered charities, both registered charities which work with young people. A programme of non-financial giving has been developed with the Academy and the Leigh Academies Trust (LAT) – the parent body of the Academy and continues to grow. Members of the Company participate in a wide range of mentoring/careers events including a STEM Business Mentoring Programme, a scheme designed to raise aspirations and guide students to successful career destinations. Members also support activities such as a Careers Information Day, a Student Question Time event, and an Employability Day in addition to hosting work experience days in their own workplaces.

As reported last year, the Trustee indicated to Halley Academy its intention to donate £750,000 for the creation of an engineering and design centre. This was funded by an appeal with a target of £375,000 targeted on the members of the Tallow Chandlers Company and the Trustee agreed to match the sum raised. The Trustee is pleased to report that the appeal was successful and the Centre was operational in the early Spring 2022 and will be officially opened on 6 July 2022.

As reported within Note 17 the restricted reserve attached to The Halley Appeal is in deficit due to monies pledged not yet received. The Trustee is confident that these will all be received and the position will be reversed by the end of the 2023 financial year end.

Building on this investment, the Trustee has hosted a local business reception and is actively exploring links between BP and the Halley Academy regarding potential support via the BP apprenticeship levy fund, and also between City & Guilds and the Academy regarding the possibility of City & Guilds qualifications/accreditation being linked to the Engineering and Design Centre activities.

The Trustee agreed a one-off donation of £20,000 to Roots4Life, a charity addressing the physical and mental health challenges that come with malnutrition, obesity and social isolation. The charity has a close relationship with the Academy, and has outreach to families, schools and community groups in its area.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2022

Cubitt Town Junior School was the first primary school to be awarded a three-year grant by the Company in 2016. Over the last six years, our annual donation has increased from £15,000 to £30,000, and our programme of financial giving continues to grow.

Achievements and performance (continued)

The Trustee agreed to award a one-off donation of £11,600 to support the Cubitt Town Primary School specifically in the areas of music, and funding has gone towards the Nature Area at Cubitt Town Primary School, an outdoor auditorium for lessons, a music area, seating and a small pond.

Cubitt Town Primary School pupils are participating in Superbloom at the Tower of London, an initiative which has been supported by the Company. The Schools Outreach Team at London's Air Ambulance is interested in connecting with our flagship schools and has been introduced to the Head of Cubitt Town Junior school.

Students visit the Hall on an annual basis to attend our Education Awards Lunch and to take part in a Dragons' Den science competition. Encouraging links have been established with Greig City Academy (GCA) and Reed's School. Cubitt Town students participate in the Launch Car Challenge, an annual programme hosted by Reed's School.

The Trustee made a one-off donation of £5,000 to the Tower Hamlets Opportunity Group which is located in the footprint area of Cubitt Town and is the only playgroup in the borough that supports under 5s with a disability or additional need.

City of London institutions, our associated trades, affiliated military organisations, and cadets are important parts of the Company's culture. Support within the City of London during the year included donations to the Lord Mayor's Appeal, the Sheriffs' and Recorder's Fund, the City of London School for Boys, and the City of London School for Girls. We funded bursaries at Barts and the London School of Medicine and Dentistry.

The Trustee approved 65 grants to a total of 55 organisations. In all cases, the Trustee has received appropriate acknowledgement of their award and a summary of the benefits and impact this has enabled for the public benefit.

During the year £160,064 of grant commitments (excluding the Halley Appeal) provided for last year were paid, together with £212,976 of grant commitments entered into this year. A further £252,450 of grant commitments (excluding the Halley Appeal) were provided for this year. The overall result is an increase in the provision of £21,887 before the Halley Appeal.

Although not supported by separately identified endowments, several small and ancient charities were paid £700 in total by standing order out of General Funds, whilst they are available.

Grant making policy

Our members make generous contributions to the Tallow Chandlers Benevolent Fund each year which, combined with the Gift Aid recoverable and an annual gift from the Company itself, go towards increasing the capital of the fund.

Each year the charity budgets to disburse an amount equal to 3.5% of the average of the last 20 quarterly valuations of the total capital of the fund. Combined with time giving by our members this enables us to make significant donations that can have real impact. This practice allows continuity of support to our carefully selected causes over a number of years, even in the event of periodic downturns in investment performance.

The charity is further protected against diminution in its capital by its practice of making commitments for a maximum of three years and reviewing each charity every three years. This would enable, in any one year, a reduction – if deemed necessary – of up to one third of our giving.

Financial review

In the year to 5 April 2022, there was net expenditure before recognised gains and losses of £33,274 (2021 - net incoming resources of £205,855) and a net increase in total funds of £934,142 (2021 - £2,832,549).

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2022

Financial review (continued)

The value of the fixed asset investments held by the Trust increased from £11,374,972 at 6 April 2021 to £12,408,503 at the year end. This increase in value comprised acquisitions during the year of £1,294,196 less disposals of £932,899. The balance of £672,234 results from an increase in market value of investments of £967,416, together with a decrease in cash balances of £295,182 from £324,473 at the start of the year to £29,291 at the end.

The total return target over a rolling 10-year period for the investment portfolio has been set at inflation (based on CPI) plus 4% p.a. net of fees. This implies a nominal target of 6% p.a. currently assuming the Bank of England's official 2% target for CPI inflation. For the year to 5 April 2022, the investment portfolio generated a total return of 10.5% compared to a total return of 28.8% in the previous year.

Total incoming resources were £1,030,809 (2021 - £704,233). The principal funding sources arise from donation income from the members of The Worshipful Company of Tallow Chandlers and from income generated by the fixed asset investments.

Reserves policy

The Trust has an accounting policy to treat as Designated funds the charitable receipts, tax recoveries, and other support from the Company and from its Members, which are treated as capital to be invested, thus continuing the charitable activities of the Trust for the long term. Any capital or income not required for the immediate charitable purpose of the Trust is reinvested.

The Trust uses the invested funds to generate a return to provide for the long-term activities as described in the Grant making policy.

The level of designated funds held at the year end was £12,474,862 (2021 - £11,484,156).

The Trust has an accounting policy to treat as Restricted funds any charitable receipts, which on the instruction of the donor, are to be used for specific purposes.

At the year end the restricted funds held were a deficit of £53,724 (2021 - surplus of £2,840).

The deficit on the restricted funds has arisen due to amounts paid over to the Halley Academy Appeal, exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however had not been paid over as at 5 April 2022. The Trust has made the additional payments to the Halley Academy Appeal on the basis that the remaining donations pledged will be received from the members, along with the matched funding from the Company. The deficit on the Halley Academy restricted fund is £56,564 (2021 - £Nil).

Plans for Future Periods

The Trustee will continue to approve and distribute Grants in accordance with the Grant Making Policy. The Trustee was pleased that the Halley Appeal Target was successfully achieved and will seek to build on its achievement.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2022

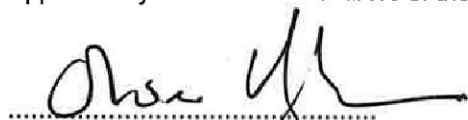
Trustee's Responsibilities Statements

The Trustee is responsible for preparing the Trustee's Annual 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 & Wales requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 operation.

Approved by order of the members of the board of Trustee and signed on their behalf by:



.....
Mr O Kirby-Johnson, Master

On behalf of The Worshipful Company of Tallow Chandlers
Trustee

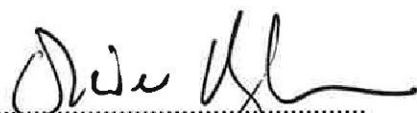
Date: 5th July 2022

Tallow Chandlers Benevolent Fund No 2.

Balance sheet as at 5 April 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	12	12,408,503	11,374,972
		<u>12,408,503</u>	<u>11,374,972</u>
Current assets			
Debtors	13	330,666	220,045
Cash at bank and in hand		88,788	414,842
		<u>419,454</u>	<u>634,887</u>
Creditors: amounts falling due within one year	14	(307,819)	(452,038)
Net current assets		<u>111,635</u>	<u>182,849</u>
Total assets less current liabilities		<u>12,520,138</u>	<u>11,557,821</u>
Creditors: amounts falling due after more than one year	15	(99,000)	(70,825)
Net assets		<u>12,421,138</u>	<u>11,486,996</u>
Total net assets		<u>12,421,138</u>	<u>11,486,996</u>
Charity funds			
Restricted funds	17	(53,724)	2,840
Unrestricted funds	17	12,474,862	11,484,156
Total funds		<u>12,421,138</u>	<u>11,486,996</u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



Mr O Kirby-Johnson, Master

On behalf of The Worshipful Company of Tallow Chandlers

Date: 5th July 2022

The notes on pages 14 to 30 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Statement of financial activities for the year ended 5 April 2022

	Note	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	414,886	290,424	705,310	392,497
Investments	5	-	325,499	325,499	311,736
Total income		414,886	615,923	1,030,809	704,233
Expenditure on:					
Raising funds	6	-	67,757	67,757	32,213
Charitable activities	8	471,450	524,876	996,326	466,165
Total expenditure		471,450	592,633	1,064,083	498,378
Net (expenditure)/income before net gains on investments		(56,564)	23,290	(33,274)	205,855
Net gains on investments		-	967,416	967,416	2,626,694
Net movement in funds		(56,564)	990,706	934,142	2,832,549
Reconciliation of funds:					
Total funds brought forward		2,840	11,484,156	11,486,996	8,654,447
Net movement in funds	17	(56,564)	990,706	934,142	2,832,549
Total funds carried forward		(53,724)	12,474,862	12,421,138	11,486,996

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 30 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to: posting inappropriate journal entries to increase donation income, and the recognition of grant commitments in the financial statements. Audit procedures performed by the charity engagement team and included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's Trustee, 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 charity's Trustee those matters we are required to state to them in an auditors' 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 its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.


Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Horsham
Date: 

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Opinion on other matters prescribed by the Charities Act 2011

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

- the information given in the Trustee's report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustee's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustee's report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee 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 Trustee 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 Trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2.

Opinion

We have audited the financial statements of Tallow Chandlers Benevolent Fund No 2. (the 'charity') for the year ended 5 April 2022 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Trustee with respect to going concern are described in the relevant sections of this report.

Other information

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

Tallow Chandlers Benevolent Fund No 2.

**Statement of cash flows
for the year ended 5 April 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(585,438)	(104,006)
Cash flows from investing activities		
Dividends, interests and rents from investments	325,499	311,736
Proceeds from sale of investments	932,899	1,361,087
Purchase of investments	(1,294,196)	(1,184,218)
Net cash (used in)/provided by investing activities	(35,798)	488,605
Change in cash and cash equivalents in the year	(621,236)	384,599
Cash and cash equivalents at the beginning of the year	739,315	354,716
Cash and cash equivalents at the end of the year	118,079	739,315

The notes on pages 14 to 30 form part of these financial statements

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

1. General information

Tallow Chandlers Benevolent Fund No 2. constitutes a public benefit entity as defined by FRS 102. It's registered charity number is 246255.

The financial statements have been prepared in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Tallow Chandlers Benevolent Fund No 2. meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficiently within the level of reserves for the charity to be able to continue as a going concern.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and that the amount of the obligation can be reliably measured.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and consists of investment management costs and an apportionment of support costs.

Charitable activities and Governance costs consist of grants and donations made and an apportionment of support costs.

Grants and donations payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient has been notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Trust.

Where an unconditional multi-year grant is awarded the full amount of the grant is recognised in the year of the award. The proportion of any multi-year grant unpaid at the year end is recognised as a liability on the balance sheet at its present value.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 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.

2.11 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed above in Note 2 "Accounting policies".

4. Income from donations and legacies

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Donations from Liverymen and Freemen (including tax recoveries)	-	111,134	111,134
Other donations	177,679	39,030	216,709
Donation from The Worshipful Company of Tallow Chandlers	237,207	140,260	377,467
Total 2022	414,886	290,424	705,310

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Donations			
Donations from Liverymen and Freemen (including tax recoveries)	-	119,393	119,393
Other donations	24,531	37,800	62,331
Donation from The Worshipful Company of Tallow Chandlers	24,531	186,242	210,773
Total donations	49,062	343,435	392,497
Total 2021	49,062	343,435	392,497

Within designated income is a notional donation in kind of £140,260 (2021 - £136,242) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

5. Investment income

	Designated funds 2022 £	Total funds 2022 £
Dividends	305,352	305,352
Interest	20,147	20,147
Total 2022	325,499	325,499
	Designated funds 2021 £	Total funds 2021 £
Dividends	293,754	293,754
Interest	17,982	17,982
Total 2021	311,736	311,736

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

6. Expenditure on raising funds

	Designated funds 2022 £	Total funds 2022 £
Investment management costs	48,851	48,851
Support costs - raising funds	18,906	18,906
Total 2022	67,757	67,757

	Designated funds 2021 £	Total funds 2021 £
Investment management costs	12,689	12,689
Support costs - raising funds	19,524	19,524
Total 2021	32,213	32,213

Analysis of support costs

	Designated funds 2022 £	Total funds 2022 £
Staff costs	13,860	13,860
Office costs	2,794	2,794
Premises costs	2,099	2,099
Professional costs	153	153
Total 2022	18,906	18,906

	Designated funds 2021 £	Total funds 2021 £
Staff costs	13,860	13,860
Office costs	2,522	2,522
Premises costs	3,017	3,017
Professional costs	125	125
Total 2021	19,524	19,524

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

7. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grant funding	866,377	866,377

	Grants to Institutions 2021 £	Total funds 2021 £
Grant funding	341,893	341,893

Analysis of grants

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Grants paid to institutions in the current year	666,893	365,747	1,032,640
Awards	-	6,593	6,593
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	700	700
Movement in grant creditor	(195,443)	21,887	(173,556)
Total 2022	471,450	394,927	866,377

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Grants paid to institutions in the current year	-	328,756	328,756
Awards	-	10,093	10,093
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	950	950
Movement in grant creditor	49,062	(46,968)	2,094
Total 2021	49,062	292,831	341,893

All grants are to institutions and are for the same charitable purpose as defined by the objectives and activities in the Trustee's Report.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

Analysis of grants (continued)

The following institutions received grants of £1,000 or more:

	Grants to Institutions 2022 £	Total funds 2022 £
The Halley Academy	696,893	696,893
Greig City Academy	45,000	45,000
Cubitt Town Junior School	42,326	42,326
Roots4Life	20,000	20,000
Bart's & Royal London School of Medicine	17,500	17,500
Treloar Trust	15,000	15,000
Friends of St Paul's Cathedral	11,496	11,496
It's Your Life	10,800	10,800
Into University	10,000	10,000
London Wildlife Trust	10,000	10,000
Reed's School	10,000	10,000
Manchester University	8,250	8,250
City of London School for Girls	8,000	8,000
Guildhall School Trust	8,000	8,000
City of London School for Boys	7,500	7,500
City of London Volunteer Police Cadets	7,500	7,500
The Poppy Factory	7,000	7,000
Tower Hamlets Opportunity	7,000	7,000
First Aid Nursing Yeomanry	6,000	6,000
Bankside Open Spaces Trust	5,000	5,000
Batemans Trust	5,000	5,000
King Edward's School	5,000	5,000
Lord Mayor's Appeal	5,000	5,000
London Youth Support Trust	5,000	5,000
Pan Livery - No Going Back	5,000	5,000
Kids Space	5,000	5,000
The Right Course	5,000	5,000
Relmagine	5,000	5,000
London's Air Ambulance	4,425	4,425
Clean Break Theatre Company	4,000	4,000
Cherry Trees	3,000	3,000
London Youth Choir	3,000	3,000
TalentEd	3,000	3,000
The Creative Dimension Trust	3,000	3,000
London Symphony Orchestra	2,500	2,500
Southwark Sea Cadets	2,500	2,500
Superbloom	2,500	2,500
Future Frontiers	2,000	2,000

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

Analysis of grants (continued)

ABF The Soldiers Charity	2,000	2,000
XLP The Excel Project	2,000	2,000
Switch	1,550	1,550
Sheriff's and Recorders Fund	1,500	1,500
Homers Company Science Open Doors	1,400	1,400
Grants of less than £1,000 were made totalling	1,000	1,000
Total 2022	1,032,640	1,032,640

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Grant funding	471,450	517,088	988,538
Governance costs	-	7,788	7,788
Total 2022	471,450	524,876	996,326

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Grant funding	49,062	410,323	459,385
Governance costs	-	6,780	6,780
Total 2021	49,062	417,103	466,165

Grant funding of £996,326 (2021: £459,385) includes grants paid as per note 7 of £866,377 (2021 - £341,893) and support costs allocated as per note 9 of £122,161 (2021 - £117,492).

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

9. Analysis of expenditure by activities

	Grant funding 2022 £	Support costs 2022 £	Total funds 2022 £
Grant funding	866,377	122,161	988,538
Governance costs	-	7,788	7,788
Total 2022	866,377	129,949	996,326

	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Grant funding	341,893	117,492	459,385
Governance costs	-	6,780	6,780
Total 2021	341,893	124,272	466,165

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	104,768	104,768
Office costs	2,794	2,523
Premises costs	6,296	9,052
Other costs	7,843	774
Professional costs	460	375
Governance costs	7,788	6,780
Total 2022	129,949	124,272

Allocation of support costs:

Staff costs

Staff costs incurred by The Worshipful Company of Tallow Chandlers have been allocated based on the time spent on each activity. The cost of the charity secretary employed by the Company has been fully allocated to grant funding activities. The remaining costs have been allocated with 75% relating to grant funding activities and 25% relating to time spent raising funds.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

9. Analysis of expenditure by activities (continued)

Office costs

The office is owned by the Company and used by staff employed in the Company. The office costs incurred are for the purpose of both grant funding activities and raising funds. Costs have therefore been allocated equally to these activities.

Premises costs

Premises costs relate to the maintenance of the Hall and office which are owned by the Company. The Trust only use the Hall for award functions and other charitable occasions whilst the office is used by the Company staff for both the purpose of grant funding activities and raising funds. Premises costs have been allocated with 75% relating to grant funding activities and 25% relating to raising funds.

Other costs

Other costs relate to the award functions that are held in the Hall which is owned by the Company. The award functions relate wholly to grant funding activities and have therefore been attributed in this way.

Professional costs

Professional costs relate to the pension management and payroll costs incurred by the Company for their staff. These have been allocated with 75% relating to grant funding activities and 25% relating to raising funds. This treatment is consistent with the treatment of staff costs.

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,128	6,120
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<u>660</u>	<u>660</u>

11. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 5 April 2022, no Trustee expenses have been incurred (2021 - £NIL).

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

12. Fixed asset investments

	Listed investments £	Cash for re- investment £	Total £
Cost or valuation			
At 6 April 2021	11,050,499	324,473	11,374,972
Additions	1,294,196	-	1,294,196
Disposals	(932,899)	-	(932,899)
Revaluations	967,416	(295,182)	672,234
At 5 April 2022	<u>12,379,212</u>	<u>29,291</u>	<u>12,408,503</u>

Included within the revaluation gains on listed investments are realised (losses)/gains of (£75,676) (2021 - gain of £52,727).

13. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	324,082	213,111
Income tax recoverable (gift aid)	6,584	6,934
	<u>330,666</u>	<u>220,045</u>

Included within other debtors is £56,564 (2021 - £Nil) due from the designated fund to the restricted fund in relation to amounts owed for the Halley Academy appeal.

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other creditors	56,564	-
Accruals and deferred income	8,628	7,680
Grant commitments	242,627	444,358
	<u>307,819</u>	<u>452,038</u>

Included within other creditors is £56,564 (2021 - £Nil) due to the restricted fund from the designated fund in relation to amounts owed for the Halley Academy appeal.

Tallow Chandlers Benevolent Fund No 2.

**Notes to the financial statements
for the year ended 5 April 2022**

15. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Grant commitments	99,000	70,825

16. Accrued funding commitments

	Under one year 2022 £	Over one year 2022 £	Total funds 2022 £
Grant commitments brought forward	444,358	70,825	515,183
New commitments entered into in year	767,376	99,000	866,376
Grants paid during year	(1,039,933)	-	(1,039,933)
Total 2022	242,626	99,000	341,626

	Under one year 2021 £	Over one year 2021 £	Total funds 2021 £
Grant commitments brought forward	412,593	100,496	513,089
New commitments entered into in year	208,150	133,743	341,893
Grants paid during year	(339,799)	-	(339,799)
Commitments now due within one year	163,414	(163,414)	-
Total 2021	444,358	70,825	515,183

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

17. Statement of funds

Statement of funds - current year

	Balance at 6 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2022 £
Unrestricted funds					
Designated funds	11,484,156	615,923	(592,633)	967,416	12,474,862
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	-	414,886	(471,450)	-	(56,564)
	2,840	414,886	(471,450)	-	(53,724)
Total of funds	11,486,996	1,030,809	(1,064,083)	967,416	12,421,138

Statement of funds - prior year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Unrestricted funds					
Designated funds	8,651,607	655,171	(449,316)	2,626,694	11,484,156
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	-	49,062	(49,062)	-	-
	2,840	49,062	(49,062)	-	2,840
Total of funds	8,654,447	704,233	(498,378)	2,626,694	11,486,996

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

18. Summary of funds

Summary of funds - current year

	Balance at 6 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2022 £
Designated funds	11,484,156	615,923	(592,633)	967,416	12,474,862
Restricted funds	2,840	414,886	(471,450)	-	(53,724)
	<u>11,486,996</u>	<u>1,030,809</u>	<u>(1,064,083)</u>	<u>967,416</u>	<u>12,421,138</u>

Summary of funds - prior year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Designated funds	8,651,607	655,171	(449,316)	2,626,694	11,484,156
Restricted funds	2,840	49,062	(49,062)	-	2,840
	<u>8,654,447</u>	<u>704,233</u>	<u>(498,378)</u>	<u>2,626,694</u>	<u>11,486,996</u>

Fund descriptions

a) Designated funds

The designated fund derives from the charitable receipts, tax recoveries and other support from the Company and from its Members, which are treated as capital to be invested. Any capital or income not required for the immediate charitable purposes of the Trust is reinvested by the Trustee.

b) Restricted funds

- FOSFA - the restricted fund derives from charitable receipts from FOSFA which are to be granted as and when an appropriate candidate for the FOSFA award is nominated.

- The Halley Academy - the restricted fund derives from charitable receipts from donors, including matched funding from The Worshipful Company of Tallow Chandlers, which have been specifically donated in response to the The Halley Academy appeal. The intention of the monies raised from the appeal is to fund the construction and establishment of an engineering and design centre. Income of £147,743 (2021 - £19,625) was received from members of the Company during the year. Gift aid of £29,937 (2021 - £4,906) is recoverable on this income, £750 (2021 - £4,906) of this is included in tax recoveries within debtors at the year end. The remaining income of £237,206 (2021 - £24,351) is the matched funding due from the Company, of which £230,725 (2021 - £Nil) was received in the year and the remaining £137,404 (2021 - £130,922) is included within debtors. During the year £666,893 (2021 - £Nil) was paid to The Halley Academy, and the remaining £66,401 (2021 - £261,844) is included within the grant commitment creditor.

The deficit on the Halley Academy restricted fund has arisen due to amounts paid over to the Halley Academy Appeal exceeding the donation income received from the members of The Worshipful Company of Tallow Chandlers. Donation income had been pledged by members of the Company, however had not been paid over as at 5 April 2022. The Trust has made the additional payments to the Halley Academy Appeal on the basis that the remaining donations pledged will be received from the members, along with the matched funding from the Company. The deficit on the Halley Academy restricted fund is £56,564 (2021 - £Nil). This deficit will reverse in the 2023 financial year end.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
Fixed asset investments	-	12,408,503	12,408,503
Current assets	193,968	225,486	419,454
Creditors due within one year	(247,692)	(60,127)	(307,819)
Creditors due in more than one year	-	(99,000)	(99,000)
Total	(53,724)	12,474,862	12,421,138

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Fixed asset investments	-	11,374,972	11,374,972
Current assets	264,684	370,203	634,887
Creditors due within one year	(261,844)	(190,194)	(452,038)
Creditors due in more than one year	-	(70,825)	(70,825)
Total	2,840	11,484,156	11,486,996

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	934,142	2,832,549
Adjustments for:		
Gains on investments	(967,416)	(2,626,735)
Dividends and interest from investments	(325,499)	(311,736)
Increase in debtors	(110,621)	(898)
(Decrease)/increase in creditors	(116,044)	2,814
Net cash used in operating activities	(585,438)	(104,006)

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2022

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	88,788	414,842
Investment cash	29,291	324,473
Total cash and cash equivalents	118,079	739,315

22. Analysis of changes in net debt

	At 6 April 2021 £	Cash flows £	At 5 April 2022 £
Cash in hand	414,842	(326,054)	88,788
	414,842	(326,054)	88,788

23. Related party transactions

The Worshipful Company of Tallow Chandlers
Trustee

During the year the charity received a notional donation in kind of £140,260 (2021 - £136,242) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

Total donation income received by the charity in the year, including the above notional donation, amounted to £377,467 (2021 - £210,773).

At the balance sheet date the amount due to the charity from The Worshipful Company of Tallow Chandlers was £187,404 (2021 - £180,922).

TALLOW CHANDLERS BENEVOLENT FUND NO 2

England & Wales - Charity number 246255

Accounts

Charity number: 246255

Tallow Chandlers Benevolent Fund No 2.

Trustee's report and financial statements

for the year ended 5 April 2021

Tallow Chandlers Benevolent Fund No 2.

Contents

	Page
Reference and administrative details of the Charity, its Trustee and advisers	1
Trustee's report	2 - 5
Independent auditors' report on the financial statements	6 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 29

Tallow Chandlers Benevolent Fund No 2.

Reference and administrative details of the Charity, its Trustee and advisers for the year ended 5 April 2021

Trustee	The Worshipful Company of Tallow Chandlers
Charity registered number	246255
Principal office	Tallow Chandlers' Hall 4 Dowgate Hill London EC4R 2SH
Independent auditors	Kreston Reeves LLP Chartered Accountants Springfield House Springfield Road Horsham West Sussex RH12 2RG
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment Managers	Quilter Cheviot Limited Senator House 85 Queen Victoria Street London EC4V 4AB

Tallow Chandlers Benevolent Fund No 2.

Trustee's report for the year ended 5 April 2021

Introduction

The Trustee presents the Report and the audited Financial Statements for the year ended 5 April 2021. These have been prepared in accordance with the Trust Deed and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

Structure, governance, and management

The Trust was established in 1979 and is governed by a Trust Deed dated 25 September 1979.

The Master and Wardens of The Worshipful Company of Tallow Chandlers ("the Company") as advised by the Court of Assistants have the power to appoint Trustees. In 2017 the Company was appointed as the sole Trustee.

The management of the Trust is vested in the Company and its appointed Education & Charity Committee.

Management and administrative resources are provided by The Worshipful Company of Tallow Chandlers. The notional value of these support services is £136,242 (2020: £123,375).

Investment Policy

The main objectives for the charity's investment portfolio are to:

- (1) preserve the charity's reserves in real terms;
- (2) deliver a reasonable overall total return across the investment cycle;
- (3) ensure sufficient liquidity to fund the committed donations

The Trustee has a detailed Statement of Investment Policy which is regularly reviewed and communicated to the Charity's investment advisors. The Trustee ensures that the investment advisors take due account of environmental, societal, and corporate governance matters when considering investments.

Fund Raising Policy

The Charity derives its income from investments, and donations from the members of the Tallow Chandlers Company. Consequently, there is a minimal level of fundraising from third parties and therefore the charity has not signed up to a code of conduct.

Objectives and activities for the public benefit

The Trust is established for charitable purposes. It supports charities and charitable organisations that provide public benefit by providing donations, bursaries, and scholarships.

The Trust's principal aim is to provide relevant, focused support and giving for the benefit of disadvantaged young people in the Greater London area, to encourage them to succeed in life. This support is primarily provided through education. In achieving this aim, the Trust is providing public benefit and meeting its requirements of being established for charitable purposes.

The Trustee seeks to achieve an impact through a structured programme of giving and by drawing on the support of the Tallow Chandlers' Company, its members, trade links, City connections, and wider affiliations.

The Trustee regularly reviews the impact of the support given by ongoing engagement with the relevant charities and charitable organisations. Though the support of the members of the Tallow Chandlers' Company a network of links with the individual bodies has been established and each new application for support is carefully reviewed and discussed to assess the impact the requested support would have.

At the start of the year, the Trustee approved a grant and awards distribution budget of £376,429. Grants and awards disbursed during the year, excluding matched funding, additional collections and before any movements in grant commitments in the year, totalled £339,799.

The Trustee has referred to Charity Commission guidance on public benefit when reviewing aims and objectives, planning for the future, and setting grant making policy.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2021

Achievements and performance

Our flagship beneficiaries, which receive some of our largest annual donations and programmes of non financial support, are Greig City Academy in Haringey, Halley Academy in Greenwich and Cubitt Town Junior School in Tower Hamlets. All three schools have a high proportion of students receiving free school meals and a high proportion of students from Black and Minority Ethnic communities. The proportion of students that have English as an additional language (EAL) is also very high. The Company's donations are intended to enhance and add value and do not contribute to core costs or delivery of the standard curricula.

Our relationship with Greig City Academy (GCA) began in 2013. Our aim is to help students with their transition to university, further education, or employment. Over the last seven years, our annual donation has increased from £15,000 to £30,000, reflecting the success of the association. Annual prizes are presented to students who have excelled in STEM subjects and bursaries awarded to students who go on to university. We have facilitated university visits, held mentoring events, advised on CV writing and interview techniques, helped GCA connect with other schools and contributed to the costs of participation in international science competitions. The Trustee allocated £50,000 to support a capital project that funded a new STEM Centre which was officially opened by the Master in November 2019. The building is being used to facilitate the Academy's programme of extra curricular STEM activities such as their robotics league which supports junior schools in the local area and beyond, including Cubitt Town Junior School. During the year, the Trustee awarded two additional donations of £13,440 and £7,000. The donations enabled the Academy to purchase IT equipment for disadvantaged students so that they could be home schooled during the Covid 19 pandemic and webcams to enable remote teaching.

Support to the Halley Academy began in 2016, with the award of their first donation of £20,000. Over the last five years, our annual donation has increased to £30,000. During that time, the Trustee awarded additional donations to support projects delivered in the school by Humanutopia and For Jimmy, both registered charities which work with young people. A programme of non financial giving has been developed with the Academy and the Leigh Academies Trust (LAT) – the parent body of the Academy and continues to grow. Members of the Company participate in a wide range of mentoring/careers events including a STEM Business Mentoring Programme (currently on hold due to Covid-19), a scheme designed to raise aspirations and guide students to successful career destinations. Members also support activities such as a Careers Information Day and a Student Question Time event in addition to hosting work experience days in their own workplaces.

As reported last year, the Trustee has indicated to Halley Academy its intention to donate £750,000 for the creation of an engineering centre. This will be funded by an appeal with a target of £375,000 targeted on the members of the Tallow Chandlers Company and the Trustee has agreed to match the sum raised (capped at £375,000). Despite the impact of the pandemic the Fund-Raising activities are ongoing. Planning Permission for the centre has been obtained and the centre is scheduled to open in September 2021.

Cubitt Town Junior School was the first primary school to be awarded a three year grant by the Company in 2016. Over the last five years, our annual donation has increased from £15,000 to £30,000, and our programme of financial giving continues to grow. The Trustee awarded an additional donation of £13,469 (in 2018/19) to support the building of a running track at the School, which is used daily by both students and staff. During the year, the Trustee awarded an additional donation of £20,500 to support the implementation of a digital learning strategy at the School during the Covid-19 pandemic. The Trustee also awarded a further donation of £7,280 which supported the purchase of IT equipment for pupils with SEND. Students visit the Hall on an annual basis to attend our Education Awards Lunch and to take part in a Dragons' Den science competition. Encouraging links have been established with Greig City Academy (GCA) and Reeds School. Cubitt Town students participate in the Launch Car Challenge, an annual programme hosted by Reed's School.

City of London institutions, our associated trades, affiliated military organisations, and cadets are important parts of the Company's culture. Support within the City of London during the year included donations to the Lord Mayor's Appeal, the Sheriffs' and Recorder's Fund, the City of London School for Boys, and the City of London School for Girls. We funded bursaries at Barts and the London School of Medicine and Dentistry. The Trustee also awarded a new three-year bursary to London's Air Ambulance which will support student on their MSc in Pre-Hospital Care programme. We were unable to hold our annual competition for MBA students at Cass Business School due to the Covid-19 pandemic.

The Trustee approved 48 grants to a total of 43 organisations. In all cases, the Trustee has received appropriate acknowledgement of their award and a summary of the benefits and impact this has enabled for the public benefit.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2021

Achievements and performance (continued)

During the year £192,311 of grant commitments (excluding the Halley Appeal) provided for last year were paid, together with £147,488 of grant commitments entered into this year. A further £145,343 of grant commitments (excluding the Halley Appeal) were provided for this year. The overall result is a decrease in the provision of £46,968 before the Halley Appeal.

Although not supported by separately identified endowments, several small and ancient charities were paid £950 in total by standing order out of General Funds, whilst they are available.

Grant making policy

Our members make generous contributions to the Tallow Chandlers Benevolent Fund each year which, combined with the Gift Aid recoverable and an annual gift from the Company itself, go towards increasing the capital of the fund.

Each year the charity budgets to disburse an amount equal to 3.5% of the average of the last 20 quarterly valuations of the total capital of the fund. Combined with time giving by our members this enables us to make significant donations that can have real impact. This practice allows continuity of support to our carefully selected causes over a number of years, even in the event of periodic downturns in investment performance.

The charity is further protected against diminution in its capital by its practice of making commitments for a maximum of three years and reviewing each charity every three years. This would enable, in any one year, a reduction – if deemed necessary – of up to one third of our giving.

Financial review

In the year to 5 April 2021, there were net incoming resources before recognised gains and losses of £205,855 (2019: £83,017) and a net increase in total funds of £2,832,549 (2020: decrease of £1,316,647).

The value of the fixed asset investments held by the Trust increased from £8,631,122 at 6th April 2020 to £11,374,972 at the year end. This increase in value comprised acquisitions during the year of £1,184,218 less disposals of £1,361,087. The balance of £2,920,719 results from an increase in market value of investments of £2,626,735, together with an increase in cash balances of £293,984 from £30,489 at the start of the year to £324,473 at the end.

The total return target over a rolling 10-year period for the investment portfolio has been set at inflation (based on CPI) plus 4% p.a. net of fees. This implies a nominal target of 6% p.a. currently assuming the Bank of England's official 2% target for CPI inflation. For the year to 5 April 2021, the investment portfolio generated a total return of 28.8% compared to a reduction of 7% in the previous year.

Total incoming resources were £704,233 (2020: £902,178). The principal funding sources arise from donation income from the members of The Worshipful Company of Tallow Chandlers and from income generated by the fixed asset investments.

Impact of Covid 19 and other Principal Risks and Uncertainties

The Trustee has carefully considered the potential impact of Covid-19 and other potential risks and uncertainties on the charitable aims of the charity. The Grant making Policy above describes the basis of calculating the annual amount available for distribution. The underlying principle of the policy is to ensure the ongoing affordability of the commitments already made, to allow additional donations to be made where possible and where appropriate to enter into new long-term commitments even in the event of a diminution in the capital investments. The Trustee is confident due to this policy that there are sufficient resources in place to meet all its short and long term obligations. There were no other significant events during the period.

Plans for Future Periods

The Trustee will continue to approve and distribute Grants in accordance with the Grant Making Policy. In addition, The Trustee will seek to build on the successful launch of the Halley Appeal and is confident that the project will be delivered by Autumn 2021.

Tallow Chandlers Benevolent Fund No 2.

Trustee's report (continued) for the year ended 5 April 2021

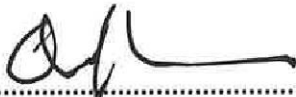
Trustee's Responsibilities Statements

The Trustee is responsible for preparing the Trustee's Annual 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 & Wales requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 operation.

Approved by order of the members of the board of Trustee and signed on their behalf by:



.....
Mr O Kirby-Johnson, Master

On behalf of The Worshipful Company of Tallow Chandlers
Trustee

Date: 6 July 2021

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2.

Opinion

We have audited the financial statements of Tallow Chandlers Benevolent Fund No 2. (the 'charity') for the year ended 5 April 2021 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustee's 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 Trustee with respect to going concern are described in the relevant sections of this report.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee 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 Trustee is 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 Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and industry, and through discussion with the Trustee and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to (examples of risks might include: posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the charity engagement team and included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tallow Chandlers Benevolent Fund No 2.

Independent auditors' report to the Members of Tallow Chandlers Benevolent Fund No 2. (continued)

Use of our report

This report is made solely to the charity's Trustee, 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 charity's Trustee those matters we are required to state to them in an auditors' 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 its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Date: 12/12/2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Tallow Chandlers Benevolent Fund No 2.

Statement of financial activities for the year ended 5 April 2021

	Note	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies		49,062	343,435	392,497	572,621
Investments	5	-	311,736	311,736	329,557
Total income		49,062	655,171	704,233	902,178
Expenditure on:					
Raising funds		-	32,213	32,213	42,057
Charitable activities	8	49,062	417,103	466,165	777,104
Total expenditure		49,062	449,316	498,378	819,161
Net income before net gains/(losses) on investments		-	205,855	205,855	83,017
Net gains/(losses) on investments		-	2,626,694	2,626,694	(1,399,664)
Net movement in funds		-	2,832,549	2,832,549	(1,316,647)
Reconciliation of funds:					
Total funds brought forward		2,840	8,651,607	8,654,447	9,971,094
Net movement in funds		-	2,832,549	2,832,549	(1,316,647)
Total funds carried forward		2,840	11,484,156	11,486,996	8,654,447

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 29 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

Balance sheet as at 5 April 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	12	11,374,972	8,631,122
		<u>11,374,972</u>	<u>8,631,122</u>
Current assets			
Debtors	13	220,045	219,147
Cash at bank and in hand		414,842	324,227
		<u>634,887</u>	<u>543,374</u>
Creditors: amounts falling due within one year	14	(452,038)	(419,553)
Net current assets		<u>182,849</u>	<u>123,821</u>
Total assets less current liabilities		<u>11,557,821</u>	<u>8,754,943</u>
Creditors: amounts falling due after more than one year	15	(70,825)	(100,496)
Net assets excluding pension asset		<u>11,486,996</u>	<u>8,654,447</u>
Total net assets		<u><u>11,486,996</u></u>	<u><u>8,654,447</u></u>
Charity funds			
Restricted funds	17	2,840	2,840
Unrestricted funds	17	11,484,156	8,651,607
Total funds		<u><u>11,486,996</u></u>	<u><u>8,654,447</u></u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:



.....
Mr O Kirby-Johnson, Master

On behalf of The Worshipful Company of Tallow Chandlers

Date: 6 July 2021

The notes on pages 14 to 29 form part of these financial statements.

Tallow Chandlers Benevolent Fund No 2.

**Statement of cash flows
for the year ended 5 April 2021**

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(104,006)	(141,832)
Cash flows from investing activities		
Dividends, interests and rents from investments	311,736	329,557
Proceeds from sale of investments	1,361,087	727,291
Purchase of investments	(1,184,218)	(880,335)
Net cash provided by investing activities	488,605	176,513
Change in cash and cash equivalents in the year	384,599	34,681
Cash and cash equivalents at the beginning of the year	354,716	320,035
Cash and cash equivalents at the end of the year	739,315	354,716

The notes on pages 14 to 29 form part of these financial statements

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

1. General information

Tallow Chandlers Benevolent Fund No 2. constitutes a public benefit entity as defined by FRS 102. It's registered charity number is 246255.

The financial statements have been prepared in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Tallow Chandlers Benevolent Fund No 2. meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustee believes that no material uncertainties exist. The Trustee has considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficiently within the level of reserves for the charity to be able to continue as a going concern.

The Trustee has specifically considered the potential impact of Covid-19 on the charity's ability to continue to meet its charitable aims. Each year the charity budgets to disburse an amount equal to 3.5% of the average of the last 20 quarterly valuations of the total capital of the fund. This practice allows continuity of support to our carefully selected causes over a number of years, even in the event of a downturn in investment performance due to the impact of Covid-19. The underlying principle of the policy is to ensure the ongoing affordability of the commitments already made, to allow additional donations to be made where possible and where appropriate to enter into new long term commitments even in the event of a diminution in the capital investments. The Trustee is confident due to this policy that there are sufficient resources in place to meet all of its short and long-term obligations.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and that the amount of the obligation can be reliably measured.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and consists of investment management costs and an apportionment of support costs.

Charitable activities and Governance costs consist of grants and donations made and an apportionment of support costs.

Grants and donations payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient has been notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Trust.

Where an unconditional multi-year grant is awarded the full amount of the grant is recognised in the year of the award. The proportion of any multi-year grant unpaid at the year end is recognised as a liability on the balance sheet at its present value.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.10 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.

2.11 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed above in Note 2 "Accounting policies".

4. Income from donations and legacies

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Donations from Liverymen and Freemen (including tax recoveries)	-	119,393	119,393
Other donations	24,531	37,800	62,331
Donation from The Worshipful Company of Tallow Chandlers	24,531	186,242	210,773
	<u>49,062</u>	<u>343,435</u>	<u>392,497</u>
	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Donations			
Donations from Liverymen and Freemen (including tax recoveries)	-	119,919	119,919
Other donations	106,391	46,545	152,936
Donation from The Worshipful Company of Tallow Chandlers	116,391	173,375	289,766
Total donations	<u>222,782</u>	<u>339,839</u>	<u>562,621</u>
Legacies	10,000	-	10,000
	<u>232,782</u>	<u>339,839</u>	<u>572,621</u>

Within designated income is a notional donation in kind of £136,242 (2020 - £123,375) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

Tallow Chandlers Benevolent Fund No 2.

**Notes to the financial statements
for the year ended 5 April 2021**

5. Investment income

	Designated funds 2021 £	Total funds 2021 £
Dividends	293,754	293,754
Interest	17,982	17,982
Total 2021	311,736	311,736
	Designated funds 2020 £	Total funds 2020 £
Dividends	309,487	309,487
Interest	20,070	20,070
Total 2020	329,557	329,557

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

6. Expenditure on raising funds

	Designated funds 2021 £	Total funds 2021 £
Investment management costs	12,689	12,689
Support costs - raising funds	19,524	19,524
Total 2021	32,213	32,213

	Designated funds 2020 £	Total funds 2020 £
Investment management costs	22,372	22,372
Support costs - raising funds	19,685	19,685
Total 2020	42,057	42,057

Analysis of support costs

	Designated funds 2021 £	Total funds 2021 £
Staff costs	13,860	13,860
Office costs	2,522	2,522
Premises costs	3,017	3,017
Professional costs	125	125
Total 2021	19,524	19,524

	Designated funds 2020 £	Total funds 2020 £
Staff costs	12,252	12,252
Office costs	3,188	3,188
Premises costs	4,032	4,032
Professional costs	213	213
Total 2020	19,685	19,685

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

7. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £
Grant funding	341,893	341,893

	Grants to Institutions 2020 £	Total funds 2020 £
Grant funding	666,863	666,863

Analysis of grants

	Designated funds 2021 £	Total funds 2021 £
Grants paid to institutions in the current year	328,756	328,756
Awards	10,093	10,093
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	950	950
Movement in grant creditor	2,094	2,094
Total 2021	341,893	341,893

	Deignated funds 2020 £	Total funds 2020 £
Grants paid to institutions in the current year	424,981	424,981
Awards	7,793	7,793
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	700	700
Movement in grant creditor	233,389	233,389
Total 2020	666,863	666,863

All grants are to institutions and are for the same charitable purpose as defined by the objectives and activities in the Trustee's Report.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

Analysis of grants (continued)

The following institutions received grants of £1,000 or more:

	Grants to Institutions 2021 £	Total funds 2021 £
Cubitt Town Junior School	57,780	57,780
Greig City Academy	50,440	50,440
The Halley Academy	30,000	30,000
Bart's & Royal London School of Medicine	17,500	17,500
Treloar Trust	15,000	15,000
Friends of St Paul's Cathedral	11,261	11,261
Federation of London Youth Clubs	10,000	10,000
City & Guilds	10,000	10,000
Into University	10,000	10,000
London Wildlife Trust	10,000	10,000
SOAS (SOAS and MW Beer Scholarship)	10,000	10,000
City of London School for Girls	8,000	8,000
Guildhall School Trust	8,000	8,000
City of London School for Boys	7,500	7,500
Reed's School	6,000	6,000
The Poppy Factory	6,000	6,000
City of London Volunteer Police Cadets	5,350	5,350
Bankside Open Spaces	5,000	5,000
Batemans Trust	5,000	5,000
King Edwards School	5,000	5,000
London Youth Support Trust - Launch It	5,000	5,000
Lord Mayors Appeal	5,000	5,000
London's Air Ambulance	4,425	4,425
Clean Break	4,000	4,000
Cherry Trees	3,000	3,000
London Youth Choir	3,000	3,000
Talent Ed	3,000	3,000
The Creative Dimension	3,000	3,000
London Symphony Orchester	2,500	2,500
Southwark Sea Cadets	2,500	2,500
Innovations for Learning	2,000	2,000
Platform Cricket TH Youth Support	2,000	2,000
Sheriff's and Recorders Fund	1,500	1,500
	328,756	328,756

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Grant funding	49,062	410,323	459,385
Governance costs	-	6,780	6,780
Total 2021	49,062	417,103	466,165
	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Grant funding	232,782	538,562	771,344
Governance costs	-	5,760	5,760
Total 2020	232,782	544,322	777,104

Grant funding of £459,385 (2020: £771,344) includes grants paid as per note 7 of £341,893 (2020 - £666,863) and support costs allocated as per note 9 of £117,492 (2020 - £104,481).

9. Analysis of expenditure by activities

	Grant funding 2021 £	Support costs 2021 £	Total funds 2021 £
Grant funding	341,893	117,492	459,385
Governance costs	-	6,780	6,780
Total 2021	341,893	124,272	466,165

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

9. Analysis of expenditure by activities (continued)

	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Grant funding	666,863	104,481	771,344
Governance costs	-	5,760	5,760
Total 2020	666,863	110,241	777,104

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	104,768	87,767
Office costs	2,523	3,189
Premises costs	9,052	12,096
Other costs	774	791
Professional costs	375	638
Governance costs	6,780	5,760
Total 2021	124,272	110,241

Allocation of support costs:

- Staff costs incurred by The Worshipful Company of Tallow Chandlers have been allocated based on the time spent on each activity. The cost of the charity secretary employed by the Company has been fully allocated to grant funding activities. The remaining costs have been allocated with 75% relating to grant funding activities and 25% relating to time spent raising funds.
- The office is owned by the Company and used by staff employed in the Company. The office costs incurred are for the purpose of both grant funding activities and raising funds. Costs have therefore been allocated equally to these activities.
- Premises costs relate to the maintenance of the Hall and office which are owned by the Company. The Trust only use the Hall for award functions and other charitable occasions whilst the office is used by the Company staff for both the purpose of grant funding activities and raising funds. Premises costs have been allocated with 75% relating to grant funding activities and 25% relating to raising funds.
- Other costs relate to the award functions that are held in the Hall which is owned by the Company. The award functions relate wholly to grant funding activities and have therefore been attributed in this way.
- Professional costs relate to the pension management and payroll costs incurred by the Company for their staff. These have been allocated with 75% relating to grant funding activities and 25% relating to raising funds. This treatment is consistent with the treatment of staff costs.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

10. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	6,120	5,100
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	660	660

11. Trustee's remuneration and expenses

During the year, no Trustee received any remuneration or other benefits (2020 - £NIL).

During the year no Trustee received a reimbursement of expenses (2020 - £NIL).

12. Fixed asset investments

	Listed investments £	Cash for re- investment £	Total £
Cost or valuation			
At 6 April 2020	8,600,633	30,489	8,631,122
Additions	1,184,218	-	1,184,218
Disposals	(1,361,087)	-	(1,361,087)
Revaluations	2,626,735	293,984	2,920,719
At 5 April 2021	11,050,499	324,473	11,374,972

Included within the revaluation gain on listed investments are realised gains of £52,727 (2020 - £176,476).

13. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	213,111	194,749
Tax recoverable (gift aid)	6,934	24,398
	220,045	219,147

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	7,680	6,960
Grant commitments	444,358	412,593
	<u>452,038</u>	<u>419,553</u>

15. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Grant commitments	<u>70,825</u>	<u>100,496</u>

16. Accrued funding commitments

	Under 1 year 2021 £	Over 1 year 2021 £	Total funds 2021 £
Grant commitments brought forward	412,593	100,496	513,089
New commitments entered into in year	208,150	133,743	341,893
Grants paid during year	(339,799)	-	(339,799)
Total 2021	<u>444,358</u>	<u>70,825</u>	<u>515,183</u>

	Under 1 year 2020 £	Over 1 year 2020 £	Total funds 2020 £
Grant commitments brought forward	200,350	79,350	279,700
New commitments entered into in year	566,367	100,496	666,863
Grants paid during year	(433,474)	-	(433,474)
Commitments now due within one year	79,350	(79,350)	-
Total 2020	<u>412,593</u>	<u>100,496</u>	<u>513,089</u>

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

17. Statement of funds

Statement of funds - current year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Unrestricted funds					
Designated funds	8,651,607	655,171	(449,316)	2,626,694	11,484,156
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	-	49,062	(49,062)	-	-
	2,840	49,062	(49,062)	-	2,840
Total of funds	8,654,447	704,233	(498,378)	2,626,694	11,486,996

Statement of funds - prior year

	Balance at 6 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2020 £
Unrestricted funds					
Designated funds	9,968,254	669,396	(586,379)	(1,399,664)	8,651,607
Restricted funds					
Restricted fund - FOSFA	2,840	-	-	-	2,840
Restricted fund - The Halley Academy	-	232,782	(232,782)	-	-
	2,840	232,782	(232,782)	-	2,840
Total of funds	9,971,094	902,178	(819,161)	(1,399,664)	8,654,447

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

18. Summary of funds

Summary of funds - current year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Designated funds	8,651,607	655,171	(449,316)	2,626,694	11,484,156
Restricted funds	2,840	49,062	(49,062)	-	2,840
	<u>8,654,447</u>	<u>704,233</u>	<u>(498,378)</u>	<u>2,626,694</u>	<u>11,486,996</u>

Summary of funds - prior year

	Balance at 6 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2020 £
Designated funds	9,968,254	669,396	(586,379)	(1,399,664)	8,651,607
Restricted funds	2,840	232,782	(232,782)	-	2,840
	<u>9,971,094</u>	<u>902,178</u>	<u>(819,161)</u>	<u>(1,399,664)</u>	<u>8,654,447</u>

Fund descriptions

a) Designated funds

The designated fund derives from the charitable receipts, tax recoveries and other support from the Company and from its Members, which are treated as capital to be invested. Any capital or income not required for the immediate charitable purposes of the Trust is reinvested by the Trustee.

b) Restricted funds

- FOSFA - the restricted fund derives from charitable receipts from FOSFA which are to be granted as and when an appropriate candidate for the FOSFA award is nominated.

- The Halley Academy - the restricted fund derives from charitable receipts from donors, including matched funding from The Worshipful Company of Tallow Chandlers, which have been specifically donated in response to the The Halley Academy appeal. The intention of the monies raised from the appeal is to fund the construction and establishment of an engineering and design centre. Income of £19,625 (2020 - £104,641) was received from members of the Company during the year. Gift aid of £4,906 (2020 - £11,750) is recoverable on this income and is included in tax recoveries within debtors. The remaining income of £24,531 (2020 - £116,391) is the matched funding due from the Company, of which £Nil (2020 - £10,000) was received in the year and the remaining £130,922 (2020 - £106,391) is included within debtors. During the year £Nil (2020 - £20,000) was paid to The Halley Academy, and the remaining £261,844 (2020 - £212,782) is included within the grant commitment creditor.

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Designated funds 2021 £	Total funds 2021 £
Fixed asset investments	-	11,374,972	11,374,972
Current assets	264,684	370,203	634,887
Creditors due within one year	(261,844)	(190,194)	(452,038)
Creditors due in more than one year	-	(70,825)	(70,825)
Total	2,840	11,484,156	11,486,996

Analysis of net assets between funds - prior year

	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Fixed asset investments	-	8,631,122	8,631,122
Current assets	215,622	327,752	543,374
Creditors due within one year	(212,782)	(206,771)	(419,553)
Creditors due in more than one year	-	(100,496)	(100,496)
Total	2,840	8,651,607	8,654,447

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	2,832,549	(1,316,647)
Adjustments for:		
Gains/(losses) on investments	(2,626,735)	1,401,798
Dividends, interests and rents from investments	(311,736)	(329,557)
Increase in debtors	(898)	(130,815)
Increase in creditors	2,814	233,389
Net cash used in operating activities	(104,006)	(141,832)

Tallow Chandlers Benevolent Fund No 2.

Notes to the financial statements for the year ended 5 April 2021

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	414,842	324,227
Investment cash	324,473	30,489
Total cash and cash equivalents	739,315	354,716

22. Analysis of changes in net debt

	At 6 April 2020 £	Cash flows £	At 5 April 2021 £
Cash in hand	324,227	90,615	414,842
	324,227	90,615	414,842

23. Related party transactions

The Worshipful Company of Tallow Chandlers
Trustee

During the year the charity received a notional donation in kind of £136,242 (2020 - £123,375) which represents the value of the expenditure borne by The Worshipful Company of Tallow Chandlers in providing support services to the Tallow Chandlers Benevolent Fund No 2.

Total donation income received by the charity in the year, including the above notional donation, amounted to £210,773 (2020 - £289,766).

At the balance sheet date the amount due to the charity from The Worshipful Company of Tallow Chandlers was £180,922 (2020: £156,391).