

Registered Charity number 527058

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST
ANNUAL REPORT AND ACCOUNTS
YEAR ENDED 31 MARCH 2020

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST
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ANNUAL REPORT AND ACCOUNTS

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THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2020

The Trustees present the report and financial statements of The Merchant Taylors' School General Charitable Trust for the year ended 31 March 2020. The statements appear in the format required by the 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 (Charities SORP (FRS102)).

Structure, Governance and Management

The Trust was established to provide support to the Merchant Taylors' Boys' and Girls' Schools in Crosby ('The Schools').

The governing instrument for the administration of the Charity is the Trust Deed dated 9 July 1969.

The Charity and its property are administered and managed by the Trustees who are also members of the Board of Governors of The Schools. Details of the present Trustees and those acting during the year are set out on page 4. No fee or other form of remuneration is payable to any Trustee.

The Trustees meet regularly throughout the year in association with meetings of the full Board of Governors of The Schools, to whom they report on the Charity's progress and activities.

The Trustees are empowered to employ such staff as they may consider necessary or desirable in order to attain the objects of The Trust, save that no Trustee is permitted to hold a salaried office. The day to day running of the administration of the Charity is dealt with by employees of The Schools.

Related party transactions

During the year the Trust paid grants amounting to £170,000 (2019: £420,298) to The Merchant Taylors Schools.

The Foundation and Objects of the Charity

The deed which governs the existence of the Charity requires that the Trustees shall apply the whole of the income of the Trust Fund, and such part of the capital thereof as they shall in their absolute discretion determine up to the whole amount thereof, to or for such charitable purposes as are connected with The Schools. The Trustees may similarly dispose of the income and the capital of the Trust Fund to such other charitable purposes or charitable foundations as they may determine, whether or not such charitable purposes or foundations are connected with The Schools. When considering the application of either the income or the capital of the Trust Fund, the Trustees are obliged always to consider in the first place the requirements of The Schools.

Public Benefit

The Trustees have complied with the duty in S17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under the Act. All the grants paid to The Schools have been used to provide bursary assistance, most of which is means tested.

Review of Activities and Achievements

During our 400th anniversary year, we had planned to undertake an exciting year of celebrations and events. Our engaging and thriving alumni focussed website, regular alumni communications, including a monthly e-newsletter, bi-annual magazine, and thriving social media channels mean that the Merchants' community is more engaged than ever. Excitement around the 400th anniversary celebrations had led to a significant uplift in alumni engagement across all channels.

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Review of Activities and Achievements (continued)

In March 2020 we held what was to be the first of the 400th anniversary events, a dinner for 250 at the Merchant Taylors' Hall in London, hosted jointly by the Old Girls' and Old Boys' Associations. This was the largest alumni dinner we have ever held, and included a significant number of Old Girls which was an encouraging improvement on female engagement.

Covid-19 and lockdown has effectively cancelled all of the remaining 400th anniversary events; at the time of writing, the service at Liverpool Cathedral and the 400th anniversary ball on site at MTBS and the alumni dinner at Anfield have all postponed until at least 2021.

Fundraising efforts remain focussed on bursaries, with a specific priority to increase the number of transformational bursary places offered across the Schools. These bursaries bring pupils to the Schools who would not otherwise be able to attend, and are typically fully funded places. A target of doubling the number of bursaries offered to incoming pupils by 2025 has been set, with a financial target of £3 million.

We undertook a direct mail campaign, with two phases of mailing completed in July and December 2019. These, along with an email fundraising campaign, raised £175,000 from 47 donors. The planned telephone fundraising campaign in summer 2020 has been postponed until summer 2022, and the planned online giving day in 2021 remains.

We were due to review strategy in 2020-21 and will do this, particularly in the light of the Covid-19 pandemic and its effect on the way we work and engage alumni, and our fundraising income.

Our current strategic aims are:

- To promote social mobility by raising £3 million to double the number of transformational bursaries on offer at the Schools by 2025.
- To support the Schools' position as a market leader by generating funds for facilities and extra-curricular activities.
- To create a vibrant and engaged community of alumni and friends which is motivated to contribute to and participate in Merchant Taylors' continuing success.
- To create a programme of services, activities and communications for our alumni and friends tailored to their experiences and interests.
- To engage alumni and friends as advocates for The Schools, role models, employers, and sources of support and inspiration for our pupils.

Going Concern

The Financial statements have been prepared on a going concern basis, which principally assumes that the charity will continue to receive donations at a sustainable level.

The trustees are aware of the need to ensure that grants payable to the School are sustainable and are at a level that does not exceed the donations received during the year.

On this basis and taking account the levels of cash currently held, the trustees consider it appropriate to prepare the financial statements on a going concern basis

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

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Impact

Our alumni and community support us in many different ways including; through providing careers advice and work experience to our current pupils, by attending events or by hosting/attending events or by making a donation.

From the original legacy that launched The Boys' School back in 1620, Merchant Taylors' Schools has thrived upon the generous donations of others. Merchant Taylors' has a strong tradition of providing academic excellence, whilst cultivating an all-round education for its pupils. Fee income sustains the delivery and development of our core business but we rely on the support of the wider Merchant Taylors' family to provide essential funding for Bursaries and for the ongoing development of our estate and facilities.

In the 2019-20 academic year:

£348,000 in total was raised.

104 pupils are currently in receipt of bursaries funded by donations or the school.

17 boys and 26 girls are in receipt of transformational bursaries (85% funded or above).

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2020

Financial Position

The accounts show that after paying grants of £170,000 (2019: £420,298), at the end of the financial year the Charity held funds of £41,710 (2019:£43,138).

Reserves Policy

The Charity does not employ any direct resources of its own. In view of this, and taken with the nature of the Charity's activities as a vehicle for the collection of charitable gifts and donations to be paid over to The Schools, there is no need for it to retain reserves to any specified level.

Risk Management

The Trustees are responsible for the management of the risks faced by the Charity. A detailed consideration of those risks forms part of the work of the Risk Committee established by the Governors of The Schools. As a result, a formal review of the Charity's risk management process is undertaken as part of the overall Schools' risk management process.

Trustees

The Trust Deed governing the Charity stipulates that whereas there is no upper limit to the number of Trustees who may be appointed, the existing Trustees are required to use their best endeavours to ensure that the minimum number of such Trustees does not fall below five. When a vacancy arises the trustees approach candidates who they consider are appropriate and would widen the trustees representation. The training of the Trustees is undertaken by the Schools.

The following individuals acted in the capacity of Trustee during the year:

Mrs. B C Bell CBE, LLB (Hons) FCILT FRSA (Resigned 12 July 2020)

Dr J A Fox (Resigned 4 January 2021)

Mr C Cowling

Miss A Gervasoni

Mr J Hepworth (Appointed 19 June 2019)

Mr P Marshall QC (Appointed 15 July 2020)

Principal Office

The principal office of the Charity is situated at Merchant Taylors' School, Crosby, Liverpool L23 0QP.

Bankers

The bankers acting on behalf of the Charity during the year were Barclays Bank Plc, Liverpool.

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Auditors

The duties of the auditors of the accounts of the Charity are undertaken by BDO LLP, Liverpool.

Reappointment of the Auditors

A resolution for the re-appointment of BDO LLP will be proposed at the forthcoming Trustees' meeting

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charity's auditors are unaware and;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Authorised and approved on behalf of the Board of Governors



Mr C Cowling

27 January 2021

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity for that period.

In preparing these financial statements the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

Opinion

We have audited the financial statements of The Merchant Taylors' School General Charitable Trust ("the Charity") for the year ended 31 March 2020 which comprise the statement of financial activities including the income and expenditure account, the balance sheet and notes to the financial statements, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

Other information

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

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.

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 in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate 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 Statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST

Auditor's 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Helen Knowles

BDO UK LLP, Statutory Auditor

Liverpool

Date: 27 January 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020

Notes	2020			2019		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
INCOME FROM:						
Donations (1.5)	107,518	11,160	118,678	100,599	11,160	111,759
Legacies (1.5)	50,000	-	50,000	301,247	-	301,247
	<u>157,518</u>	<u>11,160</u>	<u>168,678</u>	<u>401,846</u>	<u>11,160</u>	<u>413,006</u>
EXPENDITURE ON:						
Charitable activities :-						
Grants paid to the Schools (1.6), (6)	(160,000)	(10,000)	(170,000)	(409,138)	(11,160)	(420,298)
Bank charges	(106)	-	(106)	(97)	-	(97)
	<u>(160,106)</u>	<u>(10,000)</u>	<u>(170,106)</u>	<u>(409,235)</u>	<u>(11,160)</u>	<u>(420,395)</u>
NET (EXPENDITURE) / INCOME	(2,588)	1,160	(1,428)	(7,389)	-	(7,389)
Funds brought forward at 1 April 2019	39,088	4,050	43,138	46,477	4,050	50,527
FUNDS CARRIED FORWARD AT 31 MARCH 2020	<u>36,500</u>	<u>5,210</u>	<u>41,710</u>	<u>39,088</u>	<u>4,050</u>	<u>43,138</u>

All of the operations are continuing.

There are no recognised gains and losses other than those noted in the above statement.

The notes on pages 13-14 form part of these financial statements

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST
BALANCE SHEET
AS AT 31 MARCH 2020

		2020	2019
	Notes	£	£
CURRENT ASSETS			
Debtors	(3)	17,946	19,126
Cash on deposit		23,764	24,012
		<u>41,710</u>	<u>43,138</u>
CREDITORS			
Amounts falling due within one year		-	-
NET ASSETS		<u>41,710</u>	<u>43,138</u>
FUNDS			
Unrestricted funds	(1.3) , (4)	36,500	39,088
Restricted funds	(1.4), (4)	5,210	4,050
		<u>41,710</u>	<u>43,138</u>

The notes on pages 13-14 form part of these financial statements

Approved by the Trustees on 27 January 2021
and signed on their behalf by:



..... Mr C Cowling



..... Miss A Gervasoni

THE MERCHANT TAYLORS' SCHOOL GENERAL CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

1.1 Basis of accounting

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 (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The trustees confirm that the Charity meets the definition of a public benefit entity under FRS 102

These financial statements have been prepared in accordance with the historical cost convention.

The following principal accounting policies have been applied:

1.2 Going Concern

The financial statements have been prepared on a going concern basis, which principally assumes that the charity will continue to receive donations at a sustainable level.

The trustees are aware of the need to ensure that grants payable to the School are sustainable and at a level that does not exceed the donations received during the year.

On this basis and taking account the levels of cash currently held, the trustees consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Unrestricted funds

Unrestricted funds represent the funds of the Trust that are not subject to any restrictions regarding their use, and thus are available for application to the general purposes of the trust.

1.4 Restricted Funds

Restricted funds are funds which are to be used with specific instructions proposed by the donor or Trust deed.

1.5 Incoming resources

(a) Donations

Gifts and donations to the trust are accounted for as and when they are received.

Income tax recoverable on covenanted or gift aid donations is recognised when claimable.

(b) Legacies

Legacies are recognised when receipt is probable and the value can be measured reliably.

1.6 Resources expended

(a) Cost of Generating Funds

Cost of generating funds comprise those costs associated with fundraising events and are accounted for when payable.

(b) Charitable activities

Grants are accounted for as and when they are paid. Any support costs are allocated to the grants paid as appropriate.

(c) Governance cost

Governance costs are accounted for when payable and comprise those costs associated with governance of the charity.

All support costs are paid for by Merchant Taylors' School, Crosby. No absorption method is required as all costs are directly chargeable.

1.7 Taxation

As a registered charity, the Trust is exempt from taxation on income or gains arising out of its charitable activities.

1.8 Judgements in applying accounting policies and key sources of estimation uncertainty

The charity makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In future, actual experience may differ from these estimates and assumptions. During the current and prior years there have been no key sources of estimation that have had a significant impact on the carrying value of assets and liabilities.

2 Support costs

The average number of employees was Nil (2019:Nil).

No employees earned over £60,000 (2019:Nil)

No trustees' remuneration was paid in respect of the year.

No trustees' expenses were reimbursed in the year.

All management and administrative costs of the Charity for the year to 31 March 2020 were borne by the Merchant Taylors' Schools, Crosby, including auditors' remuneration of £2,570 exc VAT.

3 Debtors

	2020 £	2019 £
Due within one year:		
Income tax recoverable	17,946	18,989
Other debtors	-	137
	<u>17,946</u>	<u>19,126</u>

4 Movement in Funds

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Unrestricted Funds				
General Fund	<u>39,088</u>	<u>157,518</u>	<u>(160,106)</u>	<u>36,500</u>
Restricted Funds				
Prize and capital fund	<u>4,050</u>	<u>11,160</u>	<u>(10,000)</u>	<u>5,210</u>
Total Funds	<u>43,138</u>	<u>168,678</u>	<u>(170,106)</u>	<u>41,710</u>
Movement in Funds (Previous year)				
	At 1 April 2018 £	Income £	Expenditure £	At 31 March 2019 £
Unrestricted Funds				
General Fund	<u>46,477</u>	<u>401,846</u>	<u>(409,235)</u>	<u>39,088</u>
Restricted Funds				
Prize and capital fund	<u>4,050</u>	<u>11,160</u>	<u>11,160</u>	<u>4,050</u>
Total Funds	<u>50,527</u>	<u>413,006</u>	<u>(420,395)</u>	<u>43,138</u>

5 Analysis of net assets by fund

		Restricted funds	Unrestricted funds	Total funds
Net current assets	2020	<u>5,210</u>	<u>36,500</u>	<u>41,710</u>
Net current assets	2019	<u>4,050</u>	<u>39,088</u>	<u>43,138</u>

6 Related party transactions

During the year the Trust paid grants amounting to £170,000 (2019: £420,298) to The Merchant Taylors' Schools, Crosby, of which the trustees are Governors.