

# **The Mercers' Charitable Foundation**

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## **Trustee's Annual Report & Financial Statements 2021**

Charity Commission Number 326340

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## CONTENTS

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Trustee's Annual Report for the year ended 31 March 2021	4
Objectives and activities for public benefit	4
Grant Making	4
A review of performance and achievements	5
Monitoring and Impact	8
Future plans	10
Financial Review	11
Funding Sources	11
Investments	11
Results for the year	12
Fundraising	12
Investment policy	12
Risk management	13
Reserves policy	13
Structure, governance and management	14
Our volunteers	15
Related parties	15
Trustee's responsibilities in relation to the financial statements	16
Independent Auditor's Report	18
Statement of Financial Activities for the year ended 31 March 2021	23
Statement of Financial Activities for the year ended 31 March 2020	24
Balance Sheet as at 31 March 2021	25

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Cash Flow Statement for the year ended 31 March 2021	26
Notes to the financial statements	27
1 Accounting Policies	27
2 Income	30
3 Expenditure	31
4 Tangible Assets	33
5 Investment Properties	34
6 Quoted and Social Investments	34
7 Debtors	36
8 Creditors: Amounts Falling Due Within One Year	36
9 Analysis of Funds	36
10 Reconciliation of Net Expenditure For The Year To Net Cash Used In Operating Activities	38
11 Grant Commitments	39
12 Related Parties and Connected Charities	42
13 Grants	44
Legal & Administrative Information	49

# Trustee's Annual Report for the year ended 31 March 2021

The Mercers' Company as the Trustee of The Mercers' Charitable Foundation (the Charity) presents its Annual Report and Audited Financial Statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting principles set out in note 1 to the financial statements and comply with the Charity's Trust Deed, the Charities Act 2011 and 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).

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## Objectives and activities for public benefit

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The Charity's principal object is to make grants and donations for any charitable purpose as the Trustee shall in its discretion decide.

The Charity is one of several charities that contributes to the people-based Philanthropy Framework co-ordinated by the Trustee. This framework comprises three major grant-making programmes (Young People & Education, Older People & Housing and Church & Communities) which reflect the intentions of the participating charities' benefactors. The programmes aim to tackle disadvantage by focusing on individuals, families, and communities and supporting organisations that help people to reach their potential in several ways including: by inspiring a love of learning; strengthening self-belief and wellbeing; and creating opportunities to live a balanced, rewarding and varied life. The Charity supports all three programmes.

The Trustee confirms that it has complied with its duty under Section 17 Charities Act 2011 to have due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities and in setting the grant making policy for the year.

## Grant Making

Covid-19 has had a significant impact on the Charity's income and grant making. The Charity usually benefits from large annual donations from its Trustee, The Mercers' Company. The

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pandemic has adversely affected the Trustee's own income, largely derived from rental receipts, which meant that the Charity's forecast donations income for 2020/21 was reduced by £4.75 million for 2020/21 and by £6.9 million for 2021/22. At the time of writing, no donations are forecast from the Trustee for 2022/23 or beyond.

The Charity currently has reserves which enable it to meet its existing commitments to grantees and to specific grant-making programmes. These commitments extend to 2024/25. New grant-making has been put on hold until future income streams are more certain.

## A review of performance and achievements

Despite the challenges presented by the pandemic, the Charity is pleased to be able to report the following work during the year:

### *Covid Response*

The Trustee was an early signatory to the Covid-19 Funders' pledge coordinated by London Funders which signalled support to grant holders and assures them of a supportive and flexible approach to enable them to focus on meeting frontline needs.

In March 2020 the Charity contributed to the **Rapid Response Fund** (RRF) coordinated by the Trustee to support existing grant holders across all three programmes with additional funds of up to £10,000 for immediate/emergency needs in response to Covid-19. This initial emergency funding was used to provide food and essentials for food banks and IT equipment for disadvantaged children, and enabled community organisations to enhance their response. The scope of the RRF was then extended so that grants could be made to help support organisations in delivering services differently and in enabling them to adapt and thrive beyond the crisis. The Charity made 31 grants through the Rapid Response Fund totalling £243,590.

5 grants were made totalling £377,292 to the Associated Schools and Colleges' (ASCs) towards **Covid 19 Catch Up for STEM** subjects to support those students who had fallen behind in STEM subjects due to the pandemic. One early success to highlight is that the scheme has been facilitating collaborations between schools, with schools in West London, for example, putting forward a joint proposal for a summer programme.

### *Young People & Education Programme*

The Young People & Education Programme has four strands of work: Associated Schools & Colleges; Young People's Mental Health & Wellbeing; School Leadership; and Special Initiatives (Early Years, Literacy and Transitions). The Charity is a major contributor to the programme.

The Charity is the sole funder of the: **Transitions from Secondary Education** Special Initiative, which supports organisations aiming to guide young people through the transition out of school and into work. The initiative started in 2019 and the second cohort of beneficiaries (**Dallaglio RugbyWorks, Brentford FC Community Sports Trust and IntoUniversity**) were selected and awarded funding in Summer 2020 and reported on their first year of activity in Summer 2021. This takes the total number of organisations supported through this Special Initiative to 7. Working alongside the cohorts is a team from specialist evaluator, The Centre for Education and Youth (CfEY), to contribute to two intensive study questions. CfEY's report on the second year was produced in Autumn 2021. During the year 7 grants were made in support of the Transition from Secondary Education Special Initiative totalling £750,493.

The Charity has committed funding to the **Associated Schools & Colleges** programme under which each school or college can apply for funding for up to two projects for £25,000 per year for up to three years. During the year 8 new grants, each of £75,000 over three years, were awarded. The projects awarded funding in the previous year received their second tranche of multi-year funding; the work will extend into 2021/22 and beyond. Grants have been made in support of projects promoting pupils' literacy; mental health and wellbeing; and transitions out of school and into work. In addition the **Anna Freud Centre** continues to support the ASCs through a programme that includes independent wellbeing surveys of the Schools' students, advice on how to assess the effectiveness of their wellbeing initiatives and in-depth evaluations of some of the Schools' projects. There are a total of 10 initiatives within the ASCs which are funded by the Charity. The leads of these are brought together each school term to exchange good practices. Covid-19 has exacerbated mental health issues, making this work all the more important.

**Leadership** – There is a discrete programme supporting initiatives to develop existing or emerging school leaders. The **Chartered College of Teaching** continues its work that was funded by the Charity in 2019 to support senior leaders in schools to reconnect with the development of teaching and learning within their schools and colleges. In January 2021, the College started a pilot of the scheme with almost 80 senior school leaders enrolled on the programme. The **Windsor Leadership Programme** brings together leaders from different sectors to talk through

challenges as well as build leadership competencies. Heads, senior school leaders and chairs of governors from the ASCs have been encouraged to explore some of the challenges they are experiencing in their institutions. A research programme with the **University of Winchester** was awarded £75,000 in April 2020 towards understanding how senior leaders in schools can best develop the creativity and creative thinking of their students, staff and wider school community.

**Bursary Funding** – During the year significant support has been provided for bursaries through the disbursing of the remaining funds held within the Charity's restricted Bloomfield and Bursary Funds. Two major grants totalling £493,000 were awarded to **Buttle UK** and the **Royal National Springboard Foundation** to enable these charities to provide boarding bursaries to children from disadvantaged backgrounds.

#### *Older People & Housing Programme*

The Charity supports the programme's two priorities – **Combatting Loneliness in Older People and their Carers** and **Housing Solutions for Older People** – across London and Norfolk. This year, the critical objective was to support existing grantees to meet the challenges of Covid-19. Working with grant holders to understand their needs, flexibility was provided where necessary. Organisations were able to request to derestrict their funding, so they could respond to urgent need and act appropriately, without worrying about previous commitments. 14 grants were made under the RRF totalling £75,865. Highlights from the year include:

A grant of £25,000, as part of a multi-year grant, was made to **InCommon**, a social enterprise that bridges generational divides by bringing together children from primary schools and older people in retirement homes and sheltered housing schemes in London. The interaction and new friendships that are forged between generations helps improve their wellbeing and reduces feelings of loneliness and at the same time enhances the children's social and emotional learning. During the pandemic, InCommon developed InCommon Buddies, a programme that brings together older and younger people through facilitated online videoconference sessions. It is envisaged that this project will continue alongside face-to-face work when permitted.

A grant of £25,238, as part of a multi-year commitment, was made to **Clarion Futures** to support a two-year programme of social innovation labs, supporting residents, staff and other local stakeholders to find solutions to issues faced by older people living in our communities. During the past year the organisation created a new way of working, by designing an online engagement pack for residents, meaning that residents have been able to shape the health and wellbeing programmes at their sheltered housing units. This is hoped to be rolled out to other

housing associations in the future, to ensure all interventions are led by the people who will be using them.

### *Church & Communities Programme*

The Charity supports the programme's two priorities – **Stronger Communities** and **Better Outcomes for Families** – across London, the North East and Norfolk. A range of churches and other faith and secular-based charities and social enterprises have been supported throughout the year, but a critical objective has been to support organisations to meet the challenges of Covid-19. 11 existing grant holders were supported through the RRF totalling £97,725.

**Stronger Communities** – the Charity made 26 grants totalling £684,745 under this priority. Despite the challenges of the pandemic there has been a continued effort to develop strategic partnerships. Most notably, in July 2020 the Charity awarded a further £52,981 to **Key Fund**, a social investor and grant-making social enterprise to develop support for charities, social enterprises and communities in the North East and Lincolnshire. Five organisations have been supported through this partnership to review their situation and gain over £1.2 million in grant and loan finance. In total £152,981 has been awarded by the Charity to Key Fund since 2018.

**Better Outcomes for Families** – the Charity made 8 grants totalling £179,759 under this priority. During the year, the **KAYAKS**, a Charity for children with special needs and their families in South Tyneside, received the second instalment of their three-year grant of £27,000. In 2020 many of its service users suffered a negative impact on their mental health owing to the pandemic. As a result of the dialogue with existing grant holders a further grant of £4,800 was awarded through the RRF to support KAYAKS families through counselling services.

## Monitoring and Impact

At the time of application, grantees submit a plan for how they will evaluate the success of their work. The Charity monitors each of the grants awarded through annual progress reports (which include an update on how they are progressing towards achieving the outcomes set at the time of application) as well as other material supplied by grantees such as videos and external impact reports. These formal reports are supplemented by informal conversations with grantees throughout the year. Of the organisations supported, 2% exceeded the outcomes they set at the time of application, 46% fully met their outcomes and 50% partially met their outcomes. 1% of organisations derestricted their grant (so they diverted their funding to wherever the organisation



needed it most) and the last 1% did not meet their outcomes as they were unable to run the events that they had planned due to the pandemic.

The organisations that only partially met their outcomes were those on whom Covid-19 had a disproportionately large impact. In some cases this was because of the type of settings in which they were working (e.g., care homes or schools) or the fact that they have had to close their settings altogether. Other reasons included organisations which have been struggling to meet an increased need, coupled with a decrease in both volunteers and income, whilst some recipients faced a reduction in staffing levels due to furlough, or struggled to recruit new staff.

Overall, organisations have adapted very well despite the pandemic disrupting their normal delivery models. Many switched to delivering their activities online, but some were forced to pause their work entirely. Some grantees reported back that a grant from the Charity had resulted in additional funding being secured from other sources, whereas others were concerned about future income streams. However, there is a consistent pattern in that demand for services has increased, and many report that beneficiaries' needs are becoming increasingly complex.

The external evaluations undertaken during the year provided the following information.

The Centre for Education and Youth (CfEY) submitted its first interim report in September 2020 for the **Transition from Secondary Education Special Initiative**. It highlighted that, despite the difficulties of service delivery during the pandemic, the charities (**UK Career Academy Foundation, the EY Foundation, Drive Forward Foundation and Construction Youth Trust**) quickly adapted their ways of working to suit the needs of the young people they were working with. Programmes were able to take advantage of businesses adapting to online working and, in some cases, more businesses got involved than previously. Although it has been harder to meet the targets that each programme set for its delivery to young people, all of the organisations were confident that they will ultimately reach these, since by the third year of the programme there will be an increase in demand for the services that they offer, due to the effects of the pandemic. The summary of findings included an extensive list in relation to specifics on the design and implementation of projects and how they can best inspire and engage young people that are 'seldom heard' and/or disengaged.

Independent consultants Kate Jopling and Dan Jones were commissioned to undertake an evaluation of the grants awarded by **Older People & Housing programme towards befriending projects**, since this method of delivery has increased as a result of the pandemic. A key finding was that although befriending schemes are unlikely in themselves to reduce loneliness, they

create a relationship that has value in itself for both service users and volunteers. Befriending can also support independence in older people; and befriending volunteers are often able to provide early warning, spotting emerging needs and flagging these to schemes for early action.

**A Homelessness 'deep dive', through the Church & Communities programme** was commissioned to evaluate the grants awarded to support people who are homeless or at risk of homelessness. The report concluded that the homelessness funding is *"already delivering significant social benefit. All projects are delivering work which is: good quality; impactful and of value; relevant and broadly consistent with the research and policy evidence base; and which reflects both Mercers' general principles and values, and the priorities for this specific programme."* The report produced a series of recommendations, including continuing to be flexible in what the programmes funds and to fund projects where a 'gap' in the portfolio had been identified e.g., projects aimed at women who are homeless.

## Future plans

The current Philanthropy Framework, to which the Charity contributes, runs until March 2023. Although the Charity has paused new giving, it will continue to support the three people-based programmes through commitments already made.

The Young People & Education programme's Transition from Secondary Education Special Initiative will continue to develop over the next year and the third cohort will be proactively sought in 2021 with funding awarded early in 2022/23.

The Church & Communities programme will take a proactive approach to identify communities and areas of disadvantage most impacted by Covid-19 – considering diversity, equity and inclusion; and opportunities for social enterprise and investment initiatives will be explored. The programme will work to implement the recommendations suggested by the homelessness evaluation and a second 'deep dive' focused on learning from the grants made under the Programme's 'Better Outcomes for Families' priority will be commissioned.

The Older People & Housing programme will have a continued focus on supporting those communities of older people who are at the highest risk of chronic loneliness and who are under-represented in the grant-making programmes – for example, ethnic minority and LGBTQ+ communities. The programme is also supporting organisations through unrestricted funding to ensure a flexibility of response.

## Financial Review

### Funding Sources

The primary source of income for the Charity is voluntary income received from the Mercers' Company. The Charity is reliant upon the continued support of the Mercers' Company. In addition, the Charity receives rental income from its investment properties and bank interest from cash balances. Dividends are generated by its investments.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Property investments	69,000	64,000
Stock market investments	199,000	201,000
Interest on deposits & cash balances	7,000	25,000

### Investments

#### *Investment property*

There were unrealised gains of £170,000 on property investments during the year (2020: no gains or losses).

#### *Listed investments*

Total gains of £1,371,000 on stock market investments during the year (2020: losses of £671,000) were experienced in the year following an upturn in the markets after the negative impact of the COVID-19 pandemic on global stock markets in 2019/20. Both the Bloomfield Restricted Fund and Bursary Restricted Fund were liquidated during the year for grant making.

<b>Investment Fund</b>	<b>Fund Return</b>	<b>Primary Comparator (CPI+3.5%)</b>	<b>Secondary Comparator (Composite)</b>
General Investment Fund	27.8%	3.9%	19.3%

The Trustee will continue to monitor the performance of these funds.

## Results for the year

Total income for the year was £1,769,000 (2020: £4,459,000); total expenditure for the year was £5,625,000 (2020: £6,292,000) and net gains on investments were £1,541,000 (2020: losses of £716,000) resulting in net expenditure for the year of £2,315,000 (2020: £2,549,000).

### *Financial position*

Net assets at the end of the year were £17,614,000 (2020: £19,929,000). These were represented by restricted funds of £289,000 (2020: £932,000) and unrestricted funds of £17,325,000 (2020: £18,997,000).

## Fundraising

The Charity does not conduct any fundraising activity.

## Investment policy

In accordance with the Trust Deed, the Trustee has the power to invest in such stocks, shares, and property as needed to meet the objectives of the Charity. The investment objective is for a rising level of income together with preserving the long-term real value of the investments. The investment performance of stock market investments is compared against relevant benchmarks.

The Charity has a policy of responsible investment, positively screening to invest in companies that can demonstrate socially responsible values and sustainable growth, and negatively screening companies or sectors that are not in line with the charitable objects of the Charity to relieve those in poverty. As such, the following areas are excluded from our investments.

- High interest lending
- Tobacco
- Gambling
- Pornography

The Trustee is satisfied that its policy and objective is being met.

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## Risk management

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The Trustee acknowledges its responsibility for the management of risks faced by the Charity. A review is undertaken regularly by the Trustee to identify, assess and mitigate those risks.

The Trustee, in considering the governance, management, operational, financial and environmental risks, is satisfied that there is no material exposure and that there are procedures in place to mitigate such risks.

The Trustee has agreed clear lines of delegation and authority and the Trustee and its staff are involved in the recognition of risk in all their activities.

The principal risks faced by the Charity are:

Risk	Mitigation
Financial Risk – loss of asset value and investment income	Regular review of valuation by Executive and Committees; reforecasting of budgets.
Financial Risk – insecurity of future income	Ongoing discussion between the charity and Mercers' Company about future donations. Grantmaking budgets reforecast accordingly. Reserves management to ensure future commitments honoured.

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## Reserves policy

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The free reserves of the Charity comprise the unrestricted funds, excluding charitable properties, investment property and Charity Bank investment, and amounted to £11,142,000 in 2021 (2020: £12,906,000). Reserves are maintained with the intention of supporting future specified grants as summarised below:

- Grant making reserve for committed grants (£3,735,768)
- 2022-2024 grant allocations not otherwise included above (£1,756,000)

The above policy reflects the Charity's reliance upon annual donations and its grant making planning strategies. The surplus reserves are planned to be retained in the short term until income increases and then released for grant-making in line with the Charity's philanthropy strategy. The Trustee reviews the policy annually.

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## Structure, governance and management

The Wardens and Commonalty of the Mystery of Mercers of the City of London (more commonly known as The Mercers' Company), which is a body corporate formed by Royal Charter in 1394, is the Trustee of the Charity and is the controlling party. The Mercers' Company's governing body (the Court of Assistants) acts for the Company as Trustee. From 13 July 2019 to 9 July 2021 the Master was MCL Aspinall. Since 9 July 2021 CJ Vermont has been Master. The Clerk to the Mercers' Company is RM Abernethy.

The Mercers' Company acts as Trustee for several charities and has established a governance committee for each charity. The members of the Charity's Governance Committee are:

Ms DC Ounsted CBE (Chairman)

Mr FW Scarborough

Mr NOF Aston

Mr GC Matthews

The Charity Governance Committee reviewed the Charity's grant making strategy, investment policy and reserves policy in 2021.

The Charity's Governance Committee also delegated certain matters to a number of the Trustee's specialist committees:

Function	Delegated Body
Grant making	Older People & Housing Committee
	Church & Communities Committee
	Young People & Education Committee
Oversight of property investment and management	Property Committee
Oversight of investment management	Investment Sub-Committee
Overview of risks and financial management	Audit Committee

The Charity is supported by the staff of the Mercers' Company, who are appropriately trained and qualified. These administrative services are provided under a service agreement. The following members of the Mercers' Company's senior management are involved in the provision of services:

Mr RM Abernethy (Clerk to the Mercers' Company)

Ms SMA Hedley-Dent (Deputy Clerk to The Mercers' Company)

Mr JRA Christie (Finance Director)

The Standard and Appointments Committee meets on a regular basis to keep the skills and composition of the committees and succession planning under review and, where needed, to recruit new members for their experience, empathy and knowledge in charity matters.

The Trustee intends to apply the principles of the Charity Governance Code so far as is possible given that it is sole corporate trustee. The Trustee has undertaken a self-assessment against the Charity Governance Code in 2021 and has identified areas in which it can further improve its practice to reflect the Governance Code principles. In addition, the Trustee has completed the checklist for a charity working with a non charity and has concluded that the relationship between the Charity and the Trustee is in the Charity's best interests.

## Our volunteers

The Charity relies on members of The Mercers' Company volunteering their time to sit on committees, review grant requests, visit applicants and grantees, and attend events involving beneficiaries. In keeping with recommended practice, an estimate of the numbers of hours that Committee members give to the Charity free of charge during the year has been undertaken. The estimated figure is approximately 350 hours of voluntary time.

## Related parties

The Charity works closely with the Trustee and the other charities with which the Trustee is involved.

Details of related parties and connected charities are given in note 12 of the financial statements.

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## Trustee's responsibilities in relation to the financial statements

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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 and 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 income and expenditure of the Charity for that year.

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 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);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charity (Accounts and Reports) Regulations. The Trustee is 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.

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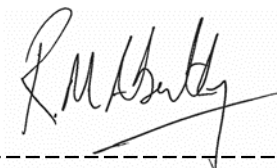
The Trustee is responsible for the maintenance and integrity of the Charity's financial information included on the Trustee's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions



Mr CJ Vermont

Master

18 November 2021



Mr RM Abernethy

Clerk to the Mercers' Company

# Independent Auditor's Report

TO THE TRUSTEE OF THE MERCERS' CHARITABLE FOUNDATION

We have audited the financial statements of The Mercers' Charitable Foundation (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the financial statements which include the principal 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 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

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

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report and Financial Statements other than the financial statements and our auditor's 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 in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Trustee's Annual 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 Trustee**

As explained more fully in the Trustee's responsibilities statement, the Trustee is 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 Trustee 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 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.

### **Auditor's 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 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.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the Charity through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Charities Act 2011 and the financial reporting framework referred to above; and
- ◆ we understood how the Charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of meetings of those charged with governance.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions.
- ◆ performed substantive testing of expenditure including testing the authorisation thereof; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustee and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Charity's Trustee, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. 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 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



22 November 2021

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

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

# Statement of Financial Activities for the year ended 31 March 2021

	Note	31 March 2021			31 March 2020
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		£'000	£'000	£'000	£'000
<b>Income</b>					
Donations	2	1,494	-	1,494	4,169
Investments	2	267	8	275	290
<b>Total income</b>		<b>1,761</b>	<b>8</b>	<b>1,769</b>	<b>4,459</b>
<b>Expenditure</b>					
<i>Raising funds:</i>					
Investment management costs	3	(21)	(1)	(22)	(20)
Investment property costs	3	(3)	-	(3)	(89)
<i>Charitable activities:</i>					
Young People & Education Programme	3	(2,362)	(768)	(3,130)	(3,031)
Older People & Housing Programme	3	(1,107)	-	(1,107)	(1,249)
Church & Communities Programme	3	(991)	-	(991)	(1,636)
Other Programmes	3	(372)	-	(372)	(267)
<b>Total expenditure</b>	<b>3</b>	<b>(4,856)</b>	<b>(769)</b>	<b>(5,625)</b>	<b>(6,292)</b>
Gains/(losses) on investment assets	5, 6	1,423	118	1,541	(716)
<b>Net expenditure and net movement in funds</b>		<b>(1,672)</b>	<b>(643)</b>	<b>(2,315)</b>	<b>(2,549)</b>
Fund balances brought forward at 1 April		18,997	932	19,929	22,478
<b>Fund balances carried forward at 31 March</b>		<b>17,325</b>	<b>289</b>	<b>17,614</b>	<b>19,929</b>

All of the Charity's activities are derived from continuing operations. There are no recognised gains or losses other than those disclosed above.

# Statement of Financial Activities for the year ended 31 March 2020

	Note	31 March 2020		
		Unrestricted	Restricted	Total
		Funds	Funds	Funds
		£'000	£'000	£'000
<b>Income</b>				
Donations	2	4,169	-	4,169
Investments	2	262	28	290
<b>Total income</b>		<b>4,431</b>	<b>28</b>	<b>4,459</b>
<b>Expenditure</b>				
<i>Raising funds:</i>				
Investment management costs	3	(18)	(2)	(20)
Investment property costs	3	(89)	-	(89)
<i>Charitable activities:</i>				
Young People & Education Programme	3	(2,890)	(141)	(3,031)
Older People & Housing Programme	3	(1,249)	-	(1,249)
Church & Communities Programme	3	(1,636)	-	(1,636)
Other Programmes	3	(267)	-	(267)
<b>Total expenditure</b>	3	<b>(6,149)</b>	<b>(143)</b>	<b>(6,292)</b>
Losses on investment assets	5, 6	(642)	(74)	(716)
<b>Net expenditure and net movement in funds</b>		<b>(2,360)</b>	<b>(189)</b>	<b>(2,549)</b>
Fund balances brought forward at 1 April		21,357	1,121	22,478
<b>Fund balances carried forward at 31 March</b>		<b>18,997</b>	<b>932</b>	<b>19,929</b>

All of the Charity's activities are derived from continuing operations. There are no recognised gains or losses other than those disclosed above.



# Balance Sheet as at 31 March 2021

		31 March 2021		31 March 2020	
	Note	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	4	3,608		3,686	
Investment property	5	1,575		1,405	
Quoted & social investments	6	7,226		6,673	
Total fixed assets			12,409		11,764
<b>Current assets</b>					
Debtors	7	68		68	
Investments		-		5,495	
Cash at bank and in hand		5,394		2,691	
Total current assets			5,462		8,254
Creditors: amounts falling due within one year	8	(257)		(89)	
<b>Net current assets</b>			5,205		8,165
<b>Net assets</b>			<b>17,614</b>		<b>19,929</b>
<b>The funds of the Charity:</b>					
Restricted income funds	9	289		932	
Unrestricted income funds	9	17,325		18,997	
<b>Total Charity funds</b>	9	<b>17,614</b>		<b>19,929</b>	

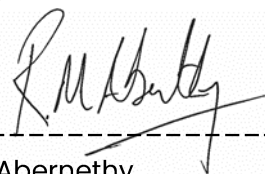
The attached notes on pages 27 to 49 form an integral part of these financial statements. The financial statements on pages 23 to 49 were approved by the Trustee on 18 November 2021 and signed on its behalf by:



Mr CJ Vermont

Master

18 November 2021



Mr RM Abernethy

Clerk to the Mercers' Company

# Cash Flow Statement for the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	10	(5,319)	(6,696)
<b>Cash flows from investing activities:</b>			
Interest received		13	20
Dividends received		202	201
Purchase of quoted investments		(2,458)	(3,788)
(Increase)/decrease in cash held by investment managers		(42)	696
Proceeds from the sale of quoted investments		3,317	2,910
Proceeds from the sale of gifted investments		1,495	4,124
Net cash provided by investing activities		2,527	4,163
<b>Change in cash and cash equivalents in the financial year</b>		<b>(2,792)</b>	<b>(2,533)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>8,186</b>	<b>10,719</b>
<b>Cash and cash equivalents at the end of the financial year</b>	10	<b>5,394</b>	<b>8,186</b>

# Notes to the financial statements

## 1 Accounting Policies

### ACCOUNTING BASIS

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('SORP (FRS 102)'), 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 SORP (FRS 102) rather than the previous withdrawn version which it replaced.

The Charity constitutes a public benefit entity as defined by FRS 102.

### GOING CONCERN

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustee has considered the impact of the ongoing Coronavirus pandemic on the Charity's operations, with a particular focus on its effect on its beneficiaries and suppliers and on the Charity's income and expenditure. The Trustee does not consider this to be cause for material uncertainty in respect of the Charity's ability to continue as a going concern. The Charity has reforecast its grant making budget and adapted to its beneficiaries' needs. The Trustee considers that it has sufficient financial resources for the foreseeable future, despite the ongoing pandemic. Therefore, the financial statements have been prepared on a going concern basis.

## CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

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 prevailing. The main estimates and judgements relate to the investment property and social investment valuations.

## INCOME

All income, comprising donations, rents and service charges generated from investment properties, interest on bank accounts and dividends from investment funds is reported on an accruals basis when the Charity has entitlement, receipt is probable and the amount can be measured with sufficient reliability. Income relating to a subsequent financial year is carried forward as a creditor in the balance sheet and shown as deferred income.

## EXPENDITURE

All expenditure is included on an accruals basis and is recognised as soon as there is a legal or constructive obligation committing the Charity to it, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included with the underlying expense and charged to the Statement of Financial Activities (SOFA) as incurred. Support costs relate to staff time and facility costs incurred by the Mercers' Company on behalf of the Charity and are allocated to the Charity on an accruals basis. Support costs have been allocated between activities based on grant making activity. This includes time spent on the governance arrangements relating to the general running of the Charity.

## GRANTS

Grants payable are charged in the year when the offer is conveyed to the recipient except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

## INVESTMENT GAINS AND LOSSES

Unrealised gains and losses for the year reflect the movement in market values. Realised gains and losses represent the difference between proceeds on disposal and the market value brought forward (or cost if acquired in the year). Unrealised and realised investment gains or losses are shown net on the SOFA.

## INVESTMENTS

Investments are stated at their fair value at the balance sheet date. Investment properties are re-valued externally every five years and internally by the Trustee in intervening years. The Charity's social investment is included at cost less impairment as estimated by the Trustee having regard to the net asset value. The Trustee is of the opinion that these valuations are appropriate for the purpose of these financial statements. Cash held by investment managers is recognised as part of investments.

## TANGIBLE FIXED ASSETS

All assets costing more than £10,000 are capitalised at cost and depreciated over their useful economic lives. Subsequent expenditure on a capitalised asset will also be capitalised where it is regarded that there has been an enhancement to the asset or a depreciated asset has been replaced.

## DEPRECIATION

The Trustee considers the useful life of the charitable properties to be not less than 50 years. Accordingly, a depreciation rate of 2% has been applied to the historical cost of the properties after adjusting for the cost of the land. Land is not depreciated. In accordance with FRS 102, depreciation is not provided on investment properties that are held as freeholds or on leases having more than 20 years unexpired.

## TAXATION

The Charity is a registered charity and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives if these profits and surpluses are applied solely for charitable purposes. Accordingly, no provision is made for current or deferred taxation.

## FUNDS

The Charity has two types of fund:

- Restricted – where the purposes for which the funds, including income generated, may be used have been restricted by the scheme of management or donor;
- Unrestricted – where the fund is not restricted as to use other than in furthering the objects of the charity.

## FINANCIAL INSTRUMENTS

The Charity only has financial assets and 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, except for investments which are measured at fair value.

## 2 Income

Income from investments was generated as follows:

	2021 £'000	2020 £'000
Rents from investment properties	69	64
Dividend income from general investment fund	191	173
Dividend income from restricted Bursary Fund	5	23
Dividend income from restricted Bloomfield Fund	3	5
Interest on deposit account	7	25
	275	290

Donations received and receivable during the year amounted to £1,494,000 (2020: £4,169,000) donated by the Mercers' Company by way of gift of shares and were unrestricted. Gifted shares, received as part of the gift from the Mercers' Company were sold as follows:

	2021 £'000	2020 £'000
Opening balance as at 1 April	-	-
Received in the year	1,494	4,169
Disposals	(1,495)	(4,124)
Gains/(losses) on disposal	1	(45)
Closing balance as at 31 March	-	-

### 3 Expenditure

#### a) Analysis of total expenditure:

		<b>Grant</b>	<b>Governance</b>	<b>Other</b>	<b>Total</b>	<b>Total</b>
	<b>Further</b>	<b>making</b>	<b>&amp; Support</b>	<b>direct</b>	<b>2021</b>	<b>2020</b>
	<b>note</b>	<b>£'000</b>	<b>costs</b>	<b>costs</b>	<b>£'000</b>	<b>£'000</b>
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Raising funds</i>						
Investment management costs		-	1	21	22	20
Investment property costs		-	1	2	3	89
<i>Charitable activities</i>						
Young People & Education Programme	13	2,810	291	29	3,130	3,031
Older People & Housing Programme	13	925	96	86	1,107	1,249
Communities & Churches Programme	13	889	93	9	991	1,636
Other	13	334	35	3	372	267
		4,958	517	150	5,625	6,292

		<b>Grant</b>	<b>Governance</b>	<b>Other</b>	<b>Total</b>
		<b>making</b>	<b>&amp; Support</b>	<b>direct</b>	<b>2020</b>
		<b>£'000</b>	<b>costs</b>	<b>costs</b>	<b>£'000</b>
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<i>Raising funds</i>					
Investment management costs		-	1	19	20
Investment property costs		-	2	87	89
<i>Charitable activities</i>					
Young People & Education Programme		2,706	308	17	3,031
Older People & Housing Programme		1,046	119	84	1,249
Communities & Churches Programme		1,460	167	9	1,636
Other		238	27	2	267
		5,450	624	218	6,292

## b) Analysis of support costs

	<b>Basis of apportionment</b>	<b>Raising funds £'000</b>	<b>Charitable activities £'000</b>	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>
Office administration	Grants expenditure	–	99	99	39
Staff costs	Grants expenditure	2	391	393	569
Audit fees	Grants expenditure	–	13	13	13
Other	Grants expenditure	–	12	12	2
		2	515	517	623

	<b>Basis of apportionment</b>	<b>Raising funds £'000</b>	<b>Charitable activities £'000</b>	<b>Total 2020 £'000</b>
Office administration	Grants expenditure	–	39	39
Staff costs	Grants expenditure	3	566	569
Audit fees	Grants expenditure	–	13	13
Other	Grants expenditure	–	2	2
		3	620	623

There were no employees during the year (2020: nil). The Mercers' Company, by way of a services agreement, provides staff to the Charity. The Trustee has not received any emoluments or reimbursements during the year for services as a Trustee (2020: nil). No Trustee indemnity insurance costs have been paid by the Charity (2020: nil). £11,150 (excluding irrecoverable VAT) (2020: £10,750) was charged to the SOFA for audit fees.



## 4 Tangible Assets

	<b>Mercers' House, London, N1 £'000</b>	<b>Land at 66 Bath Street, Abingdon £'000</b>	<b>Land at Thomas Telford School, Telford £'000</b>	<b>Total £'000</b>
<u>Cost</u>				
Balance brought forward at 1 April 2020 and carried forward at 31 March 2021	4,355	440	548	5,343
<u>Accumulated depreciation</u>				
Balance brought forward at 1 April 2020	(1,657)	-	-	(1,657)
Charge for the year	(78)	-	-	(78)
Balance carried forward at 31 March 2021	(1,735)	-	-	(1,735)
Net book value at 31 March 2021	2,620	440	548	3,608
Net book value at 31 March 2020	2,698	440	548	3,686

The net book values shown do not represent current open market valuations. The properties do not generate income, other than a nominal amount mentioned below, as they are used for charitable purposes only. A 99-year lease of Mercers' House was granted in July 1991 to the Mercers' Company Housing Association at nil cost and at a peppercorn rent. The property is used for sheltered housing. The historical cost of the property, after adjusting for the original cost of the land (£500,000), is depreciated at the rate of 2% per annum. Abingdon School was granted a 113 year lease of 66 Bath Street in August 2007 at nil cost and at a peppercorn rent. The land and the buildings constructed thereon are used for educational purposes. The land at Thomas Telford School was acquired to build a City Technology College. In March 1991 the Foundation granted a 125-year lease to the Telford City Technology Development Trust at an annual rental of £1,000.

## 5 Investment Properties

The Charity's investment properties are as follows:

	<b>1 April 2020 £'000</b>	<b>Revaluation gains £'000</b>	<b>31 March 2021 £'000</b>
Market value	1,405	170	1,575
Historical cost	825		825

A full external valuation was done on 31 March 2021 by CBRE Limited, who are a qualified independent firm of surveyors and the results have been reflected in these financial statements.

## 6 Quoted and Social Investments

Quoted and social investments are as follows:

	<b>2021 £'000</b>	<b>2020 £'000</b>
Quoted investments	6,226	5,673
Social investment	1,000	1,000
	<b>7,226</b>	<b>6,673</b>

The social investment comprises ordinary shares in Charity Bank as part of the Charity's social investment programme.

The changes in quoted investments during the year analysed by fund are as follows:

	<b>1 April 2020 £'000</b>	<b>Purchases £'000</b>	<b>Sales £'000</b>	<b>Movement in cash £'000</b>	<b>Revaluation Gains £'000</b>	<b>31 March 2021 £'000</b>
General Investment Fund	5,049	2,346	(2,371)	50	1,152	6,226
Bursary Fund	498	86	(578)	(6)	-	-
Bloomfield Fund	126	26	(150)	(2)	-	-
	5,673	2,458	(3,099)	42	1,152	6,226
Historical cost	6,081					5,321

The investment allocation at the year end was as follows:

	<b>2021 £'000</b>	<b>2021 %</b>
Fixed Interest	333	5.3
UK Equities	3,190	51.2
Overseas Equities	2,176	35.0
Alternatives	393	6.3
Cash	134	2.2
Total	6,226	100.0

There were no Individual holdings of above 5% of quoted investments. Net investment gains for the fund during the year totalled £1,371,000 (2020: £671,000 losses).

During the year, the investment holdings of the Bursary Fund and Bloomfield Fund were liquidated for grant making. In March 2021, £1m of investments from the General Investment Funds was realised for grant making in future years.

## 7 Debtors

Debtors are made up as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Rent and service charges receivable	32	23
Interest and dividends receivable	3	12
Prepayments and accrued income	33	33
	<b>68</b>	<b>68</b>

## 8 Creditors: Amounts Falling Due Within One Year

Creditors are amounts falling due within one year and are made up as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Rent received in advance	18	13
Grants payable at the year end	213	46
Other creditors	26	30
	<b>257</b>	<b>89</b>

## 9 Analysis of Funds

### Restricted Funds

The movements on the restricted funds are as follows:

	<b>1 April 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Investment</b>	<b>31 March</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>gains</b>	<b>2021</b>
				<b>£'000</b>	<b>£'000</b>
Bursary Fund	413	5	(500)	90	8
Bloomfield Fund	519	3	(269)	28	281
	<b>932</b>	<b>8</b>	<b>(769)</b>	<b>118</b>	<b>289</b>

	<b>1 April 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Investment</b>	<b>31 March</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>losses</b>	<b>2020</b>
	<b>£'000</b>			<b>£'000</b>	<b>£'000</b>
Bursary Fund	541	23	(92)	(59)	413
Bloomfield Fund	580	5	(51)	(15)	519
	1,121	28	(142)	(74)	932

The Restricted Funds comprise the Bursary Fund and the Bloomfield Fund both of which are held on the trusts of the Mercers' Company Educational Trust Fund.

The Bursary Fund provides for the advancement of education in the United Kingdom by giving bursaries to children over eleven years of age and grants to young persons under the age of 25 years in full time education.

The Bloomfield Fund was gifted to the Mercers' Company Educational Trust Fund with the wish that it be used for bursaries for boys, aged 13 – 18 years, with academic ability and sound character so that they may go on to higher education to read Surveying, Engineering, Technology, or other allied fields. During the year the Trustee has sought advice which has confirmed that the Fund may be used for bursaries for all children, aged 13 – 18 years.

The net assets by funds are as follows:

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2021</b>
	<b>funds</b>	<b>funds</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Charitable property	3,608	–	3,608
Investment property	1,575	–	1,575
Quoted investments	6,226	–	6,226
Social investment	1,000	–	1,000
Net current assets	4,916	289	5,205
	17,325	289	17,614

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2020</b>
	<b>funds</b>	<b>funds</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Charitable property	3,686	-	3,686
Investment property	1,405	-	1,405
Quoted investments	5,049	624	5,673
Social investment	1,000	-	1,000
Net current assets	7,857	308	8,165
	18,997	932	19,929

## 10 Reconciliation of Net Expenditure For The Year To Net Cash Used In Operating Activities

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Net expenditure for the reporting year (as per statement of financial activities)	(2,315)	(2,549)
Adjustments for:		
Gifted investments	(1,494)	(4,169)
Depreciation	78	77
(Gains)/losses on investments	(1,541)	716
Interest receivable	(7)	(25)
Dividends receivable	(199)	(201)
(Increase)/decrease in debtors	(9)	102
Increase/(decrease) in creditors	168	(647)
Net cash used in operating activities	(5,319)	(6,696)

### ANALYSIS OF CASH AND CASH EQUIVALENTS

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	5,394	2,691
Cash on deposit	-	5,495
Total cash and cash equivalents	5,394	8,186

## 11 Grant Commitments

The Charity had the following commitments totalling £3,735,768 in respect of charitable grants, subject to various conditions, at the end of the year (2020: £5,852,113):

Programme	Beneficiary	2022 £	2023 £
<b>Young People &amp; Education Programme</b>	Abingdon School	100,000	-
	Anna Freud Centre	100,000	50,000
	Brentford Football Club Community Sports Trust	110,000	110,000
	City of London and NE Sector ACF	7,500	-
	College of Richard Collyer	50,000	-
	Company Three Theatre Ltd	20,000	-
	Cranfield Trust	41,335	-
	Dallaglio RugbyWorks	93,482	97,158
	Dauntsey's School	25,000	25,000
	First Story Ltd	25,000	-
	Haringey Shed Theatre Company	22,901	-
	IntoUni	116,700	116,600
	KEEN London	25,000	-
	London Wing ATC	7,500	-
	Madeley Academy	50,000	50,000
	Mayor of London's Fund for Young Musicians	10,666	-
	Mercer Student Awards - Lillian Baylis School	1,000	-
	Mercer Student Awards - Morpeth	2,000	-
	Mercer Student Awards - Oaklands School	1,000	-
	Mercer Student Awards - Peter Symonds' College	1,000	-
	Mercer Student Awards - Sandwell Academy	1,000	-
	Mercer Student Awards - St Martin-in-the-Fields	1,000	-
	High School for Girls		
	Music of Life	25,000	-
	Newham All Star Sports Academy (NASSA)	25,000	-
	Peter Symonds College	50,000	50,000
	Royal Ballet School	25,000	-
	Sandwell Academy	75,000	75,000
	Sea Cadets London Area	7,500	-
	The Centre for Education and Youth	37,768	27,145
	The Country Trust	24,777	-
	The EY Foundation	57,041	-

Programme	Beneficiary	2022 £	2023 £
	The Hall School	50,000	50,000
	The Windsor Leadership Trust	43,355	-
	Thomas Telford School	50,000	50,000
	University of Winchester	30,000	-
	Walsall Academy	50,000	50,000
	Winston Churchill Memorial Trust	-	110,000
	Young Westminster Foundation	37,700	-
	<b>Restricted Bursary Fund</b>		
	Guildhall School of Music & Drama	6,000	-
	<b>Restricted Bloomfield Fund</b>		
	Abingdon School	45,000	-
	Buttle UK	45,000	-
	The Smallpeice Trust	6,600	6,600
<b>Older People &amp; Housing Programme</b>	Age Exchange Theatre Trust	17,635	-
	Almshouse Association	15,000	-
	Blackfriars Settlement	25,000	25,000
	Bromley By Bow Centre	25,000	-
	Carers Support (Bexley)	15,000	-
	Create Arts	40,000	-
	Dementia Adventure	32,521	33,172
	English National Ballet	16,666	-
	Homelink Day Respite Care	10,000	-
	InCommon Living	25,000	-
	Independent Age	50,000	50,000
	One Westminster	20,000	-
	Re-Engage	40,000	-
	Shared Lives Plus	45,363	46,587
	SPACE	15,538	-
	Toynbee Hall	24,344	19,638
<b>Church &amp; Communities Programme</b>	A Way Out	21,029	-
	Alnwick Garden Trust	26,700	-
	Benjamin Adlard Primary School	10,725	5,200
	Breckon Hill Community Enterprise	25,000	-



Programme	Beneficiary	2022	2023
		£	£
	Eudaimonia	10,000	-
	Family Gateway	15,997	-
	Foresight (North East Lincolnshire) Limited	21,537	-
	Hexham Abbey	30,000	-
	Hope into Action	32,530	32,530
	King's Lynn Winter Night Shelter	25,000	-
	Newcastle Cathedral Trust	30,000	30,000
	North East Autism Society	30,000	-
	Oasis Community Housing	32,192	-
	South Tyneside Churches Key Project	30,000	30,000
	St John at Hackney	33,000	-
	The Cinnamon Network	50,000	50,000
	The Kids And Young Adults Klub-Special Needs	9,000	-
	Upper Teesdale Agricultural Support Services Ltd	30,000	-
	Wor Hoose Community Project	40,000	-
	YMCA Lincolnshire	30,000	-
<b>Other</b>	University of the Arts London	93,536	-
<b>Total</b>		<b>2,546,138</b>	<b>1,189,630</b>

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## 12 Related Parties and Connected Charities

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The following related parties and charities have common management and are therefore regarded as connected:

Becket House Limited (dormant)  
Charity of Sir Richard Whittington  
Charter 600 Charity  
Earl of Northampton's Charity  
Lady Campden's Money Legacy for Loans  
Longacre Estates Limited (dormant)  
Longmartin Properties Limited  
Maiden Trading Limited (dormant)  
Mercers' Company Educational Trust Fund (dormant)  
Mercers' Company Housing Association  
Mercers' School Memorial Trust (incorporating The Merrett Bequest)  
MSM Trust (dormant)  
Old Mercers' Benevolent Fund  
St Paul's Schools Foundation  
The Mercers' Company

The principal address of the above entities is:

6 Frederick's Place  
London EC2R 8AB

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There were a number of transactions with related parties where The Mercers' Company nominates governors, appoints governors to the entity or there is common management and so are considered connected:

Entity	2021 £	2020 £
Grants to Abingdon School	50,000	50,000
Grant to Bute House Preparatory School for Girls	-	15,000
Grants to College of Richard Collyer	115,525	54,000
Grants to Dauntsey's School	25,000	45,000
Grants to Hammersmith Academy Trust	60,000	2,000
Grant to Holy Trinity & St Silas C E Primary School	-	4,000
Grants to Madeley Academy	50,000	31,000
Grant to Milton Cottage Trust	-	50,000
Grants to Peter Symonds College	102,767	60,000
Grant to Royal Ballet School	25,000	25,000
Grants to Sandwell Academy	85,000	17,189
Grants to St Paul's Girls' School	10,000	-
Grants to The Hall School	50,000	-
Grants to Thomas Telford School	50,000	39,160
Grants to Walsall Academy	60,000	539,558
Rent received from Thomas Telford School	1,000	1,000
Donation from The Mercers' Company	1,493,758	4,168,659
Administration costs allocated by The Mercers' Company	491,007	605,952

The Mercers' Company allocated overhead services and made gift aid donations to the Charity (see notes 2 and 3). The Charity has leased a property to the Mercers' Company Housing Association at a peppercorn rent. There were no further transactions with any of the above entities (2020: none).

## 13 Grants

Programme Area	Beneficiary	2021 £	2021 £
Young People & Education Programme	Grants made under the previous priorities:		
	City of London & North East Sector ACF	7,500	
	College of Richard Collyer	1,000	
	Shireland Collegiate Academy Trust	69,000	
	Guild of Mercers' Scholars	7,000	
	Oaklands School	1,000	
	Royal College of Music	10,000	
	St Martin-in-the-Fields High School for Girls	2,000	
	Trinity Laban Conservatoire of Music and Dance	10,000	
	University of the Arts London	10,000	
	Whole Education	49,652	
		<hr/>	
		167,152	
	Grant made under the current priorities:		
	Art Against Knives	25,000	
	Brentford FC Community Sports Trust	110,000	
	Chartered College of Teaching	100,000	
	College of Richard Collyer	50,000	
	Company Three Theatre Ltd	20,000	
	Construction Youth Trust	143,000	
	Cranfield Trust	40,524	
	Dallaglio RugbyWorks	91,260	
	Dauntsey's School	25,000	
	Drive Forward Foundation	115,825	
	First Story Ltd	25,000	
	Haringey Shed Theatre Company	22,901	
	IntoUni	116,700	
	KEEN London	25,000	
	Madeley Academy	50,000	
	Mayor of London's Fund for Young Musicians	10,667	
	Music of Life	25,000	
	Newham All Star Sports Academy (NASSA)	25,000	
	Peter Symonds' College	50,000	
	Royal Ballet School	25,000	
	Sandwell Academy	75,000	

Programme Area	Beneficiary	2021 £	2021 £
	The Anna Freud Centre	100,000	
	The Centre for Education and Youth	64,502	
	The Country Trust	24,112	
	The EY Foundation	57,042	
	The Hall School	50,000	
	The Windsor Leadership Trust	4,100	
	Thomas Telford School	50,000	
	UK Career Academy Foundation	116,666	
	University of Winchester	45,000	
	Walsall Academy	50,000	
	Winston Churchill Memorial Trust	110,000	
	Young Westminster Foundation	32,300	
		<hr/>	
		1,874,599	
	Grants made from the Restricted Bursary Fund:		
	Guildhall School of Music & Drama	6,000	
	Buttle UK	193,000	
	Royal National Children's SpringBoard Foundation	300,000	
		<hr/>	
		499,000	
	Grants made from the Restricted Bloomfield Fund:		
	The Smallpeice Trust	6,600	
	Buttle UK	45,000	
	Peter Symonds' College	52,767	
	Hammersmith Academy Trust	50,000	
	College of Richard Collyer	64,525	
	Abingdon School	50,000	
		<hr/>	
		268,892	
	Total grants made under the Young People & Education Programme		2,809,643
<b>Older People &amp; Housing Programme</b>	Age Exchange Theatre Trust	17,289	
	Age UK	29,335	
	AGE UK Sutton	25,000	
	Almshouse Association	15,000	
	Ashford Place	25,000	
	BEfriend	15,000	
	Bible Reading Fellowship	12,500	
	Blackfriars Settlement	25,000	

Programme Area	Beneficiary	2021 £	2021 £
	Bromley By Bow Centre	50,000	
	Care and Repair England	40,000	
	Carers Support (Bexley)	15,000	
	City University of London	23,573	
	Clarion Futures	25,238	
	Covent Garden Dragon Hall Trust	20,694	
	Create Arts	40,000	
	Dementia Adventure	31,884	
	English National Ballet	16,667	
	Homelink Day Respite Care	15,000	
	InCommon Living	25,000	
	Independent Age	50,000	
	Magic Me	25,000	
	One Westminster	40,000	
	OPEN AGE	24,788	
	Opening Doors London	20,000	
	Re-Engage	40,000	
	Shared Lives Plus	47,535	
	SPACE	15,538	
	The National Hospital for Neurology and	97,500	
	Tonic Housing Association Limited	50,000	
	Toynbee Hall	24,345	
	United Kingdom Men's Sheds Association	22,892	
	Total grants made under the Older People & Housing Programme		924,778
<b>Church &amp; Communities Programme</b>	Grant made under the previous priorities:		
	St John the Evangelist, Spital	17,000	
	Grants made under the current strategy:		
	The Cinnamon Network	50,000	
	St Paul's Shadwell	27,300	
	Hope into Action	32,530	
	Durham Diocesan Board of Finance	10,000	
	The Lambeth Trust	10,000	
	Oasis Community Housing	30,659	

Programme Area	Beneficiary	2021 £	2021 £
	Daisy Chain Project	40,433	
	The Parochial Church Council of the Ecclesiastical Parish of St John at Hackney	33,000	
	Family Gateway	31,993	
	School for Social Entrepreneurs	30,000	
	National Churches Trust	50,000	
	Community Foundation serving Tyne & Wear and Northumberland	33,000	
	Future Regeneration of Grangetown	30,000	
	King's Lynn Winter Night Shelter	25,000	
	Key Fund Investments Limited	2,981	
	Breckon Hill Community Enterprise	25,000	
	999 Club and Lady Florence Trust	65,000	
	Gratitude Initiative	25,000	
	St Alfege Church Greenwich	13,000	
	Foresight (North East Lincolnshire) Limited	21,974	
	Aylsham PCC	30,000	
	Eudaimonia	15,000	
	Upper Teesdale Agricultural Support Services	30,000	
	Bible Reading Fellowship	12,500	
	A Way Out	20,802	
	Resources for Autism	30,000	
	North East Autism Society	30,000	
	The Kids And Young Adults Klub - Special Needs	9,000	
	Just Finance Foundation	20,257	
	Credit Union for South East Northumberland	30,000	
	City and Hackney Carers Centre	21,200	
	St Peter & St Paul Cherry Willingham	9,071	
	1170	5,000	
	YMCA North Tyneside	20,000	
	Key Fund Investments Limited	2,875	
	Total grants made under the Church & Communities Programme		889,575

Programme Area	Beneficiary	2021 £	2021 £
<b>COVID Rapid Response Programme</b>	Advice Support Knowledge Information	4,925	
	AGE UK Sutton	5,000	
	Ashford Place	6,420	
	Blackfriars Settlement	5,000	
	Calthorpe Project	2,000	
	City University of London	8,500	
	Claremont Project (Islington)	5,000	
	Clockhouse Community Centre	7,500	
	Covent Garden Dragon Hall Trust	5,000	
	Daisy Chain Project	7,250	
	Drive Forward Foundation	10,000	
	FiSH Neighbourhood Care	5,000	
	Hackney Migrant Centre (HMC)	4,000	
	Hammersmith Academy Trust	10,000	
	Hillingdon Carers	5,000	
	Hope into Action	4,700	
	InCommon Living	5,000	
	Key Fund Investments Limited	47,125	
	Lewisham Refugee and Migrant Network (LRMN)	3,500	
	Norfolk Community Foundation	10,000	
	Sandwell Academy	10,000	
	South Tyneside Churches KEY Project	8,000	
	Southwark Diocesan WelCare	2,000	
	St Paul's Girls' School	10,000	
	Sydenham Garden	4,020	
	The Drapers' Company	20,000	
	The Kids And Young Adults Klub-Special needs	4,800	
	The Parochial Church Council of the Ecclesiastical Parish of St John at Hackney	1,350	
	Time and Talents Association	5,000	
	Upper Teesdale Agricultural Support Services	7,500	
	Walsall Academy	10,000	243,590
<b>Other</b>	University of the Arts London		90,455
<b>Total</b>	<b>(2020: £5,449,956)</b>		<b>4,958,041</b>



# Legal & Administrative Information

## LEGAL STATUS

The Foundation was established by trust deed dated 16 March 1983. The registered number is 326340.

## PRINCIPAL ADDRESS

6 Frederick's Place  
London EC2R 8AB

## INDEPENDENT AUDITOR

Buzzacott LLP  
130 Wood Street, London, EC2V 6DL

## BANKERS

Barclays Bank PLC,  
1 Churchill Place, London E14 5HP

## INVESTMENT MANAGERS

Rathbone Brothers Plc  
8 Finsbury Circus  
London, EC2M 7AZ

## PROPERTY MANAGEMENT

Knight Frank  
Pennant House, Napier Court, Reading, RG1  
8BW