

The Charter 600 Charity



Trustee's Annual Report & Financial Statements 2023

Charity Commission Number 1051146

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Trustee's Annual Report for the Year Ended 31 March 2023

The Mercers' Company as the Trustee of The Charter 600 Charity (the Charity) presents its Annual Report and Audited Financial Statements for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Governing Document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objects and activities for public benefit

The Charity was founded by the Trustee in 1995 to commemorate the 600th anniversary of the Mercers' Company's first Royal Charter. It was intended that it should be a modern day benefaction to which the then current and future members of the Mercers' Company would be encouraged to contribute, the income from which would be used for charitable purposes.

The Charity's principal object is to apply the income of the Trust Fund to such charities or for such charitable purposes in such shares and proportions and generally in such manner in all respects as the Trustee shall in its discretion decide.

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.

Grants Overview

The Charity is one of several charities that contributes to the people-based Philanthropy Framework co-ordinated by the Trustee. The Charity contributes to this framework through the Members' Philanthropy programme by making a small number of grants known as the **Charter 600 Charity Awards**. The Charity utilises the income from its investments for grant making.

In 2022/23



3 grant awards were made totalling **£45,000**

At the time of application, grantees explain how they will measure the success of their work. Each of the grants awarded are monitored through annual progress reports (which include an update on how they are progressing towards achieving the outcomes set at the time of application).

Charter 600 Charity Awards

Where? Worldwide

Who? Members and Staff of the Mercers' Company can nominate a charity to receive a major award.

Free to be Kids was awarded **£15,000** in October 2022 towards its Easter Gateway Projects supporting vulnerable young people in London. The Projects involve running three separate five-day, nature-focused residentials providing residential respite and therapeutic support for 60 children, as well as 500 hours of volunteering/role modelling for Young Leaders (themselves disadvantaged young people who have completed Free to Be Kids projects as children). The projects will support particularly vulnerable children from inner city London, referred by Social Services, Child Protection teams, Special Educational Needs, Coordinators in schools and other family support professionals. Following the completion of the residential, children who require ongoing therapeutic interventions will be matched to the most appropriate of the organisation's ongoing streams of work, to provide long term support.

Huracan Foundation was awarded **£15,000** in October 2022 towards projects that help to improve children's educational outcomes around the world through the power of football. The founder of the Charity combined their experience of being a Teach First participant in 2009, and the connections they had made with Club Atletico Huracan in Argentina. They saw first hand how football can change the direction of children's lives for the better. The Foundation's football and education project aims to improve both the children's attendance and performance in school, alongside tackling social issues that are specific to the local community such as gender inequality and steering children away from gangs.

WizeUp Financial Education is a charity that produces, writes and delivers financial education and employability workshops in secondary schools around England. Topics covered include: student finance; budgeting flat sharing; tax and mortgages; pensions; saving and investing and credit cards. The charity also assists with employability skills such as the writing of CV's, interview techniques and presentation skills. In October 2022 WizeUp was awarded **£15,000** towards the delivery of financial education and employability workshops for 20 London schools.

Grants Impact

Monitoring reports have been received from all previous grantees which confirm that all grants have been used for their intended purpose.

The 2021/22 grantees (Emerge Advocacy, Kids on Track and Winchester and District Young Carers) are in the process of creating a short film each. The three films will be shown at a meeting of the Trustee in Summer 2023.

Financial Review

Funding Sources

The Charity generates income primarily from its own sources through:

	2023	2022
	£	£
Donations, legacies & events income	44,771	51,678
Stock market investments	56,221	43,425
Interest	2,024	-

Donations, legacies & events income are generated from regular giving from individuals via standing order, sponsored events, one-off donations by individuals and events held by the Trustee to fundraise for the Charity.

Investments

Listed investments

There were total losses of £103,320 on stock market investments during the year (2022 gains: £123,756).

Investment Fund	Fund Return	Primary Comparator (CPI+4.0%)	Secondary Comparator (Composite)
General Investment Fund	-2.4%	14.8%	-0.8%

£35,822 was transferred into the investment fund during the year. The losses experienced during the year were due to a continuation of the Ukrainian conflict, the energy crisis, global contraction in growth, and high UK inflation. The primary comparator for investment performance is linked to inflation. With inflation increasing, the portfolios both performed below the primary comparator during the year. The Trustee continues to monitor the performance of the portfolios and the market.

Results for the year

Total income for the year was £103,016 (2022: £95,103); total expenditure for the year was £57,943 (2022: £58,792) and net gains losses on investments were £103,320 (2022 gains: £123,756) resulting in a net deficit for the year of £58,247 (2022 surplus: £160,067).

Financial position

Net assets at the end of the year were £2,275,833 (2022: £2,334,080). These are unrestricted funds.

Fundraising

The Charity has three fundraising streams:

- Donations from individuals (through regular giving and legacies)
- Events held by the Trustee to fundraise for the Charity
- Funds raised by individuals from sponsored events

During the year the number of regular donors increased to 83 (2022: 77). No fundraising events for the sole purpose of the Charity were held during the year.

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 Trustee reviewed the investment policy during the year and a revised policy will be implemented from 1 July 2023. 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 ensure that it invests 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. The following areas are excluded from our investments:

- High interest lending
- Tobacco
- Gambling
- Pornography

From July 2023, the investment policy will include objectives to move towards net zero investments and actively engage and encourage organisations in climate change adaptation.

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

Risk management

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 Trustee's executive team and where needed reforecasting of budgets
Financial Risk – fall in donation/legacy income	Fundraising opportunities regularly considered by Members' Philanthropy Committee

Reserves policy

The reserves of the Charity comprise the unrestricted funds and amounted to £2,275,833 in 2023 (2022: £2,334,080). Of these reserves £2,131,786 is currently designated as investment funds to generate income and growth.

Further amounts are carried forward with the intention of:

- grant making (£45,000 for 2023/24)

This results in free reserves of £99,047 which the Trustee has plans to utilise for grant making in future years. The Trustee reviews the policy annually.

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 is the Court of Assistants. The Master Mercer was CJ Vermont until July 2022, NAH Fenwick until July 2023, and PLR Lane from July 2023. 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 AES Hohler (Chairman)

Mr FBR Wathen

Mr BJ Parkinson

The Charter 600 Charity Governance Committee reviewed the Charity’s grant making strategy, fundraising policy, investment policy and reserves policy in 2022/23.

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

Function	Delegated Body
Grant making and fundraising	Members’ Philanthropy Committee
Oversight of investment management	Investment Committee
Overview of risks and financial management procedures	Audit Committee

The Charity is supported by the staff of the Mercers’ Company, who are appropriately trained and qualified. Administrative services are provided by the Trustee 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 J Christie (Finance Director)

The Standard & 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 applies 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 every other year, the next review will be in 2024. In the 2022 review the Trustee 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, the checklist was reviewed in January 2023 and it was 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 resulting in approximately 26 hours of voluntary time.

Related parties

The Charity works closely with the Trustee, whose members are the principal donors to the Charity. Details of related parties and connected charities are given in note 8 of the financial statements.

Future Plans

During 2022/23 a review of the collaborative **Philanthropy Framework** was undertaken. A refreshed five-year Framework was agreed by the Trustee in November 2022 and will be in place from 1 April 2023 and run until 31 March 2028. The Charity's strategic framework was reviewed and it was agreed that the Charity will continue to support the Trustee's Members' Philanthropy programme in 2023/24 by providing a budget of £45,000 for the Charter 600 Charity Awards.

In 2023 the Trustee began a strategic review of the Charity to ensure it is relevant and fit for purpose. To date, an interactive strategy workshop has been held and options for the way forward will be presented to the Charter 600 Charity Governance Committee for consideration in Summer 2023. Any substantive changes to the strategic framework of the Charity will be recommended to the Trustee in Autumn 2023.

Trustee's responsibilities in relation to the financial statements

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

The law applicable to charities in England 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.

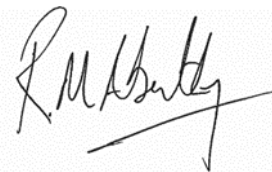
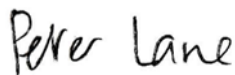
In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice for 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.

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 PLR Lane

Mr RM Abernethy

Master

Clerk to the Mercers' Company

16 November 2023

Independent Auditor's Report

TO THE TRUSTEE OF THE CHARTER 600 CHARITY

We have audited the financial statements of The Charter 600 Charity (the 'Charity') for the year ended 31 March 2023 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 2023 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.

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 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 financial relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ performed substantive testing of expenditure including testing the authorisation thereof.

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. 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.



17 November 2023

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 2023

		Year Ended 31 March 2023 Unrestricted Funds £	Year Ended 31 March 2022 Unrestricted Funds £
	Notes		
Income			
Donations and legacies		44,771	51,678
Investments		58,245	43,425
Total income	2	103,016	95,103
Expenditure			
Raising funds			
<i>Investment management costs</i>		(6,425)	(6,700)
		(6,425)	(6,700)
Charitable activities		(51,518)	(52,092)
Total expenditure	3	(57,943)	(58,792)
Gains / (losses) on investments	4	(103,320)	123,756
Net income / (loss) and net movement in funds		(58,247)	160,067
Fund balances brought forward at 1 April		2,334,080	2,174,013
Fund balances carried forward at 31 March		2,275,833	2,334,080

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 2023

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Fixed assets					
Investments	4		2,131,786		2,205,597
Current assets					
Debtors	5	3,013		5,113	
Cash at bank and in hand		144,308		125,650	
Total current assets		144,321		130,763	
Creditors: amounts falling due within one year	6	(3,273)		(2,280)	
Net current assets			144,048		128,483
Total net assets			2,275,833		2,334,080
The funds of the Charity:					
Unrestricted income funds			2,275,833		2,334,080
Total charity funds			2,275,833		2,334,080

The attached notes on pages 20 to 27 form an integral part of these financial statements. The financial statements on pages 17 to 27 were approved by the Trustee on 16 November 2023 and signed on its behalf by:

Peter Lane

Mr PLR Lane

Master

16 November 2023

R.M. Abernethy

Mr RM Abernethy

Clerk to the Mercers' Company

Statement of Cash Flows for the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	9	(8,836)	(6,419)
Cash flows from investing activities:			
Interest received		2,024	-
Dividends received		54,978	42,562
Purchase of quoted investments		(471,696)	(481,683)
(Increase)/decrease in cash held by investment managers		(23,514)	(9,058)
Proceeds from the sale of quoted investments		465,701	428,097
Net cash (used in) / provided by investing activities		27,494	(20,082)
Change in cash and cash equivalents in the financial year		18,657	(26,501)
Cash and cash equivalents at the beginning of the financial year		125,650	152,151
Cash and cash equivalents at the end of the financial year	9	144,308	125,650

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 for charities preparing their accounts 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.

The financial statements are presented in sterling and are rounded to the nearest pound.

GOING CONCERN

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern. The financial statements have been prepared on a going concern basis.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

There are no significant estimates or judgements used in the preparation of the financial statements.

INCOME

All income, comprising donations and legacies, income from events and dividends from investments 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 period is carried forward as a creditor in the balance sheet and shown as deferred income. Event income is recognised when the event occurs.

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 expenses 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 estimated breakdowns of staff time and 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 market value at the balance sheet date. Cash held by investment managers is recognised as part of investments.

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 one type of fund:

- ▲ 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

Analysis of donations and legacies income:

	2023	2022
	£	£
Regular giving schemes: Give as You Earn, Standing Order & JustGiving	33,120	34,029
Donations from The Mercers' Company	4,188	10,880
Other one off donations from individuals	7,463	6,769
	44,771	51,678

Investment income is generated from the General Investment Fund and bank interest.

3 Expenditure

a) *Analysis of total expenditure:*

	Further	Grant	Governance	Other	Total	Total
	notes	making	& Support	direct	2023	2022
		£	costs	costs	£	£
			£	£		
Investment management costs		-	112	6,313	6,425	6,700
Charitable activities	10	45,000	6,518	-	51,518	52,092
		45,000	6,630	6,313	57,943	58,792

	Further	Grant	Governance	Other	Total	Total
	notes	making	& Support	direct	2022	2022
		£	costs	costs	£	£
			£	£		
Investment management costs		-	101	6,599	6,700	6,700
Charitable activities	10	45,000	7,092	-	52,092	52,092
		45,000	7,193	6,599	58,792	58,792

b) Analysis of governance and support costs:

		Raising funds	Charitable activities	Total 2023	Total 2022
	Basis of apportionment	£	£	£	£
Staff costs	Staff time	112	2,350	2,462	3,467
Office administration	Staff time	-	216	216	61
IT & telephone services	Staff time	-	480	480	477
Offices & meeting facilities	Staff time	-	1,012	1,012	908
Audit fees	Expenditure	-	2,460	2,460	2,280
		112	6,518	6,630	7,193

		Raising funds	Charitable activities	Total 2022
	Basis of apportionment	£	£	£
Staff costs	Staff time	101	3,366	3,467
Office administration	Staff time	-	61	61
IT & telephone services	Staff time	-	477	477
Offices & meeting facilities	Staff time	-	908	908
Audit fees	Expenditure	-	2,280	2,280
		101	7,092	7,193

The Charity has no employees (2022: none). 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 (2022: nil). No Trustee indemnity insurance costs have been paid by the Charity (2022: nil). £2,460 (including irrecoverable VAT) (2022: £2,280) was charged to the Charity for audit fees.

4 Quoted Investments

The changes during the year are as follows:

	1 April 2022	Purchases	Sales	Movement in cash	Revaluation gains	31 March 2023
	£	£	£	£	£	£
General Investment Fund	2,205,597	471,696	(516,152)	23,514	(52,869)	2,131,786
Historical cost	1,763,290					1,800,207

The General Investment Fund investments, managed by Rathbone Brothers Plc, had the following investment asset allocation:

	31 March 2023	
	£'000	%
UK Equities	819	38.4
Overseas Equities	901	42.3
Fixed Interest	178	8.3
Alternatives	161	7.6
Cash	73	3.4
Total	2,132	100.0

No individual holding in each of the investment classes above was more than 5% of total investments. Net investment losses during the year totalled £103,320 (2021 gains: £123,756). This includes both realised and unrealised gains. All investments are held in the United Kingdom.

5 Debtors

Debtors are made up as follows:

	2023	2022
	£	£
Tax reclaimable	446	3,790
Dividends receivable	2,567	1,323
	3,013	5,113

6 Creditors: Amounts Falling Due Within One Year

Creditors are made up as follows:

	2023	2022
	£	£
Audit Fee	2,460	2,280
Other Creditors	813	-
	3,273	2,280

7 Grant Commitments

The Charity had no commitments at the end of the year in respect of charitable grants (2022: none).

8 Related Parties and Connected Charities

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

Becket House Limited (dormant)
 Charity of Sir Richard Whittington
 St Paul's Schools Foundation
 Earl of Northampton's Charity
 Longacre Estates Limited (dormant)
 Longmartin Properties Limited
 Maiden Trading Limited (dormant)
 Mercers' Company Housing Association
 Mercers' School Memorial Trust (incorporating The Merrett Bequest)
 The Mercers' Charitable Foundation
 The Mercers' Company

The principal address of the above entities is:

6 Frederick's Place
 London EC2R 8AB

The Mercers' Company made cash donations of £4,188 in 2023 (2022: 10,880) and no donations of goods and services for fundraising in 2023 (2022: none). The Mercers' Company allocated overheads of £4,188 (2022: £4,912) to the Charity in the year. There were no other transactions with related parties requiring disclosure (2022: none).

9 Reconciliation of Net Income to Net Cash Flow from Operating Activities

	2023	2022
	£	£
Net income for the reporting year (as per statement of financial activities)	(58,247)	160,067
Adjustments for:		
Gains on investments	103,320	(123,756)
Interest receivable	(2,024)	-
Dividends receivable	(56,221)	(43,425)
Change in debtors	3,343	635
Change in creditors	993	60
Net cash used in operating activities	(8,836)	(6,419)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash at bank and in hand	144,308	125,650
Total cash and cash equivalents	144,308	125,650

10 Grants

Listed below are all charitable grants made during the year:

	2023	2022
	£	£
WizeUp Financial Education	15,000	-
Huracan Foundation	15,000	-
Free to be Kids	15,000	-
Emerge Advocacy	-	15,000
Kids on Track	-	15,000
Winchester and District Young Carers	-	15,000
Total cash and cash equivalents	45,000	45,000

Legal & Administrative Information

LEGAL STATUS

The Charter 600 Charity was established in 1994 to commemorate the 600th anniversaries both of the grant of The Mercers' Company's first Charter in 1394 and of the first Mastership of Sir Richard Whittington in 1395.

The Charity operates under a Trust Deed dated 27 October 1995. The registered charity number is 1051146.

PRINCIPAL ADDRESS

6 Frederick's Place
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130 Wood Street
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INVESTMENT MANAGERS

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