

**Charity number: 246255**

**Tallow Chandlers Benevolent Fund No 2.**

**Audited**

**Trustee's report and financial statements**

**for the year ended 5 April 2023**

**Tallow Chandlers Benevolent Fund No 2.**

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**Tallow Chandlers Benevolent Fund No 2.**

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

**Trustee** The Worshipful Company of Tallow Chandlers

**Charity registered  
number** 246255

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

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

**Bankers** Coutts & Co  
440 Strand  
London  
WC2R 0QS

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

## **Tallow Chandlers Benevolent Fund No 2.**

### **Trustee's report for the year ended 5 April 2023**

#### **Introduction**

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

#### **Structure, governance, and management**

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

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

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

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

#### **Investment Policy**

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

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

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

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

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

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

#### **Fund Raising Policy**

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

#### **Objectives and activities for the public benefit**

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

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

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **Objectives and activities for the public benefit (continued)**

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

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

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

#### **Achievements and performance**

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

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

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

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

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

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

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **Achievements and performance (continued)**

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

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

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

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

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

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

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

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

#### **Grant making policy**

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

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

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **Financial review**

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

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

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

#### **Reserves policy**

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

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

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

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

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

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

#### **Plans for Future Periods**

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### Trustee's Responsibilities Statements

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

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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



**Mr P Cazalet, Master**

On behalf of The Worshipful Company of Tallow Chandlers  
Trustee

Date: 4<sup>th</sup> July 2023

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **Opinion**

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **Matters on which we are required to report by exception**

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

- the information given in the Trustee's report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **Auditors' responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Capability of the audit in detecting irregularities, including fraud*

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

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

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

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

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

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

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

#### **Use of our report**

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustee, as a body, for our audit work, for this report, or for the opinions we have formed.



**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor  
Horsham

Date: 5 July 2023

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

**Tallow Chandlers Benevolent Fund No 2.**

**Statement of financial activities  
for the year ended 5 April 2023**

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

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

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

**Tallow Chandlers Benevolent Fund No 2.**

**Balance sheet  
as at 5 April 2023**

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

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



**Mr P Cazalet, Master**  
On behalf of The Worshipful Company of Tallow Chandlers

Date: 4<sup>th</sup> July 2023

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

**Tallow Chandlers Benevolent Fund No 2.**

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

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

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **1. General information**

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

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

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

##### **2.2 Going concern**

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

##### **2.3 Income**

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

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

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

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **2. Accounting policies (continued)**

##### **2.4 Expenditure**

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

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

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

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

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

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

##### **2.5 Interest receivable**

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

##### **2.6 Investments**

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

##### **2.7 Debtors**

Trade and other debtors are recognised at the settlement amount.

##### **2.8 Cash at bank and in hand**

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

## **Tallow Chandlers Benevolent Fund No 2.**

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

#### **2. Accounting policies (continued)**

##### **2.9 Liabilities and provisions**

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

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

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

##### **2.10 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **2.11 Fund accounting**

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

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

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

#### **3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### 4. Income from donations and legacies

	Restricted funds 2023 £	Designated funds 2023 £	Total funds 2023 £
Donations from Liverymen and Freemen (including tax recoveries)	-	111,723	111,723
Other donations	35,802	293,403	329,205
Donation from The Worshipful Company of Tallow Chandlers	-	114,921	114,921
<b>Total 2023</b>	<b>35,802</b>	<b>520,047</b>	<b>555,849</b>
	Restricted funds 2022 £	Designated funds 2022 £	Total funds 2022 £
<b>Donations</b>			
Donations from Liverymen and Freemen (including tax recoveries)	-	111,134	111,134
Other donations	177,679	39,030	216,709
Donation from The Worshipful Company of Tallow Chandlers	237,207	140,260	377,467
<b>Total donations</b>	<b>414,886</b>	<b>290,424</b>	<b>705,310</b>
Total 2022	414,886	290,424	705,310

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

**Tallow Chandlers Benevolent Fund No 2.**

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

**5. Investment income**

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

**Tallow Chandlers Benevolent Fund No 2.**

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

**6. Expenditure on raising funds**

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

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

**Analysis of support costs**

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

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

**Tallow Chandlers Benevolent Fund No 2.**

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

**7. Analysis of grants**

	<b>Grants to Institutions 2023 £</b>	<b>Total funds 2023 £</b>
Grant funding	393,967	<b>393,967</b>
	<b>Grants to Institutions 2022 £</b>	<b>Total funds 2022 £</b>
Grant funding	866,377	866,377

**Analysis of grants**

	<b>Restricted funds 2023 £</b>	<b>Designated funds 2023 £</b>	<b>Total funds 2023 £</b>
Grants paid to institutions in the current year	62,974	350,426	<b>413,400</b>
Awards	-	5,893	<b>5,893</b>
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	700	<b>700</b>
Movement in grant creditor	(62,974)	36,948	<b>(26,026)</b>
<b>Total 2023</b>	<b>-</b>	<b>393,967</b>	<b>393,967</b>
	<b>Restricted funds 2022 £</b>	<b>Designated funds 2022 £</b>	<b>Total funds 2022 £</b>
Grants paid to institutions in the current year	666,893	365,747	1,032,640
Awards	-	6,593	6,593
Payments to institutions supporting the poor and pensioners connected with the Tallow Trade	-	700	700
Movement in grant creditor	(195,443)	21,887	(173,556)
<b>Total 2022</b>	<b>471,450</b>	<b>394,927</b>	<b>866,377</b>

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### Analysis of grants (continued)

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

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### Analysis of grants (continued)

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

## 8. Analysis of expenditure on charitable activities

### Summary by fund type

		<b>Designated funds 2023 £</b>	<b>Total 2023 £</b>
Grant funding		537,582	537,582
Support costs		10,940	10,940
		<b>548,522</b>	<b>548,522</b>
	<b>Restricted funds 2022 £</b>	<b>Designated funds 2022 £</b>	<b>Total 2022 £</b>
Grant funding	471,450	517,088	988,538
Support costs	-	7,788	7,788
	<b>471,450</b>	<b>524,876</b>	<b>996,326</b>

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### 9. Analysis of expenditure by activities

	Grant funding 2023 £	Support costs 2023 £	Total funds 2023 £
Grant funding	393,967	143,615	<b>537,582</b>
Governance costs	-	10,940	<b>10,940</b>
<b>Total 2023</b>	<b>393,967</b>	<b>154,555</b>	<b>548,522</b>
	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Grant funding	866,377	122,161	988,538
Governance costs	-	7,788	7,788
<b>Total 2022</b>	<b>866,377</b>	<b>129,949</b>	<b>996,326</b>

#### Analysis of support costs

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

Allocation of support costs:

#### Staff costs

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### 9. Analysis of expenditure by activities (continued)

##### Office costs

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

##### Premises costs

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

##### Other costs

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

##### Professional costs

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

#### 10. Auditors' remuneration

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

#### 11. Trustee's remuneration and expenses

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

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

**Tallow Chandlers Benevolent Fund No 2.**

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

**12. Fixed asset investments**

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

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

**13. Debtors**

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

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

**14. Creditors: Amounts falling due within one year**

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

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

**Tallow Chandlers Benevolent Fund No 2.**

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

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

	<b>2023</b>	2022
	£	£
Grant commitments	<b>115,337</b>	99,000

**16. Accrued funding commitments**

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

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

**Tallow Chandlers Benevolent Fund No 2.**

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

**17. Statement of funds**

**Statement of funds - current year**

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

**Statement of funds - prior year**

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### 18. Summary of funds

##### Summary of funds - current year

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

##### Summary of funds - prior year

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

##### Fund descriptions

###### a) Designated funds

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

###### b) Restricted funds

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

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

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### 19. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

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

##### Analysis of net assets between funds - prior year

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

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

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

## Tallow Chandlers Benevolent Fund No 2.

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

#### 21. Analysis of cash and cash equivalents

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

#### 22. Analysis of changes in net debt

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

#### 23. Related party transactions

The Worshipful Company of Tallow Chandlers  
Trustee

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

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

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

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