

Registered Charity Number: 310018

MERCHANT TAYLORS' EDUCATIONAL TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2024

*Merchant Taylors' Educational Trust***INDEX**

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Merchant Taylors' Educational Trust

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees submit their report and financial statements for the year ended 31 August 2024. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102), Second Edition, applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard, applicable in the UK and Republic of Ireland.

OBJECTIVES AND ACTIVITIES

Charitable Objects

The overarching object of the Charity, as noted in its Deed of Trust (1967), is as follows:

The Trust Property shall be held and applied for or towards or for the benefit or in furtherance of such charitable purposes, charitable institutions or charitable foundations (whether educational or otherwise) in such manner and in such proportions as the Trustees may from time to time determine and both capital and income without distinction shall be so applicable.

While this remains unchanged, the objects to which the Charity pays special regard were reviewed in 2021 by the Trustees, as the Deed of Trust permits. By Deed of Variation dated 22 March 2021, they are now as follows:

- (a) The advancement of education through the provision of support to the MTET Schools (Merchant Taylors' School and St John's School).
- (b) The advancement of education through the provision of scholarships, bursaries, prizes or other awards or grants to pupils attending any of the MTET Schools who are in need of financial assistance.
- (c) The advancement of education through the provision of scholarships, prizes, maintenance allowances or grants to any former pupil of any of the MTET Schools tenable at any university, college of education, or other institution of further (including professional and vocational) education.

In planning their activities for the year, the Trustees have complied with their duties in section 17(5) of the Charities Act 2011 and have considered the Charity Commission's guidance on public benefit, and in particular its supplementary guidance on advancing education and fee charging.

Aims

The Trustees aim to provide financial support to the MTET Schools commensurate with the resources at their disposal and the objects of the funds under their control; and supporting initiatives in the education sector more generally in which they have an interest and to which they are able to apply their expertise and their contacts to advantage.

Objectives

The Charity's objectives for the year were to maximise income and to continue support for the MTET Schools in the context of the broader educational interests of MTET and the Merchant Taylors' Company (referred to below as MTC).

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Activities

The Trustees disbursed £246,750 to Merchant Taylors' School Northwood ("MTSN") for bursaries, with the intention that such bursaries be provided to students who would not otherwise be able to be educated at the school. A further £9,000 was awarded in leaving prizes to students leaving MTSN to embark on university study.

A sum of £32,100 was disbursed to The Merchant Taylors' Foundation (registered charity number 1161568), to fund bursaries at other schools.

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Charity's activities as outlined above, and in particular its provision of bursaries to the MTET Schools and (through its donation to The Merchant Taylors' Foundation) a broader group of educational establishments, aim to further the public benefit enshrined in its charitable objects.

ACHIEVEMENTS AND PERFORMANCE**Investment performance**

The investment income for the Charity amounted to £282,584 (2023: £291,834).

FINANCIAL REVIEW**Investment powers and policy**

The Trustees' investment policy is that income should be maximised as far as possible whilst seeking to ensure capital growth. The Charity has adopted its investment manager Rathbones' policy of responsible investment. Through a holistic appraisal of investment, opportunity and risk, Rathbones aim to take an informed and active approach to responsible investment by incorporating a thorough consideration of environmental, social and governance (ESG) factors and continuing meaningful engagement with the companies in which they invest.

The investments are managed on a discretionary basis on a medium risk profile. The portfolio has a balanced mandate meaning the investments are managed for a combination of capital and growth. Performance is measured against a primary benchmark measured with reference to a composite index from other funds, and a secondary benchmark over the longer term of CPI + 4%.

The Trustees review this investment policy annually and no changes were made to it this financial year.

Total return

In April 2021 the Trustees resolved to adopt a total return policy for the MTET funds held in the managed portfolio from 1 September 2021.

Trustees established the original value of the endowments as £4,057,442 through review of historic accounts, with £2,212,815 being the value of endowments gifted in September 2017 and £1,844,627 being the value of the other, extant endowments in 2011.

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Prior to the April 2021 resolution the capital returns on the Trust's endowed assets were credited to the Trust's endowment funds and all income returns to the related restricted funds.

The Trustees have decided to transfer 3.5% of the asset value to the restricted funds for application based on the expected long-term return within the investment manager's mandate. This withdrawal rate will be reviewed regularly.

Financial reserves

The Trustees' policy is to hold 3 to 6 months expenditure (£113,000 - £227,000) in cash in unrestricted funds. As at 31 August 2024 the Fund held £143,252 (2023: £236,679) for these purposes.

The Trustees do not feel that they are exposed to operational risks of the sort that would require or be ameliorated by emergency expenditure. A reserve is retained in order that there should be a capacity to respond to urgent and/or compelling cases for support. The Trustees believe that the current reserves policy would be sufficient to cover this eventuality, given the nature and size of the awards made historically, and the size of the capital balance which is expendable at Trustees' discretion.

Risk management

The Trustees consider, at their meetings, any risks to which the Charity may be exposed. These were identified during the year along with mitigation activity and lead responsibilities. The major financial risk to which the Charity itself is exposed is a diminution in the value of, and yield from, its investments. Investments in financial instruments are monitored closely, with regular scrutiny of investment managers' performance taking place, assisted by the Merchant Taylors' Company's Investment Committee, on which one Trustee sits.

Fundraising

The Trustees take seriously their responsibilities under the Charities (Protection and Social Investment) Act 2016 and have considered the implications for fundraising activities. There have been no complaints received in the year in relation to fundraising.

The Charity is a charitable trust supported by The Merchant Taylors' Company.

The Charity does not work with commercial participators or engage professional fundraisers.

A review of the final position at the end of the reporting period

The Charity's Endowment Funds stood at £5,976,852 (2023: £5,463,294), the Restricted Fund stood at £1,289,104 (2023: £1,338,200) and the General reserve at £1,816,277 (2023: £1,631,265).

FUTURE PLANS

The Trustees plan to support the MTET Schools and participate in relevant activity of the MTC's Education Strategy, including that which relates to the provision of educational opportunities for disadvantaged young people.

The Trustees also plan to continue working with both the MTET Schools and MTC to identify and update risks and ensure that responsibilities and activities relating to risk mitigation are clear and

Merchant Taylors' Educational Trust

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

coherent across all parties.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by a Trust Deed dated 31 August 1967.

Endowment funds

The Charity holds a Bursary and Scholarship Trust and an MTET Prize Fund, whose sole objects are to support the provision of awards to pupils and former pupils of MTSN. An allocation of the unapplied total return is disbursed each year for that purpose, subject to satisfactory reports concerning MTSN's overall programme of support for boys in need of financial assistance towards their education.

Appointment of Trustees

The Trustees are appointed by the Court of the Merchant Taylors' Company, with regard paid to the particular skills and expertise that the Charity has need of at the relevant time.

Induction and training of Trustees

Trustees are offered at least one opportunity each year to receive training from the Charity's legal and accountancy advisers, either on a dedicated training day or by joining sessions offered by those advisers to their clients. The latter have tended to be favoured in recent years, as they offer a range of perspectives and the opportunity to share insights and establish contacts in the wider sector.

Trustees have access to the governing documents; previous minutes, plans, and other documentation; and to Charity Commission guidance. They are also supported by a well-qualified and experienced staff employed by Bradestrete Services Limited, a subsidiary of the Merchant Taylors' Company.

Management personnel

The Trust does not employ management personnel but receives the services of Bradestrete Services Limited, to provide all administrative functions.

Decision-making and delegation

The Trustees are drawn from members of the Merchant Taylors' Company and selected for their particular skills. Decisions as to expenditure for agreed budget may be delegated to the Chairman of Trustees or to MTC staff (employed by Bradestrete Services Ltd), but other expenditure will usually be referred to all Trustees for approval.

Merchant Taylors' Educational Trust

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NAME: Merchant Taylors' Educational Trust

REGISTERED CHARITY NUMBER: 310018 (registered with the Charity Commission for England and Wales)

ADDRESS: Merchant Taylors' Hall
30 Threadneedle Street
London, EC2R 8JB

TRUSTEES: Lady Annie Harding (*appointed Chair 1 August 2024*)
Mr J A J Price (*resigned 16 July 2024*)
Mr S W Bass (*resigned 18 December 2023*)
Mr C P Hare
Mr M A L Robb
Mr P H Watkins
Mr D J Jackson (*appointed 1 August 2024*)

CHIEF EXECUTIVE OFFICER: Rear Admiral J R H Clink CBE

BANKERS: Royal Bank of Scotland PLC
62 Threadneedle Street
London, EC2R 8LA

INVESTMENT MANAGERS: Rathbone Investment Management Ltd
8 Finsbury Circus
London, EC2M 7AZ

AUDITOR: Saffery LLP
71 Queen Victoria Street
London, EC4V 4BE

SOLICITORS: Charles Russell Speechlys LLP
5 Fleet Place
London, EC4M 7RD

Merchant Taylors' Educational Trust

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' 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 Trustees 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 Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102) Second Edition;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping 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's applicable accounting regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. All of the Trustees have confirmed that they have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditors

The Trustees have appointed Saffery LLP, Statutory Auditors, as auditors to the Charity.

By order of the Trustees (If we type or otherwise electronically sign our names, we confirm that we intend to authenticate this document by so doing):

Signed by:

2249DEB1DAAA4A8...
Lady Annie Harding
Trustee

Date: 26 June 2025

Signed by:

CE4527ED00234BE...
Peter Howard Watkins
Trustee

Date: 27 June 2025

Merchant Taylors' Educational Trust

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MERCHANT TAYLORS' EDUCATIONAL TRUST
FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the financial statements of Merchant Taylors' Educational Trust for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of the charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Merchant Taylors' Educational Trust

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MERCHANT TAYLORS' EDUCATIONAL TRUST
FOR THE YEAR ENDED 31 AUGUST 2024

otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the charity's 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 Trustees' Responsibilities Statement set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

*Merchant Taylors' Educational Trust*INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MERCHANT TAYLORS' EDUCATIONAL TRUST
FOR THE YEAR ENDED 31 AUGUST 2024

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with informed management, and updating our understanding of the sector in which the charity operate.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through 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 auditors' report.

Use of our report

This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Merchant Taylors' Educational Trust*STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted fund £	Restricted fund £	Endowment fund £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies	2	75,000	-	-	75,000	74,250
Other income		428	2,170	-	2,598	1,876
Investments		46,570	40,042	195,972	282,584	291,834
Total return allocated to income		-	191,215	(191,215)	-	-
Total income		121,998	233,427	4,757	360,182	367,960
Expenditure on:						
Raising funds						
Investment management costs		6,019	5,175	25,330	36,524	34,526
Charitable activities						
Grants	3	32,100	255,750	-	287,850	264,000
Grant related support costs	4	25,796	130,735	-	156,531	123,806
Total expenditure		63,915	391,660	25,330	480,905	422,332
Net gains/(losses) on investments		127,165	109,340	535,125	771,630	(350,189)
Foreign exchange movements		(236)	(203)	(994)	(1,433)	-
Total investment gains/(losses)		126,929	109,137	534,131	770,197	(350,189)
Net income/(expenditure)		185,012	(49,096)	513,558	649,474	(404,561)
Fund balances at 1 September 2023		1,631,265	1,338,200	5,463,294	8,432,759	8,837,320
Fund balances at 31 August 2024		1,816,277	1,289,104	5,976,852	9,082,233	8,432,759

The notes on pages 15 to 24 form part of these financial statements.


Merchant Taylors' Educational Trust

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024		2023	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	5		8,966,822		8,220,281
Current assets					
Debtors	6	6,415		6,166	
Cash		143,252		236,679	
		149,667		242,845	
Creditors: amounts falling due within one year	7	34,256		30,367	
Net current assets			115,411		212,478
Total net assets	8		9,082,233		8,432,759
Funds					
Endowment funds	9		5,976,852		5,463,294
Restricted funds	10		1,289,104		1,338,200
Unrestricted funds	11		1,816,277		1,631,265
			9,082,233		8,432,759

These financial statements were approved by the Trustees on 26 June 2025 .

(If we type or otherwise electronically sign our names, we confirm that we intend to authenticate this document by so doing):

Signed by:

 Lady Annie Harding
 Trustee

Signed by:

 Peter Howard Watkins
 Trustee

The notes on pages 15 to 24 form part of these financial statements.

Merchant Taylors' Educational Trust

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies**Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) and Financial Reporting Standard 102 (FRS 102) and applicable law. The particular policies adopted by the Trustees are described below.

Basis of accounting

In previous years the Charity has prepared consolidated financial statements to include the following entities, Merchant Taylors' School and its wholly owned subsidiary Merchant Taylors' School Enterprises Limited and St. John's School, Northwood. Having sought legal guidance, it is considered that neither the Charity nor the Trustees control the schools, and therefore there is no requirement to prepare consolidated financial statements. The financial statements present the Charity only figures.

The financial statements have been prepared under the historical cost convention with the exception of fixed asset investments which are stated at market value. The Charity is a public benefit entity. The Trustees are satisfied that the Charity is a going concern and have prepared these financial statements on that basis. 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

Investments and investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for when received.

Listed investments are valued at mid-market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Total return

The Trustees resolved to adopt a total return policy for the funds held in the managed portfolio from 1 September 2021.

Prior to the resolution the capital returns on the Trust's endowed assets were credited to the Trust's endowment funds and all income returns to the related restricted funds.

The Trustees have decided to transfer 3.5% of the asset value to the restricted funds for application based on the expected long-term return within the investment manager's mandate. This withdrawal rate will be reviewed regularly.

Income

Donations and legacies are accounted for by all entities when they are entitled to the income and when the amount concerned can be quantified with sufficient certainty. Amounts received for general purposes are credited to the unrestricted funds of the receiving entity, whilst amounts subject to specific wishes or stipulations are credited to the appropriate restricted or endowment fund.

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

Direct charitable expenditure

Direct charitable expenditure includes all expenditure directly related to the objects of the Charity. 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 allocated to expense headings either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Governance costs comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

Grants payable are charged in the year in which the offer is conveyed to the recipient.

Funds

Notes 9 to 11 list all funds, which are categorised as follows:

Endowment funds: These have the principal purpose of generating income.

Restricted funds: These funds were donated or created for specific purposes and may be used only for those purposes.

Unrestricted funds: These are held for more general donations by the charity..

Taxation

The Charity and its subsidiaries are all registered charities and recognised as charitable by HMRC, and their income is not therefore liable to taxation as it is applied to wholly charitable purposes.

Financial instruments

The Charity has financial assets and financial liabilities only 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Critical accounting judgement and estimates

The preparation of the financial statements in accordance with FRS102 requires the Trustees to make estimates and assumptions concerning the future. The estimates and assumptions that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to use judgement. In relation to accruals this is with regards to a best estimate of costs that will be incurred based on contractual requirements. For depreciation these estimates are driven by the useful economic life of the associated assets. For revenue recognition management apply judgements in concluding on the point at which revenue should be recognised.

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**2 Income****Donations**

	2024	2023
	£	£
Unrestricted		
Merchant Taylors' Company	75,000	74,250
	75,000	74,250

3 Grants

	2024	2023
	£	£
Grants paid from restricted funds		
Merchant Taylors' School Bursaries	246,750	225,000
Merchant Taylors' School Prizes	9,000	9,000
	255,750	234,000
Grants paid from unrestricted funds		
Merchant Taylors' Foundation	32,100	30,000
	32,100	30,000
Total Grants paid	287,850	264,000

4 Grant related support costs

	2024	2023
	£	£
Administration costs	100,805	85,881
Event costs	7,545	5,660
Insurance	466	466
Governance costs :		
Audit fee	13,179	12,525
Legal & professional fees	34,536	19,274
Total	156,531	123,806

Trustees received no remuneration (2023: £nil) and were not reimbursed for any of their expenses in the year (2023: £nil). The Charity had no employees during the current or prior year.

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**5 Fixed asset investments**

	2024	2023
	£	£
Valuation at start of year	7,995,057	8,440,199
Additions	1,800,990	1,080,260
Disposals	(1,835,857)	(1,172,873)
Market value gains/(losses)	771,629	(352,529)
Valuation at end of year	8,731,819	7,995,057
Cash held at start of year	225,224	165,000
Movement	9,779	60,224
Cash held at end of year	235,003	225,224
Total	8,966,822	8,220,281

6 Debtors

	2024	2023
Prepayments and accrued income	6,415	6,166
	6,415	6,166

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**7 Creditors: amounts falling due within one year**

	2024	2023
	£	£
Trade creditors	15,893	13,618
Other creditors and accruals	18,363	16,749
	34,256	30,367
Balances with connected parties:		
Bradestrete Services Ltd	15,893	13,618

8 Allocation of the net assets of the charity

	Fixed assets and investments	Net Current assets	Total 2024
	£	£	£
Unrestricted funds	1,700,866	115,411	1,816,277
Restricted funds	1,289,104	-	1,289,104
Endowment funds	5,976,852	-	5,976,852
	8,966,822	115,411	9,082,233

Prior year comparative

	Fixed assets and investments	Net Current assets	Total 2024
	£	£	£
Unrestricted funds	1,418,787	212,478	1,631,265
Restricted funds	1,338,200	-	1,338,200
Endowment funds	5,463,294	-	5,463,294
	8,220,281	212,478	8,432,759

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**9 Endowment Funds**

	Balance 1.9.23 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Balance 31.8.24 £
Bursary and Scholarships	5,165,214	4,536	(23,954)	505,095	5,650,891
MTET Prize Fund	298,080	221	(1,376)	29,036	325,961
	5,463,294	4,757	(25,330)	534,131	5,976,852

Prior year comparative

	Balance 1.9.22 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Balance 31.8.23 £
Bursary and Scholarships	5,415,673	1,837	(22,642)	(229,654)	5,165,214
MTET Prize Fund	312,520	64	(1,302)	(13,202)	298,080
	5,728,193	1,901	(23,945)	(242,856)	5,463,294

Fund Details

The Bursary and Scholarships funds comprises various donations that can be used solely for the provision of bursaries or scholarships for the benefit of pupils of Merchant Taylors' School.

The MTET Prize Fund can only be used to fund prize winners from Merchant Taylors' School.

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**9 Endowment Funds (continued)****Statement of investment total return (trust)**

	Bursary and Scholarship £	MTET Prize Fund £	Total £
Original endowment value	3,765,216	292,225	4,057,441
Unapplied total return	1,399,998	5,855	1,405,853
Total value at 1 September 2023	5,165,214	298,080	5,463,294
Investment income	185,319	10,653	195,972
Market value movement	505,095	29,036	534,131
Investment management fees	(23,954)	(1,376)	(25,330)
Total return applied to unapplied return	666,460	38,313	704,773
Transfer to income	180,782	10,433	191,215
Original endowment value	3,765,216	292,225	4,057,441
Unapplied total return	1,885,676	33,735	1,919,411
Total value at 31 August 2024	5,650,892	325,960	5,976,852

Total return

The Trustees adopted total return from 1 September 2021. The original gift value was agreed to be £3,765,216 for the Bursaries endowment and £292,225 for the Prizes endowment. Trustees agreed to withdraw 3.5% of the asset's value as this best balanced the present and future needs of beneficiaries and was in line with the long-term anticipated return by the investment manager.

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**10 Restricted Funds**

	Balance 1.9.23 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Balance 31.8.24 £
MTET Restricted Fund	1,139,552	40,410	(178,356)	109,137	1,110,743
Endowment income funds					
Bursary and Scholarships	16,481	182,486	(198,403)	-	564
MTET Prize Fund	182,167	10,531	(14,901)	-	177,797
	1,338,200	233,427	(391,660)	109,137	1,289,104

Prior year comparative

	Balance 1.9.22 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Balance 31.8.23 £
MTET Restricted Fund	1,269,565	41,619	(122,011)	(49,621)	1,139,552
Endowment income funds					
Bursary and Scholarships	29,926	190,779	(204,224)	-	16,481
MTET Prize Fund	184,713	11,009	(13,555)	-	182,167
	1,484,204	243,407	(339,790)	(49,621)	1,338,200

Income accruing to the Endowment Funds is restricted to the purposes described in note 9.

The MTET Restricted fund was formed on the transfer of the T3-5 Fund and is limited to expenditure, of any kind, in Merchant Taylors' School.

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**11 Unrestricted Funds**

	Balance 1.9.23 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Balance 31.8.24 £
General Reserve	1,631,265	121,998	(63,915)	126,929	1,816,277

Prior year comparative

	Balance 1.9.22 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Balance 31.8.23 £
General Reserve	1,624,923	122,652	(58,599)	(57,711)	1,631,265

12 Related party transactions

Bradestrete Services Limited, a connected party, incurred administration, establishment and management expenses during the year on behalf of this Trust amounting to £100,805 (2023: £85,881).

The Charity received donations from the Merchant Taylors' Company as detailed in note 2.

The Charity made donations of £255,750 to Merchant Taylors' School and £32,100 to Merchant Taylors' Foundation as detailed in note 3.

The Trustees are all members of the Merchant Taylors' Company, which administers this Trust through its subsidiary Bradestrete Services Limited.

The balances due to and from the other entities associated with the Merchant Taylors' Company at 31 August 2024 are disclosed in notes 7 and 8 to the financial statements.

No trustees have received any remuneration during the year (2023: £nil) nor have they been reimbursed for expenses (2023: £nil).

*Merchant Taylors' Educational Trust*NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**14 Comparative information**

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total 2023 £
Income and endowments from:				
Donations and legacies	74,250	-	-	74,250
Other income	309	1,567	-	1,876
Investments	48,093	41,353	202,388	291,834
Total return allocated to income	-	200,487	(200,487)	-
Total income	122,652	243,407	1,901	367,960
Expenditure on:				
Raising funds				
Investment management costs	5,690	4,891	23,945	34,526
Charitable activities				
Grants	30,000	234,000	-	264,000
Grant related support costs	22,909	100,897	-	123,806
Total expenditure	58,599	339,788	23,945	422,332
Net gains/(losses) on investments	(57,711)	(49,622)	(242,856)	(350,189)
Net income/(expenditure)	6,342	(146,003)	(264,900)	(404,561)
Fund balances at 1 September 2022	1,624,923	1,484,203	5,728,194	8,837,320
Fund balances at 31 August 2023	1,631,265	1,338,200	5,463,294	8,432,759