



Middle Temple
**TRUST
FUNDS**

**THE CHARITIES ADMINISTERED IN CONNECTION WITH
THE HONOURABLE SOCIETY OF THE MIDDLE TEMPLE**

Charity registration number: 314246

TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS

31 DECEMBER 2024

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity name	The Charities Administered in connection with The Honourable Society of the Middle Temple	
Other names under which the charity operates	Middle Temple Trust Funds The Trust Funds	
Charity registration number	314246	
Principal office	Treasury Offices, Ashley Building, Middle Temple Lane, London. EC4Y 9BT	
Trustees	Bernard Richmond, KC [to 31 December 2024] Jessica Simor, KC Andrew Burns, KC [Chair from 2 October 2024] Evan Price Louise McCullough [from 23 May 2024]	
Secretary to the Trustees	Andrew Hopkin, BA(Hons), ACMA, CGMA Director of Finance & Corporate Services The Honourable Society of the Middle Temple	
Bankers	The Royal Bank of Scotland, 250 Bishopsgate, London. EC2M 4AA	Handelsbanken plc, 2 nd Floor, 1 Kingsway, London. WC2B 6AN
Solicitors	Lester Aldridge LLP, 1 King Street, London. EC2V 8AU	
Auditors	HaysMac LLP, 10 Queen Street Place, London. EC4R 1AG	
Investment managers	Investec Wealth & Investment Limited, 30 Gresham Street, London. EC2V 7QN	Waverton Investment Management Limited, 16 Babmaes Street, London. SW1Y 6AH
	Cazenove Capital, 1 London Wall Place, London. EC2Y 5AU	

TRUSTEES' ANNUAL REPORT

These financial statements have been prepared under the accounting policies detailed in Note 1 on page 18 of the financial statements and comply with the Trust Deed, applicable law, and the requirements of the "Accounting and Reporting by Charities: Statement of Recommended Practice" (FRS 102).

Objects and Activities for the Public Benefit

The trustees confirm that they have considered the public benefit guidance available from the Charity Commission when reviewing the Trust Funds' aims and objectives and in planning future activities and setting the scholarship awards policy for the year.

The charity has been established to advance the education of intended practitioners at the Bar of England and Wales through the award of scholarships. The trustees have established the scholarship awards policy to achieve maximum public benefit. Scholarships are awarded to applicants of all backgrounds to attract to the Bar talented people from all parts of society. The aim is to help promote membership from under-represented groups, particularly those facing financial or disability barriers to achieve a successful career at the Bar.

The trustees believe that a strong and independent Bar is a vital part of the Constitution of the United Kingdom for the following reasons: -

1. Members of the Bar will, through experience and training, be able to present cases to the Courts in a skilled, efficient, and timesaving way;
2. They will, for the same reason, form a body of practitioners from which judicial appointments can be made;
3. They will be able to challenge executive and other decisions publicly, fearlessly, and at whatever level;
4. They will be able to represent a cause or individual however unpopular or unattractive that cause or individual may be.

The ultimate beneficiary of the scholarship awards programme is the nation at large.

The charity finances scholarships to individuals who are studying the Bar Training Course or a conversion course (the Graduate Diploma in Law, or its equivalent), with the intention to undertake pupillage in England and Wales and then to commence in practice. Funds for these scholarships are provided from Endowment Funds (investment income only), Restricted Income Funds, and Unrestricted Income Funds.

A further scholarship fund, the Middle Temple Scholarship Fund, was established in 2003 to further encourage donations from members of the Middle Temple to continue to fund future scholarship awards for the public benefit.

The trustees aim to ensure, wherever possible, a steady increase in the number and size of scholarship awards, whilst maintaining the underlying value of the investments in which the

funds are held. The task of making individual scholarship awards (in terms of both numbers and size) has been delegated by the trustees to the Scholarships & Prizes Committee and of the proper investment of funds to the Investment Sub-committee. One of the trustees (historically, the Chair) is an *ex officio* member of the Investment Sub-committee and the reports from the investment managers considered by the Sub-committee are also reviewed by the trustees at each of their meetings.

Middle Temple interviews every scholarship applicant, who, at the time of being in receipt of a scholarship, must be a member of Middle Temple and have secured a place on the Bar Training Course at one of several institutions across the country. The deciding criterion for the award of a scholarship is an individual's merit to succeed in a career at the Bar of England & Wales. Only once a scholarship has been awarded is the quantum of that award considered, based on the successful individual's financial circumstances. Scholarships are awarded with a view to maximising financial assistance to the more disadvantaged scholars; the quantum of an award is such that those applicants from poorer sections of the community receive a higher value scholarship and more help is available to a wider range of students.

The details of how to apply for a Middle Temple scholarship can be found on its website: www.middletemple.org.uk.

Achievements and Performance

Scholarship awards with a total value of £1,446k (2023: £977k) were awarded during the year, the majority of which were in the form of study awards. This total was considerably more than in 2023 and results from a higher number of scholarship applicants than in previous years. The scholarship awards figure includes a total of £721k (2023: £554k) for awards that have been deferred to future years. The deferral of a scholarship award is allowed due to changes in the circumstances of beneficiaries between the date on which the scholarship was awarded and the commencement of the Bar Training Course. Successful scholars can defer the take up of an award for a maximum of three years. The Education Department of the Middle Temple administers the scholarship programme on behalf of the trustees, and they keep detailed records of all awards and deferrals. All deferred scholarship awards are reviewed on an annual basis to ascertain if the award will eventually be paid or will lapse.

The trustees are aware of the materiality of deferred scholarship awards and the impact that has on holding cash that is not immediately required for the Trust Funds' cash flow requirements. The trustees are committed to continue to monitor this issue and to explore ways in which to better manage the Trusts' cash resources.

Donations and legacies with a combined value of £87k (2023: £543k) were received during the year. This represents a significant fall from donations received in the previous year and results from the suspension of the grant from the Middle Temple. The trustees approved the withdrawal of an additional £500k from the Middle Temple Scholarship Fund resources to mitigate any adverse impact that this suspension may have had on the scholarships programme.

During 2024, the value of the investment portfolio increased to £16.78 million (2023: £16.14 million), due to the finalisation of the transfer of assets to new investment managers in the final stages of 2023 and the performance of those new managers (as noted below). The Total Return achieved by the investment managers, net of fees, was as follows: -

- Waverton Investment Management: 11.59% (2023: 0.12%).
- Cazenove Capital: 11.67% (2023: 0.3%).

The investment portfolio figure disclosed in these financial statements includes cash deposits of £271k (2023: £1.61 million).

The Inn has been successful in admitting a broad range of diverse individuals to its membership and is committed to continuing its efforts to increase that diversity, particularly from individuals who would not otherwise consider a career at the Bar of England & Wales. The Inn has an 'outreach' capability, supported by the Sir Paul Jenkins' Fund, as well as the tried and tested 'Access to the Bar' scheme, supported by the Trust Funds' restricted income funds, which offers bursaries to individuals to experience life at the Bar first-hand on a one-week placement. That work will continue in 2025.

Financial Review

The Trust Funds are reliant on several income streams, namely: -

- Income from the investment portfolio, which during the year generated £411k (2023: £391k)
- Donations and legacies of £87k (2023: £543k) from external donors
- Rental income from the investment properties of £134k (2023: £131k) and
- Bank interest of £88k (2023: £53k).

Investment policy and performance

The investment portfolio is actively managed in accordance with the long-term objective of a balanced return with a medium risk profile, whilst continuing to hold a well-diversified portfolio.

In late 2023, the investment portfolio was transferred from Investec Wealth & Investment and split equally between Waverton Investment Management and Cazenove Capital. The performance figures for the new managers are shown in the table on page 6.

Figures as of 31 December 2024	£	Total return - Net	ARC index
Waverton Investment Management	8,292,153	+11.59%	+8.78%
Cazenove Capital	8,271,123	+11.67%	+8.78%

The trustees are satisfied that an appropriate level of investment return was secured by both investment managers taking into account the industry ARC Index. Investment performance is influenced by the assets held in each of the portfolios as shown in the table below.

	Cazenove	Waverton
Equities %	71.6	78.1
<i>UK Equities</i>	<i>15.0</i>	<i>9.1</i>
<i>North American Equities</i>	<i>30.4</i>	<i>40.3</i>
<i>Europe ex. UK Equities</i>	<i>10.4</i>	<i>14.2</i>
<i>Japanese Equities</i>	<i>2.0</i>	<i>8.0</i>
<i>Asia Pacific ex. Japan Equities</i>	<i>4.3</i>	<i>6.5</i>
<i>Other International Equities</i>	<i>9.7</i>	<i>-</i>
Fixed income %	11.1	11.6
<i>UK Government</i>	<i>4.7</i>	<i>3.4</i>
<i>Overseas Government</i>	<i>1.3</i>	<i>-</i>
<i>Corporate</i>	<i>3.1</i>	<i>1.8</i>
<i>Investment Funds</i>	<i>2.0</i>	<i>6.4</i>
Alternatives %	13.9	9.9
Cash %	3.4	0.4

Reserves policy

The trustees hold reserves to ensure that day-to-day administration costs can be funded internally for a period up to 12 months into the future. The trustees have also considered if it would be prudent to hold reserves to be able to finance one years' worth of scholarship awards but have concluded that this would tie-up too much cash within the trusts.

However, the trustees hold total Unrestricted Income Funds of £5.51 million (2023: £5.90 million). These funds are represented by the Middle Temple Scholarship Fund. The trustees have considered how best to use these funds to support beneficiaries, both now and in the future. At their meeting in March 2021, the trustees resolved to implement a drawdown policy for the Unrestricted Income Funds of up to £300k per annum. This would support an increase in scholarship award funding to an average of 75% of the shortfall for successful scholarship applicants. Additionally, for 2024, the trustees approved the drawdown of a further £500k from the Middle Temple Scholarship Fund to cover a funding gap caused by the suspension of the annual grant from the Middle Temple.

The amount of funds to withdraw from the Middle Temple Scholarship Fund is considered and agreed on an annual basis, as part of the overall consideration of the budget requirements for the forthcoming year. This discussion and decision-making process is also connected to the level of financial support that the Inn can provide each year, by way of its grant to scholarship funding. The trustees continue to consider all these constraints to maximise public benefit whilst ensuring the medium- and long-term sustainability of the Trust Funds.

Plans for future periods

The free reserves of the Trust Funds remain at a minimum level, as scholarship awards are generally equal to the value of income that is generated or received each year. Further 'real' growth in the value of scholarship awards will necessitate continued fundraising to generate a larger investment portfolio or an increase in the financial support provided by the Inn.

Risk management

The major risks to which the Trust Funds are exposed, as identified by the trustees, are reviewed annually and systems and procedures have been established to manage and/or mitigate those risks. There are four areas of 'major' risk: -

- Governance;
- Operational;
- Financial;
- Environmental.

Risks are scored 'Gross' and 'Net' after taking account of existing risk controls. These risks are scored as 'red', 'yellow', or 'green' in descending order of impact and likelihood.

The highest Net score for the risks identified is that for fundraising activities. The registration of Middle Temple Charity in October 2023 has diluted the fundraising efforts of the Middle Temple, which provides the fundraising resources for the Trust Funds and for Middle Temple Charity (which will be the primary vehicle for Middle Temple's fundraising activities going forwards). Middle Temple Charity invites applications from individuals and organisations for grants furthering that charity's objects, which include, "*the advancement of education and learning in the administration and practice of the law and related disciplines, including by providing training, providing scholarships and other educational awards, and promoting, undertaking, and publishing research.*" When required, the trustees plan to apply for additional scholarship funding from Middle Temple Charity.

The next level of risk, those risks that have a 'moderate' or 'yellow' risk score, is shared across various risks in the register, which relate to tactical rather than strategic risks. These include risks associated with fundraising, the investment portfolio, and the potential loss of key staff members with organisational knowledge. The trustees continue to monitor these risks.

The trustees carried out an informal skills audit in 2025 to inform the recruitment of a fifth trustee to replace Master Bernard Richmond, who retired at the end of 2024.

Structure, Governance, and Management

The charity represents a collection of diverse funds grouped together under a scheme approved by the Charity Commission on 3 September 1975 and is a registered charity in England & Wales, number 314246.

The endowed funds that were originally grouped together were as follows.

Alfred Harmsworth Memorial Fund	Middle Temple Benefactors' Fund
The Astbury Scholarship Fund	Chrystal Macmillan Memorial Fund
Middle Temple Colombos Trust	JB Montague Memorial Trust Fund
The Charity of Constantine John Colombos	Helena Normanton Prize Fund
Robert Garraway Rice Pupillages Prize Fund	Middle Temple Archibald Safford Trust

Subsequently, new endowed funds were established and included within the original Charity Commission registration, which are shown below.

Lord Justice Sachs Entrance Exhibition Fund	Jules Thorn Fund
Lintern Award Fund	The Joseph Jackson Memorial Fund

On 24 July 2003, The Middle Temple Scholarship Fund was incorporated into the original scheme of registration. Following a review conducted in 2014, this fund was reclassified by the trustees as an Unrestricted Income Fund.

In 2010, a 'Marshalling Bursaries/Access to the Bar Fund' was established as a Restricted Income Fund and awards were made to students from 2011 onwards. In 2016, the fund was renamed as the 'Sherrard Access to the Bar Fund'.

During 2012, a 'Readers' Essay Prize Fund' was approved by the trustees as a Restricted Income Fund. In 2015 and following approval by the original donor of the funds, the fund was reclassified as an Unrestricted Income Fund and the name of the award changed to the 'Readers' Scholarship'.

In 2016, the trustees approved the establishment of the 'McMullen Access to the Bar Fund' as a Restricted Income Fund. This fund enables a further eight students to experience life at the Bar first-hand during a one-week placement alongside the students in receipt of a Sherrard Access to the Bar bursary.

In 2018, following the untimely death of the then Master Treasurer, Sir Paul Jenkins, KCB, a Restricted Income Fund was established in his memory to provide fully funded scholarships to intending practitioners from communities where becoming a barrister is not a traditional career path.

The trustees are approved for appointment by the Master Treasurer on behalf of the Benchers of the Inn and agreement to that appointment is made by the existing trustees. Appointments and retirements are confirmed by the execution of an appropriate Deed.

There are at least two trustees' meetings each year; one in the Hilary term and one in the Michaelmas term. Discussion focuses on compliance with the policy objectives of each Fund, investment performance, budget setting and financial management, and risk management. Each year, the trustees' annual report and financial statements are made available to the Inn and are considered by its Finance & Resources Committee. Ongoing training is provided to the trustees and professional advisers attend trustee meetings as required. Training also takes place as part of the induction process for new trustees.

The trustees give of their time freely and approve strategic and policy matters. Day-to-day management of the Trust Funds is delegated to a professional staff, who also volunteer their time freely. No trustee remuneration was paid during the year (2023: nil).

The selection of scholarship recipients is delegated to the Scholarships & Prizes Committee, a committee of the Inn. Specific training is provided to those members of the Inn who sit on the Awards Panels. These Awards Panels meet each year during the Easter recess and interview all scholarship applicants. The trustees observe a sample of scholarship interviews and committee meetings. The awards are then subject to review by the Finance Review Panel, which is composed of three members of the Inn who have not taken part in the scholarship interview process or sat on one of the Awards Panels. The Secretary to the Trustees takes part in the Finance Review Panel meetings to provide financial and budgetary advice to panel members.

The Endowed Funds and part of the Unrestricted Income Funds are held in a common investment portfolio, the management of which is delegated to the Investment Sub-committee, a Sub-committee of the Inn's Finance & Resources Committee. One of the charity's trustees, historically its Chair, is a member of that Sub-committee. Investment Sub-committee meetings take place at the end of each quarter and consider the investment performance and valuation report from each investment manager. The performance and valuation reports and the minutes of the Investment Sub-committee meetings are shared with the charity trustees and the Chair will make an oral report on the proceedings of the Investment Sub-committee at each trustee meeting.

In order to better co-ordinate the income generation and expenditure dispersal activities of the Trust Funds, the Inn's Associate Director of Development & Communications (representing fundraising activities) and the Director of Education and the Scholarships Officer (representing scholarship awards activities) attend trustees' meetings when necessary.

Going concern assessment

Each year, as part of the audit process, the trustees formally consider whether or not the Trust Funds can be considered as a 'going concern.' In carrying out this assessment, the trustees consider several pieces of information, namely: -

- Management accounts;

- Cash flow forecasts;
- Annual budgets and five-year projections;
- The Risk register.

Based on this information and of enquiries of management, the trustees consider that it is appropriate for the 'going concern' basis to be adopted for these financial statements.

Note on the auditors

During the financial year, the charity's auditors changed their legal name from 'haysmacintyre LLP' to 'HaysMac LLP'; there has been no change to their appointment with the charity.

Signed for and on behalf of the trustees of the Charities Administered in connection with The Honourable Society of the Middle Temple



**Andrew Burns, KC
Chair of Trustees**

Date: 14 October 2025

STATEMENT OF 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 or 'UKGAAP').

Charity law requires the trustees to prepare financial statements for each financial year and not to approve those financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the charity as at the date of the Statement of Financial Position and of its incoming resources and the application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements that give a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities Statement of Recommended Practice ('Charity SORP');
- Make judgments and estimates that are reasonable and prudent;
- State whether or not applicable accounting standards and statements of recommended practice have been followed, subject to any material departures that are disclosed and explained in the financial statements; and
- Prepare the financial statements on the 'going concern' basis unless it is inappropriate to assume that the charity will continue on that basis.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees 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.

Approved by the trustees of the Charities Administered in connection with The Honourable Society of the Middle Temple and signed on their behalf by:



**Andrew Burns, KC
Chair of Trustees**

Date: 14 October 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CHARITIES ADMINISTERED IN CONNECTION WITH THE HONOURABLE SOCIETY OF THE MIDDLE TEMPLE

Opinion

We have audited the financial statements of The Charities Administered ICW the Honourable Society of the Middle Temple for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as of 31 December 2024 and of the charity's net movement in funds 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 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. 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 Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity, or
- sufficient accounting records have not been kept; or
- the charity 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity and the environment in which it operates, 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.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; 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
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Physical inspection of tangible assets susceptible to fraud or irregularity;
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

Due to 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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

HaysMac LLP
Statutory Auditor
Date: 21/10/2025

10 Queen Street Place
London EC4R 1AG

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

STATEMENT OF FINANCIAL ACTIVITIES

£000s	Notes	Unrestricted Income Funds	Restricted Income Funds	Endowed Funds	2024	2023
INCOME						
Donations and legacies	2	86	1	-	87	543
Investment income from Funds		411	-	-	411	391
Investment income from Rental Properties		134	-	-	134	131
Investment income from bank interest		88	-	-	88	53
Total Income		719	1	-	720	1,118
EXPENDITURE						
Raising Funds						
Costs of generating voluntary income		3	-	-	3	1
Investment fund management costs		75	-	-	75	56
Investment property management costs		24	-	-	24	16
Charitable Activities						
Scholarship awards		1,414	32	-	1,446	977
Other expenditure						
Governance costs	6	18	-	-	18	18
Total Expenditure		1,534	32	-	1,566	1,068
OPERATIONAL (DEFICIT)/surplus BEFORE GAINS & LOSSES		(815)	(31)	-	(846)	50
Net gains/(losses) on investments						
Gains/(Losses) on investment properties	8	-	-	131	131	(67)
Gains/(Losses) on investment funds	8	425	-	1,078	1,503	(2,509)
		425	-	1,209	1,634	(2,576)
NET SURPLUS/(DEFICIT)		(390)	(31)	1,209	788	(2,526)
FUNDS BROUGHT FORWARD	12	5,904	1,789	14,930	22,623	25,149
FUNDS AT FINANCIAL YEAR END CARRIED FORWARD		5,514	1,758	16,139	23,411	22,623

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 26 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

£000s	Notes	2024	2023
FIXED ASSETS			
Investment properties	8	3,403	3,272
Investment portfolio	8	16,785	16,142
		20,188	19,414
CURRENT ASSETS			
Debtors	9	8	43
Bank balances		3,955	3,741
		3,963	3,784
CURRENT LIABILITIES			
Amounts falling due within one year	10	(740)	(575)
NET CURRENT ASSETS		3,223	3,209
NET ASSETS		23,411	22,623
CAPITAL & RESERVES			
Endowment Funds	12	16,139	14,930
Restricted Income Funds	12	1,758	1,789
Unrestricted Income Funds	12	5,514	5,904
TOTAL CAPITAL & RESERVES		23,411	22,623

The notes on pages 18 to 26 form part of these financial statements.

These financial statements were approved and authorised for issue, and signed on behalf of, the trustees of the Charities Administered in connection with The Honourable Society of the Middle Temple, by:



**Andrew Burns, KC
Chair of Trustees**

Date: 14 October 2025

**STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2024**

£000s	Notes	2024	2023
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	13	(2,782)	277
Cash flows from investing activities:			
Dividends, interest and rent from investments		633	575
Proceeds from sale of investments	8	15,077	4,338
Purchase of investments	8	(15,556)	(2,840)
Realised (gains)/losses on investments	8	1,503	(897)
Net cash provided by/(used in) investing activities		1,657	1,176
Change in cash and cash equivalents in the reporting period		(1,125)	1,453
Cash and cash equivalents at the beginning of the reporting period		5,351	3,898
Cash and cash equivalents at the end of the reporting period		4,226	5,351

The notes on pages 18 to 26 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Accounting policies

The principal accounting policies adopted, judgments, and key sources of estimation uncertainty in the preparation of the financial statements are as follows: -

Basis of preparation

The financial statements have been prepared in accordance with 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 United Kingdom and the Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102).

The Charities Administered in connection with The Honourable Society of the Middle Temple is a charity registered in England & Wales (charity registration number 314246) and meets the definition of a public benefit entity under FRS 102. The principal office is located at The Treasury Offices, Ashley Building, Middle Temple Lane, London. EC4Y 9BT.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s). All financial assets and liabilities are basic financial instruments. The financial statements have been prepared in UK sterling, the entity's reporting currency, and have been rounded to the nearest thousand pounds.

Preparation of financial statements on a 'going concern' basis

The trustees consider that there are no material uncertainties about the Trust Funds' ability to continue as a 'going concern'. The review of the financial position, reserves levels, and future plans gives the trustees confidence that the Trust Funds remain a 'going concern' for the foreseeable future.

Critical accounting judgments and estimates

In preparing these financial statements, management has made judgments, estimates, and assumptions that affect the application of the Trust Funds' accounting policies and the reported assets, liabilities, income and expenditure, and the disclosures made in the financial statements. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

The trustees have relied on the professional skill and judgment of third-party property valuation experts for the annual revaluation of the investment properties.

Income recognition

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

Gifts in kind

Gifts in kind represent assets donated for distribution or use by the Trust Funds. Assets given for distribution are recognised as income only when distributed. Assets given for use by the Trust Funds are recognised when receivable.

Gifts in kind are valued at the amount actually realised from the disposal of assets or at the price the Trust Funds would otherwise have paid for the assets. The services provided by the trustees and accounting and other administrative services provided by The Honourable Society of the Middle Temple are not included in the financial statements as their value is not easily quantifiable.

Investment income

Investment income is recognised on a receivable basis once the amounts can be reliably measured.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be reliably measured. Expenditure is classified under the following activity headings.

- Costs of raising funds, including fundraising costs, investment fund management costs, and investment property management costs.
- Expenditure on charitable activities, which relates to scholarship awards.
- Other expenditure, representing audit and other governance costs.

The Trust Funds are not registered for Value Added Tax purposes.

Expenditure is allocated to the particular activity where the cost relates directly to that activity.

Allocation of costs

The Honourable Society of the Middle Temple provides the Trust Funds with free administrative and support costs, including staff time. The Trust Funds have no employees.

Investments

Investments are a form of basic financial instrument and are initially shown in the financial statements at market value. Movements in the market value of investments are shown as unrealised gains or losses in the Statement of Financial Activities.

Realised gains and losses on investments are calculated as the value between the sales proceeds and their opening carrying values or their purchase value if acquired after the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and the carrying value of the investment.

Both realised and unrealised investment gains and losses are combined in the Statement of Financial Activities and the Statement of Financial Position.

Investments – stocks and shares

Quoted investments are stated at bid value at the date of the Statement of Financial Position and unquoted investments are stated at estimated market value. Any gain or loss made on the investments is taken to the Statement of Financial Activities.

Investments – properties

Freehold land and buildings are treated as investment properties and are included in the financial statements at their latest market valuation. No depreciation is provided on these assets.

Increases in value over their historic cost will be included in the Property Revaluation Reserve, whilst any decrease below historic cost will be charged to the Middle Temple Benefactors' Fund (the source of the funds used to purchase the properties).

The annual revaluation exercise is carried out by third-party professional valuers with relevant experience of domestic property valuations.

Creditors and provisions

Creditors and provisions are recognised where the Trust Funds has a present obligation resulting from a past event that will probably result in the transfer of funds to a third-party and the amount due to settle that obligation can be reliably measured or estimated. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts that may be applicable.

Debtors

Short-term debtors are measured at transaction value, less any impairment to that value.

Cash at Bank and in hand

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

Funds

Unrestricted Income Funds are represented by donations and other income receivable or generated for the objects of the Trust Funds.

Restricted Income Funds are those funds that are to be used in accordance with specific instructions imposed by the donor or trust deed.

Endowment Funds represent several significant historic funds previously donated to the Inn from benefactors. The policy for these funds is to use only the income generated by them each year to pay scholarship awards. The trustees are aware of the need to retain these funds as assets for the long-term delivery of the Trust Funds' charitable purposes. The trustees will continue to preserve the capital of these endowment funds and, if possible, to increase their value for the long-term.

Employee benefits

The Trust Funds have no employees.

Note 2: Donations and legacies

CURRENT YEAR - £000s	Endowment Funds	Unrestricted Income Funds	Restricted Income Funds	2024
Middle Temple grant	-	-	-	-
Legacies	-	50	-	50
Donations				
- Gift Aid donations, including tax recovered	-	31	1	32
- Non-Gift Aid donations	-	5	-	5
Total Donations	-	36	1	37
Total voluntary income	-	86	1	87

PRIOR YEAR - £000s	Endowment Funds	Unrestricted Income Funds	Restricted Income Funds	2023
Middle Temple grant	500	-	-	500
Legacies	-	5	-	5
Donations				
- Gift Aid donations, including tax recovered	-	25	8	33
- Non-Gift Aid donations	-	5	-	5
Total Donations	-	30	8	38
Total voluntary income	500	35	8	543

Note 3: analysis of expenditure

£000s	2024	2023
Direct costs: Staff	-	-
Direct costs: Other	102	73
Scholarship Awards	1,446	977
Support Costs	18	18
Total Expenditure	1,566	1,068

Note 4: analysis of support costs

£000s	2024	2023
Governance	18	18
Total Support Costs	18	18

Note 5: operating lease income

The Middle Temple Trust Funds own three investment properties, located in Clapham, London. The leases are all residential and during the reporting year generated income of £134k. Each of the leases has a fixed term of three years.

	£000s
Not later than One year	31.5
Later than One year but not later than Five years	-
Later than Five years	-

The leases were renewed in March and April 2025 on expiration of the existing tenancy and for a period of three years expiring in 2028.

Note 6: Governance costs

£000s	2024	2023
Auditor's remuneration	18	18
Total Governance Costs	18	18

Note 7: net income for the year

£000s	2024	2023
Net Income is stated after charging/crediting		
Auditor's remuneration	18	18

Note 8: investments

£000s	2024	2023
INVESTMENT PROPERTIES		
Market value at 1 January	3,272	3,339
Unrealised gain/(loss) on revaluation	131	(67)
Market value at 31 December	3,403	3,272
INVESTMENT FUNDS		
Market value at 1 January	14,532	18,539
Acquisitions/additions at cost	15,556	2,840
Proceeds of disposal	(15,077)	(4,338)
Net (losses)/gains on disposals & revaluations	1,503	(2,509)
Cash held in investment portfolio	16,514	14,532
	271	1,610
Market value at 31 December	16,785	16,142

All investments in the Investment Funds are listed on recognised stock exchanges.

Note 9: Debtors

£000s	2024	2023
Investment income	8	43
Total Debtors	8	43

Note 10: Creditors – amounts falling due within one year

£000s	2024	2023
Audit & taxation	18	17
Middle Temple	-	2
Accruals for scholarships payable	721	554
Total Creditors	739	573

Note 11: analysis of net assets between funds

CURRENT YEAR - £000s	Endowment Funds	Unrestricted Income Funds	Restricted Income Funds	2024
Investment properties	3,403	-	-	3,403
Investment funds	12,736	4,049	-	16,785
Net current assets	-	1,465	1,758	3,223
Total Net Assets between Funds	16,139	5,514	1,758	23,411

PRIOR YEAR - £000s	Endowment Funds	Unrestricted Income Funds	Restricted Income Funds	2023
Investment properties	3,272	-	-	3,272
Investment funds	11,658	4,484	-	16,142
Net current assets	-	1,420	1,789	3,209
Total Net Assets between Funds	14,930	5,904	1,789	22,623

Note 12: analysis of funds

CURRENT YEAR	Balance as at 1 January	New capital	Movement in investment properties market value	Movement in investment funds market value	Balance as at 31 December
ENDOWED FUNDS (£000s)					
Alfred Harmsworth Memorial Fund	1,107	-	-	80	1,187
The Astbury Scholarship Fund	1,270	-	-	92	1,362
Middle Temple Benefactors' Fund	8,699	-	131	628	9,458
Jules Thorn Fund	1,248	-	-	90	1,338
The Queen Mother Scholarships & Awards Fund	2,160	-	-	156	2,316
The Joseph Jackson Memorial Fund	446	-	-	32	478
TOTAL ENDOWED FUNDS	14,930	-	131	1,078	16,139

PRIOR YEAR	Balance as at 1 January	New capital	Movement in investment properties market value	Movement in investment funds market value	Balance as at 31 December
ENDOWED FUNDS (£000s)					
Alfred Harmsworth Memorial Fund	1,241	-	-	(134)	1,107
The Astbury Scholarship Fund	1,424	-	-	(154)	1,270
Middle Temple Benefactors' Fund	9,830	-	(67)	(1,064)	8,699
Jules Thorn Fund	1,399	-	-	(151)	1,248
The Queen Mother Scholarships & Awards Fund	2,422	-	-	(262)	2,160
The Joseph Jackson Memorial Fund	500	-	-	(54)	446
TOTAL ENDOWED FUNDS	16,816	-	(67)	(1,819)	14,930

Note 12: analysis of funds

CURRENT YEAR	Alfred Harmsworth Memorial Fund	The Arbury Scholarship Fund	Middle Temple Benefactors' Fund	Jules Thom Fund	The Queen Mother Scholarships & Awards Fund	The Joseph Jackson Memorial Fund	Middle Temple Scholarship Fund	Total Unrestricted Income Funds
UNRESTRICTED INCOME FUNDS (£000s)								
Balance as at 1 January	1	(1)	(26)	1	1	39	5,889	5,904
Costs of generating voluntary income	-	-	-	-	-	-	(3)	(3)
Donations	-	-	-	-	-	-	86	86
Governance costs	(1)	(1)	(8)	(1)	(2)	-	(5)	(18)
Grant from Middle Temple	-	-	-	-	-	-	-	-
Investment fund management costs	(4)	(4)	(31)	(4)	(8)	(2)	(22)	(75)
Investment Income	22	25	172	24	43	9	116	411
Other income	4	6	37	5	9	2	25	88
Property Expenditure	-	-	(24)	-	-	-	-	(24)
Property Income	-	-	134	-	-	-	-	134
Scholarship awards	(250)	(28)	(544)	(178)	(131)	(13)	(270)	(1,414)
Movement in investment portfolio market value	-	-	-	-	-	-	425	425
Balance as at 31 December	(228)	(3)	(290)	(153)	(88)	35	6,241	5,514
PRIOR YEAR								
UNRESTRICTED INCOME FUNDS (£000s)								
Balance as at 1 January	-	-	(156)	-	-	19	6,650	6,513
Donations	-	-	-	-	-	-	35	35
Governance costs	(1)	(1)	(7)	(1)	(2)	-	(7)	(19)
Grant from Middle Temple	112	76	139	68	89	16	-	500
Investment fund management costs	(3)	(4)	(24)	(3)	(6)	(1)	(15)	(56)
Investment Income	21	24	165	24	41	8	108	391
Other income	3	3	22	3	6	1	15	53
Property Expenditure	-	-	(16)	-	-	-	-	(16)
Property Income	-	-	131	-	-	-	-	131
Scholarship awards	(131)	(99)	(280)	(90)	(127)	(4)	(207)	(938)
Movement in investment portfolio market value	-	-	-	-	-	-	(690)	(690)
Balance as at 31 December	1	(1)	(26)	1	1	39	5,889	5,904

Note 12: analysis of funds

CURRENT YEAR	Balance as at 1 January	Incoming resources from activities	Other expenditure	Balance as at 31 December
RESTRICTED INCOME FUNDS (£000s)				
Access to the Bar Fund: Sherrard	11	-	(6)	5
Access to the Bar Fund: McMullen	17	-	(6)	11
VIS Moot Fund	(1)	-	-	(1)
Reader's Scholarship Fund	15	-	-	15
Sir Paul Jenkins' Memorial Fund	1,582	1	-	1,583
Emergency Assistance Fund	165	-	(20)	145
TOTAL RESTRICTED INCOME FUNDS	1,789	1	(32)	1,758
PRIOR YEAR				
RESTRICTED INCOME FUNDS (£000s)				
Access to the Bar Fund: Sherrard	23	1	(13)	11
Access to the Bar Fund: McMullen	17	-	-	17
VIS Moot Fund	1	(2)	-	(1)
Reader's Scholarship Fund	15	-	-	15
Sir Paul Jenkins' Memorial Fund	1,577	5	-	1,582
Emergency Assistance Fund	187	4	(26)	165
TOTAL RESTRICTED INCOME FUNDS	1,820	8	(39)	1,789

All funds, with the exception of the Middle Temple Emergency Assistance Fund, support the award of scholarships to intending practitioners at the Bar of England & Wales. These costs include course fees to gain the required academic qualifications, living expenses whilst studying, the fees for joining the Inn, and the fees to enable Call to the Bar.

All Unrestricted Income Funds support these types of expenditure.

Restricted Income Funds are used in accordance with the donor restrictions, i.e., the Sherrard and McMullen Access to the Bar awards provide an opportunity for undergraduate students from communities where a career at the Bar of England & Wales may not be an immediate career path to see how the profession works in practice. The VIS Moot Fund provides financial support to Middle Temple students taking part in the annual mooting competition. The Readers' Scholarship Fund provides an annual scholarship to one of the successful scholarship applicants. The Sir Paul Jenkins' Memorial Fund provides funding to support fully funded scholarships to two eligible scholarship award candidates each year, as well as supporting the Inn's 'outreach' programme.

The Middle Temple Emergency Assistance Fund was established during the COVID-19 pandemic to support those Middle Temple members in need of financial assistance who would not meet the criteria for support from the Barristers' Benevolent Association.

Note 13: reconciliation of net income to net cash flow from operating activities

	2024	2023
Net Income/(Expenditure) for the reporting period (as per the Statement of Financial Activities)	(846)	50
Adjustments for:		
Realised (gains)/losses on investments	(1,503)	897
Dividends, interest and rent from investments	(633)	(575)
(Increase)/decrease in debtors	35	1
(Decrease)/increase in creditors	165	(96)
Net cash (used in)/provided by operating activities	(2,782)	277
Analysis of Cash and Cash Equivalents		
Cash at bank and in hand	3,955	3,741
Cash at investment managers	271	1,610
	4,226	5,351

Note 14: related party transactions

There were no related party transactions during the year, nor in the prior year.

During the year, no trustees received any remuneration or other benefits (2023: £nil).