

Charity Registration No. 515066

**MERCHANT TAYLORS' OLD BOYS
ASSOCIATION CHARITABLE TRUST**

**ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

for the year ended

5 April 2024

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

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MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

David Stephen Evans
Ian Alan Douglas
Ian Duckett
Philip Marshall KC

Charity number

515066

Independent examiner

Jean Ellis BA FCA CTA
Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Investment advisors

Investec Wealth & Investment Limited
The Plaza
100 Old Hall Street
Liverpool
L3 9AB

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2024

The trustees present their report and accounts for the year ended 5 April 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts.

Objectives and activities

Charitable objects

The charitable trust's objects are to apply the funds held for any charitable purpose connected with or relating to Merchant Taylors' School for Boys, Crosby ("the School") or its present or past members.

The Mills Bequest Fund is for the benefit of students from the Southport area who meet certain criteria laid down by the donor.

Aims of charity

The policy adopted in furtherance of the charitable trust's objects is currently to provide bursaries and grants to assist pupils. There has been no change in this policy during the year.

The aims of the charity are to apply the bursaries and grants to those pupils whom the trustees in their discretion have decided to fund.

How achievement of aims furthers objectives

By providing bursaries and grants to pupils, the trustees ensure that pupils who could not otherwise do so will benefit from the education provided by the School.

Strategy for achieving aims and objectives

The trustees' strategy for achieving their aims remains one of holding investments, with the income being made available to meet the bursaries and grants which the trustees have decided to pay.

Statement of compliance with Charity Commission guidance

The trustees have had due regard to Charity Commission guidance in deciding what activities the charitable trust should undertake during the year. The trustees are satisfied that the information provided in this report and accounts meets the public benefit reporting requirements.

Charitable activities

The main charitable activities of the charitable trust are the operation and management of the trust's investment portfolio and the subsequent bursaries and grants paid. The trustees meet periodically to consider the available income generated, with a view to distributing as much of the net income available as possible.

Policy for granting bursaries and grants

The charitable trust is only involved in granting bursaries and grants in furtherance of the charity's aims. Bursaries and grants made during the year are recognised in the accounts in the period in which they are paid. The trustees meet periodically to review the list of bursaries and grants.

Achievements and performance

Review of the charity's achievements:

By reviewing and monitoring the trust's income levels, the trustees have been able to apply a large percentage of that income (less expenses) as bursaries and grants to support various pupils. In doing so they have been able to assist those pupils to benefit from an education at the School, and to achieve the charity's aims.

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2024

Investment performance

Most of the trust's capital is invested on the stock market, subject to a cash reserve. Throughout the year the total return of the portfolio achieved what the trustees consider was an acceptable level when set against the relevant performance benchmarks.

Ongoing investment advice is provided by Rathbones incorporating Investec Wealth and Investment Management ("the investment managers"), which provides quarterly reports to the trustees including a review of the current market position and a comparison of how the portfolio has performed against current benchmarks. The trustees also meet with the investment managers twice each year.

The market value of the portfolio on 5th April 2024 was £1,000,968 (2023: £974,025).

The trustees have reviewed the portfolio regularly, and are content with the overall performance during the year.

Financial review

Review of financial position

The charitable trust's overall fund balances for the year total £1,029,348 compared with £994,176 for 2023.

After taking into consideration total net income and expenditure, net gains on investments, commitments to charitable bursaries and governance costs, there was an overall increase in the net movement of funds of £35,172 compared with a decrease of £84,384 for 2023.

The trustees have reviewed the charity's bursary and grant making capability and are satisfied that going forward there will be sufficient income year on year to enable it to meet its financial commitments.

The trustees consider the charity's investments as expendable endowments, providing a relatively secure and predictable stream of income from which to provide bursaries and grants.

Reserves policy

The charitable trust's policy is that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months' expenditure. The trustees consider that reserves at this level should ensure that in the event of a significant drop in funding, they can continue the charitable trust's current activities while they consider how additional funds may be raised.

The trustees aim to distribute as much of the income, net of expenses, as possible in each financial year and therefore do not maintain income reserves as such. However, the trustees continually review the income levels from the trust's investments to ensure that they have sufficient funds to meet their objectives.

Investment policy

The trustees are legally responsible for the investment decision-making process. The investment managers have authority from the trustees to make day-to-day investment decisions on a discretionary basis, subject to reporting those decisions promptly to the trustees. Ongoing advice is both initiated by the investment managers and given when requested by the trustees.

There are no specific restrictions on investment powers and the trustees have full discretion over the investments held. The charity's investment policy is to achieve a balanced return from income and capital appreciation and income yield. It is anticipated that the income yield from the investment portfolio will be broadly in line with the MSCI WMA benchmark.

The investment managers are required to avoid exposure to investments which are deemed unsuitable in the context of the trustees' objectives when considering the portfolio as a whole. The investment managers are also required to have regard to the need for diversification, and the total amount invested in a direct equity investment should not exceed 5% of the market value of the trust's total investment portfolio at the time of purchase.

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2024

Risk management

The trustees have assessed the major risks to which the charitable trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees recognise the risk associated with investment in mainstream financial markets and accept that risk in return for the prospect of additional returns over a longer period of time.

Plans for future periods

The trustees intend to continue providing bursaries and grants in furtherance of the charity's objectives. Previously they have been satisfied that the current policies were sufficient to meet those objectives and did not consider that these needed amendment. They have continued to review the position on a regular basis, most recently in light of the announced merger of the School with Merchant Taylor's School for Girls taking effect in September 2025. The trustees are at the time of this report considering how best to ensure the continued delivery of bursaries and grants in these new circumstances.

Structure, governance and management

The charitable trust (charity registration number 515066) was established by a Deed dated 27th April 1983 and created by the Committee ('the Committee') of an unincorporated institution known as the Merchant Taylors' Old Boys Association. The principal office and correspondence for the charity is:

David Stephen Evans
19 Merrilocks Road
Blundellsands
Liverpool L23 6UJ

Trustees

The trustees who served during the year were:

David Stephen Evans
Ian Alan Douglas
Ian Duckett
Philip Marshall KC

Recruitment and appointment of trustees

The power to appoint new and additional trustees vests with the Committee and in appointing new and additional trustees, the trustees act in accordance with the directions of the Committee.

Organisational structure

The trust is a body of trustees which meets at least annually to review the policies and objectives of the trust, the provision of new bursaries and the continuation or otherwise of existing bursaries.

Induction and training of trustees

Their professional advisers keep the trustees up-to-date on relevant matters. New trustees are made aware of their duties and responsibilities at the time of their appointment.

Operational restrictions

The governing document imposes no specific restrictions on the trustees concerning the way in which the charity can operate.

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 5 APRIL 2024

Special investment powers

There are no specific restrictions on the trustees' investment powers. The trust deed provides the trustees with the same full and unrestricted powers of investment and of changing investments as if they were absolutely entitled to the trust fund beneficially.

Asset cover for funds

The trustees are satisfied that there are sufficient assets to meet the charitable trust's obligations.

The Trustees' report was approved by the Board of Trustees.



.....
David Stephen Evans

Trustee 10/12/2024

Dated:



.....
Ian Alan Douglas

Trustee

Dated: 09/12/2024

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST (the charitable trust) for the year ended 5 April 2024.

Responsibilities and basis of report

As the trustees of the charitable trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charitable trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Jean Ellis BA FCA CTA
Castle Chambers
43 Castle Street
Liverpool
L2 9TL



Dated:

10/12/24

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2024

	Notes	Revenue funds £	Capital funds £	Mills Bequest fund £	Total 2024 £	Total 2023 £
<u>Income from:</u>						
Donations	3	-	9,196	-	9,196	4,973
Investment income	2	39,639	-	321	39,960	41,305
Total income		39,639	9,196	321	49,156	46,278
<u>Expenditure on:</u>						
Raising funds	5	-	9,190	154	9,344	9,519
Charitable activities	4	41,008	1,936	422	43,366	51,359
Total resources expended		41,008	11,126	576	52,710	60,878
Net gains on investments	10	-	39,334	(608)	38,726	(69,784)
Net movement in funds		(1,369)	37,404	(863)	35,172	(84,384)
Fund balances at 6 April 2023		663,124	320,599	10,453	994,176	1,078,560
Fund balances at 5 April 2024		661,755	358,003	9,590	1,029,348	994,176

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

All income and expenditure derive from continuing activities.

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

BALANCE SHEET

AS AT 5 APRIL 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Investments	11		1,000,968		974,025
Current assets					
Cash at bank and in hand		30,738		22,299	
Current liabilities	12	(2,358)		(2,148)	
Net current assets			28,380		20,151
Total assets less current liabilities			1,029,348		994,176
Funds					
Mills Bequest fund	13		9,590		10,453
Capital funds	14		358,003		320,599
Revenue funds			661,755		663,124
			1,029,348		994,176

The accounts were approved by the Trustees on 10/12/2024



David Stephen Evans
Trustee



Ian Alan Douglas
Trustee

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

Charity information

The Merchant Taylors' Old Boys Association Charitable Trust, charity registration number 515066, was created by deed on 27th April 1983 by the committee of the Merchant Taylors, Old Boys Association.

1.1 Accounting convention

The accounts have been prepared in accordance with the charitable trust's deed, as well as in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. The charitable trust is a Public Benefit Entity as defined by FRS 102.

The charitable trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charitable trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of financial instruments at fair value.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt.

1.5 Resources expended

Expenditure, including bursaries paid, are recognisable when and to the extent that the liability is incurred.

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price including transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Fair value on fixed asset investments is measured as at the balance sheet date as follows:

- Listed securities at mid market value;
- Listed securities held in foreign currencies at mid market value and translated into their sterling equivalent at the accounting date;
- Government Securities at mid market value and do not include interest accrued.

Unrealised gains and losses are included on the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. In the unlikely event that there are bank overdrafts they will be shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable trust's contractual obligations expire or are discharged or cancelled.

2 Investment income

	Revenue funds	Mills Bequest funds	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Income from listed investments	27,869	280	28,149	33,513
Interest from Gilts & loan stock	11,542	-	11,542	7,559
Interest receivable	228	41	269	233
	<u>39,639</u>	<u>321</u>	<u>39,960</u>	<u>41,305</u>
For the year ended 5 April 2023	<u>41,082</u>	<u>223</u>		<u>41,305</u>

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

3 Donations

	Revenue funds	Capital funds	Total	Total
	2024 £	2024 £	2024 £	2023 £
Donations	-	9,196	9,196	4,973
For the year ended 5 April 2023	-	4,973		4,973

4 Charitable activities

	2024 £	2023 £
Grant funding of activities (see note 6)	41,008	49,661
Share of governance costs (see note 7)	2,358	1,698
	43,366	51,359
Analysis by fund		
Unrestricted funds - general	41,008	49,661
Unrestricted funds - Capital funds	1,936	1,317
Restricted funds	422	381
	43,366	51,359
For the year ended 5 April 2023		
Unrestricted funds - general	49,661	
Unrestricted funds - Capital funds	1,317	
Restricted funds	381	
	51,359	

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

5 Raising funds

	Capital fund	Mills Bequest fund	Total 2024	Total 2023
	£	£	£	£
Investment management	9,190	154	9,344	9,519
	<u>9,190</u>	<u>154</u>	<u>9,344</u>	<u>9,519</u>
For the year ended 5 April 2023				
Investment management	9,357	162		9,519
	<u>9,357</u>	<u>162</u>		<u>9,519</u>

6 Bursaries payable

	2024	2023
	£	£
Bursaries to pupils of Merchant Taylors' School	41,008	49,661
	<u>41,008</u>	<u>49,661</u>

7 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Audit fees	-	162	162	-	150	150
Accountancy	-	2,196	2,196	-	1,998	1,998
Adjustment to Audit Fees	-	-	-	-	(450)	(450)
	<u>-</u>	<u>2,358</u>	<u>2,358</u>	<u>-</u>	<u>1,698</u>	<u>1,698</u>
Analysed between						
Charitable activities	-	2,358	2,358	-	1,698	1,698
	<u>-</u>	<u>2,358</u>	<u>2,358</u>	<u>-</u>	<u>1,698</u>	<u>1,698</u>

Governance costs includes payments of £162 (2023-£150) for independent examination fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable trust during the year.

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

9 Employees

	2024 Number	2023 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

10 Net gains/(losses) on investments

	Capital funds	Mills Bequest fund	Total 2024	Total 2023
	£	£	£	£
Revaluation of investments	36,361	(608)	35,753	(67,954)
Gain/(loss) on sale of investments	2,973	-	2,973	(1,830)
	<u>39,334</u>	<u>(608)</u>	<u>38,726</u>	<u>(69,784)</u>
For the year ended 5 April 2023	<u>(68,748)</u>	<u>(1,036)</u>		<u>(69,784)</u>

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2023	974,025
Additions	160,138
Valuation changes	35,753
Profit/(loss) on sale of investments	2,973
Disposals	(171,921)
At 5 April 2024	<u>1,000,968</u>
Carrying amount	
At 05 April 2024	<u>1,000,968</u>
At 05 April 2023	<u>974,025</u>

MERCHANT TAYLORS' OLD BOYS ASSOCIATION CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

12 Current liabilities

	2024 £	2023 £
Other payables	2,358	2,148

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 5 April 2024 £
	Balance at 6 April 2023 £	Incoming resources £	Resources expended £	Revaluations, gains and losses £	
Mills Bequest Fund	10,453	321	(576)	(608)	9,590

14 Unrestricted funds - Capital funds

These are unrestricted funds which are material to the charitable trust's activities made up as follows:

	Movement in funds				Balance at 5 April 2024 £
	Balance at 6 April 2023 £	Incoming resources £	Resources expended £	Revaluations, gains and losses £	
Unrestricted Funds	320,599	9,196	(11,126)	39,334	358,003

15 Analysis of net assets between funds

	Revenue £	Capital £	Mills Bequest £	Total £
Fund balances at 5 April 2024 are represented by:				
Investments	661,755	336,361	2,852	1,000,968
Current assets/(liabilities)	-	21,642	6,738	28,380
	661,755	358,003	9,590	1,029,348

16 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).