

Registered number: 08208048
Charity number: 1149240

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 8
Independent Auditors' Report on the Financial Statements	9 - 12
Consolidated statement of financial activities (incorporating income & expenditure account)	13
Consolidated Balance Sheet	14
Company Balance Sheet	15
Consolidated Statement of Cash Flows	16
Notes to the Financial Statements	17 - 41

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

The Lord Colgrain, Chairman
A Mathewson
V Jessel
A J S Ross
D M Del Mar
J A Stainton (appointed 15 October 2020)

Company registered number

08208048

Charity registered number

1149240

Registered office

Salisbury House, Station Road, Cambridge, CB1 2LA

Principal operating office

Belmont Park, Throwley, Faversham, Kent, ME13 0HH

Chief executive officers

Henry Birch & Sally Watts of Clarke & Simpson (Chartered Surveyors), Well Close Square, Framlingham, Suffolk, IP13 9DU

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

Bankers

Coutts & Co, 440 Strand, London, WC2R 0QS

Solicitors

Hewitsons LLP, Shakespeare House, 42 Newmarket Road, Cambridge, CB5 8EP

Property Consultants

Clarke & Simpson, Well Close Square, Framlingham, Suffolk, IP13 9DU

Investment Advisers

Schroder & Co Limited (Cazenove Capital), 1 London Wall Place, London, EC2Y 5AU

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are the Directors for Companies Act purposes) present their annual report and financial statements of Harris (Belmont) Charity and subsidiary (the charity and the group) for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the Charity's governing document, the Charities Act 2011, the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019 effective 1 January 2019).

Since the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

a. Policies and objectives

The Harris (Belmont) Charity's objectives are set out in a Memorandum of Association dated 10 September 2012 with the principal aims being stated as being:

"The preservation, maintenance and upkeep of the mansion house known as Belmont House, which has historic, architectural or artistic importance or beauty and the making of the same available for the education, enjoyment and benefit of the public."

The Trustees aims are, through careful and responsible management, to continue to improve the structure and fabric of both Belmont House and the Belmont estate for the enjoyment of the public, by adopting commercial business practices to ensure the ongoing viability of the estate, and to allow the continued enhancement of property as a whole for the public benefit.

In the exercise of its powers to that end, the Charity has paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

b. Strategies for achieving objectives

The Trustees employ 12 full time members of staff to look after and maintain the House and Grounds, and employ an archivist and use volunteer guides to enable the public to visit the House and gardens for education and enjoyment.

Events are organised throughout the year and promoted on the website, social media, specialist magazines and the local press to reach our target audience.

Belmont is promoted elsewhere by specialist exhibitions and loans to various cultural and heritage exhibitions which have recently included (in addition to the permanent loan of the Seringapatam Jewels to the V&A) various clocks from the Lord Harris Belmont collection to Bonham's and the Science Museum.

There is an ongoing programme of repair and refurbishment to the property at Belmont. Room displays within Belmont House enhance the visitor experience by informing and educating visitors in new and stimulating ways. These displays are reviewed annually and are constantly developed and improved.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

These objectives are measured by ensuring that all the Belmont properties, in particular the House, are maintained in a sound condition for the benefit of both current and future generations, by the monitoring of visitor numbers to the property and the website, the reviewing of requests for historical (archive) material and reviewing the chattels records and preservation thereof.

The farming on the Estate is carried out by Belnor Farms Limited, the Charity's subsidiary, who farm 2,000 acres of land in hand comprising principally of combinable crops (wheat, oil seed rape, beans, peas, winter barley & spring wheat), downland grass meadows, parkland and orchards - combining the commercial farming with best practice through environmental stewardship.

d. The beneficiaries

The beneficiaries of the Charity are the public who visit the House, Gardens & Estate, as well as those who play cricket on the 4th Lord Harris's cricket pitch. Visitors to the House and Estate include weekend and weekday visitors, holiday makers, special interest groups, organisations, and school children.

The House is accessed by guided tours staffed by volunteers; these guides educate visitors on the importance of Belmont and its place in British history and life.

There is a programme of events throughout the year to encourage visitors to visit Belmont and enjoy the House and Grounds: these include The Spring Fair, Woodfest, Plant Shows and open garden events, Garden Tours, Open Air Theatre productions, Specialist Clock Tours, Craft Workshops, and other bespoke tours.

During 2020 there was a reduced programme of events as there were restrictions placed upon holding events for groups larger than 6 due to the ongoing pandemic. Woodfest along with some of the other planned events had to be cancelled.

e. Volunteers

When the House is open, the public gain access to the house via guided tours. These tours are guided by local Guides, who provide this service on a voluntary basis. The Guides meet as necessary (but as a minimum at least twice a year) for training and to be updated and consulted on any changes proposed for the opening of the House. During 2020 it was not possible to open up the House under the guidance issued by the Government.

Achievements and performance

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

a. Review of activities

The main objectives and achievements for the year to the 31st March 2021 included the ongoing maintenance of the House and grounds in accordance with the Architects quinquennial report.

Major projects during the 2020/21 season included re-furbishment of the drive down to the stable courtyard and re-landscaping certain areas of the garden under the guidance of the garden designer George Carter.

The Haha was also repaired up to the park gates access. It is hoped to complete the repair/repainting work on the final stretch in 2021.

Visitor numbers during the year ended March 2021 were understandably reduced to 3,838 from 11,936 in the previous year as a result of the Covid 19 pandemic.

b. Performance of Belnor Farms Limited

The Trustees receive and challenge regular reports from the agricultural contractors. The annual farm tour took place in July '20 just before harvest, although some of the Trustees were unable to attend because of Covid 19.

Overview of the farming year Harvest 2020 – weather conditions (very wet) during Autumn '19 and with the desire to drill later to allow the weed grass to chit, meant that more fallow resulted than planned. The very dry spring also affected yields which must be described as poor. Overall the farming year did not deliver a profit.

No donation was therefore made to Harris (Belmont) Charity. After the year end, a loan agreement was signed by the subsidiary where the parent made a loan of £200,000 to the company for the purpose of assisting with cash flow management whilst putting up a new grain store at Northcourt.

c. Investment policy and performance

The Trustees annually review the risks faced by the Charity and have established an investment policy to identify and monitor the financial risks in the investment portfolio. The balance of the portfolio is aimed at providing a satisfactory level of income and achieving modest long-term capital growth for future needs. The Trustees are satisfied with the performance of these investments during the year. There are no ethical restrictions in place over the investment portfolio.

The Trustees carried out an independent review of the investment advisers in October 2018, following the review the Trustees agreed to remain with their current adviser.

Financial review

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

a. Going concern

As detailed in the Reserves policy below, the Charity has a diverse number of income streams most of which are generated from its core assets, the chief ones being its investment portfolio (listed investments and property). While income from its charitable activities has fallen since the year end as a result of the temporary closure of the estate due to government restrictions, the income derived from these sources is relatively small. Whilst setting a balanced budget annually, the trustees, mindful of the need to preserve the capital values of the investment portfolio, acknowledge that the capital can be accessed if required.

As such the charity has substantial resources to continue in operational existence for the foreseeable future. For this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The ability to fund both the day to day running costs and the ongoing capital improvement programme is dependent on the performance of the Charity's core assets – income from rental property, farming & forestry operations, the performance of the investment portfolio and visitor revenue.

The Trustees hold designated funds which represent its Heritage and investment assets (listed investments and property portfolio of farmland and cottages). Belmont House and grounds and its collection serve the main charitable purpose of the Charity and the investment assets provide the income required to manage the estate as the Trustees do not actively fundraise for the Charity.

The Trustees consider a balance equivalent to 6 months' worth of operating costs for the Charity a reasonable balance to hold in reserves, this figure is currently £250,000. The financial statements show a free reserves balance (non designated unrestricted funds not represented by operational fixed assets) of £1,069,765 (2020 - £1,267,134). Bearing in mind the cyclical nature of the business, the 'farm' balance provides the working capital requirement for the farm. The balance provides for approximately 9 months' worth of estate costs and is higher than the Charity's reserve policy. The Trustees are satisfied that these additional amounts will fund the increased expenditure expected in the maintenance plan in the next few years.

c. Financial performance and position

The Trustees recognised the difficulties experienced by all during the year of the pandemic and agreed to freeze the rent reviews until the spring of '21. They also agreed to return to Swale Borough council the rates rebates given on the two holiday cottages and the House - £30,000.

As noted above, the income from farming has decreased. Income from charitable activities has decreased this year due to the imposed lockdowns as a result of COVID-19. The Charity sought professional advice on the utilities (alarms, electricity, plumbing etc) supplying the House.

Net loss before investment gains was £139,675 (2020 - £238,773 gain).

The performance of the investment portfolio (including investment properties) was satisfactory, with net gains on investments totalling £3,575,457 compared to a loss of £455,467 last year, which was ahead of the target growth for the investment portfolio of 3% plus RPI.

This has resulted in an increase of £3,512,125 (2020 - decrease of £216,493) in the net assets of the Charity, which remains in a strong financial position to meet the challenges of future years.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

d. Principal funding

Principal sources of funding continue to come from residential property, commercial property (Golf Course & Belnor Farms), farming profits and income from the investment portfolio.

The Charity runs events that are attended by the general public but as the above provide the income required to manage the Estate, the Charity does not actively fundraise from the general public.

e. Plans for future periods

The Charity has a 5 year strategy plan for the period 2021 to 2026, which was adopted in 2020 following on from previous plans created in 1996, 2000, 2005, 2010 and 2015.

The primary objectives for the financial year to 31st March 2022 are to continue to develop the events programme and to increase the number of popular workshops. It is acknowledged that the year is still likely to be curtailed by the Covid 19 rules and regulations. The chattels' conservation programme continues identifying paintings and clocks requiring conservation work.

Edward Bulmer, a renowned interior designer, has been appointed to help the Trustees with how they might like to present the House.

The programme of recruiting Guides for the House will continue.

Structure, governance and management

a. Constitution

The Charity is registered as a Charitable Company limited by guarantee.

The Charity is constituted under its Memorandum of Association dated 10 September 2012 and is a registered charity, number 1149240.

The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

The principal object of the Charity is the preservation, maintenance and upkeep of the mansion house known as Belmont House for the benefit of the public of property of historic architectural or artistic importance or beauty, and the making of the same available for the education enjoyment and benefit of the public.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The Trustees of the Charity have powers to appoint a new Trustee. The number of Trustees shall be not less than three but no more than seven.

Potential candidates are identified, and their suitability assessed by the existing Trustees. New Trustees are required to be able to demonstrate the appropriate skills and experience necessary to be a Custodian of Belmont.

Trustees serve a term of 5 years and there is no restriction on the number of terms that can be served by an individual.

c. Policies adopted for the induction and training of Trustees

New Trustees are provided with an information pack which includes copies of the Memorandum of Association, the Financial Accounts and other relevant documentation.

The Charity employs specialist Professional advisors who assist both on a day to day and a periodic basis. They provide up to date advice to the Trustees on a regular basis.

d. Pay policy for key management personnel

The Trustees meet regularly and are actively involved with the operation of the Charity. The Trustees delegate the day to day running of the Charity and its farming subsidiary to the Executive Officers (Clarke and Simpson, Agents to the Trustees).

The Charity's key management personnel comprise the Trustees and its executive officers. The Charity's Trustees are not remunerated.

e. Investment powers

The Memorandum and Articles of Association place no restrictions on the Trustees' power to invest.

f. Risk management

The Trustees have conducted their own review of the major risks to which the Charity is exposed, and systems have been established to mitigate those potential risks. Procedures have been put in place to minimise both external and internal risks and these procedures are periodically reviewed to ensure that they still meet the needs of the Charity.

The Trustees recognise that the key financial risk area is revenue. The income includes houses and cottage rents (the usual risks are insured for and with the number of properties in the portfolio it is hoped that this income stream is fairly well protected), farming income, again insurance covers business interruption against the usual insurable risks, rent from the golf course, dividend income from the investment portfolio and finally admissions income for the House and events. The Trustees ask that weekly banking is carried out during the season and that other authorisation and control procedures are in operation. Comparisons are made throughout the year including comparisons with previous years.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

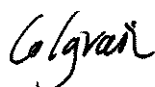
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Peters Elworthy & Moore, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



The Lord Colgrain, Chairman
Trustee

Date: 19.11.2021

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARRIS (BELMONT) CHARITY

Opinion

We have audited the financial statements of Harris (Belmont) Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Group's or the parent charitable company'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.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARRIS (BELMONT) CHARITY
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARRIS (BELMONT) CHARITY
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Audit procedures performed by the engagement team to identify and assess the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, were as follows:

- Identification of the laws and regulations which were significant in the context of the Group through discussions with Trustees and other management, and from our commercial knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements, including the Charities Act 2011, Companies Act 2006 and taxation legislation;
- We obtained an understanding of the Group's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARRIS (BELMONT) CHARITY
(CONTINUED)

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management override of controls we:

- Tested the appropriateness of a sample of journal entries and other adjustments;
- Designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings;
- Assessed whether the significant accounting judgements and estimates made in the financial statements, as detailed in the principal accounting policies, were indicative of potential bias; and
- Evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance; and
- Enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jayne Rowe (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

17 December 2021

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:				
Charitable activities	3	17,570	17,570	56,169
Other trading activities	4	687,550	687,550	1,060,323
Investments	5	503,529	503,529	550,001
Other income	6	23,913	23,913	-
		<u>1,232,562</u>	<u>1,232,562</u>	<u>1,666,493</u>
TOTAL INCOME				
EXPENDITURE ON:				
Raising funds	7,8	630,785	630,785	779,795
Charitable activities	9	741,452	741,452	647,925
		<u>1,372,237</u>	<u>1,372,237</u>	<u>1,427,720</u>
TOTAL EXPENDITURE				
NET (EXPENDITURE)/INCOME BEFORE NET GAINS/(LOSSES) ON INVESTMENTS		(139,675)	(139,675)	238,773
Net gains/(losses) on investments		2,939,280	2,939,280	(455,266)
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS		<u>2,799,605</u>	<u>2,799,605</u>	<u>(216,493)</u>
OTHER RECOGNISED GAINS:				
Gains on revaluation of fixed assets		712,520	712,520	-
		<u>3,512,125</u>	<u>3,512,125</u>	<u>(216,493)</u>
NET MOVEMENT IN FUNDS				
RECONCILIATION OF FUNDS:				
Total funds brought forward		44,511,599	44,511,599	44,728,092
Net movement in funds		3,512,125	3,512,125	(216,493)
TOTAL FUNDS CARRIED FORWARD		<u><u>48,023,724</u></u>	<u><u>48,023,724</u></u>	<u><u>44,511,599</u></u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08208048

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	18,263,807	17,459,289
Heritage assets	15	3,834,388	3,834,388
Investments	16	24,855,764	21,950,788
		<u>46,953,959</u>	<u>43,244,465</u>
CURRENT ASSETS			
Stocks	18	270,449	318,396
Debtors	19	197,081	288,463
Cash at bank and in hand		758,571	882,998
		<u>1,226,101</u>	<u>1,489,857</u>
Creditors: amounts falling due within one year	20	(156,336)	(222,723)
NET CURRENT ASSETS		<u>1,069,765</u>	<u>1,267,134</u>
TOTAL NET ASSETS		<u><u>48,023,724</u></u>	<u><u>44,511,599</u></u>
CHARITY FUNDS			
Unrestricted funds	22	48,023,724	44,511,599
TOTAL FUNDS		<u><u>48,023,724</u></u>	<u><u>44,511,599</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



The Lord Colgrain, Chairman

Date: 10.12.2021

The notes on pages 17 to 41 form part of these financial statements.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08208048

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	18,232,562	17,421,014
Heritage assets	15	3,834,388	3,834,388
Investments	16	25,091,581	22,262,948
		<u>47,158,531</u>	<u>43,518,350</u>
CURRENT ASSETS			
Stocks	18	782	782
Debtors	19	314,242	447,525
Cash at bank and in hand		655,860	651,932
		<u>970,884</u>	<u>1,100,239</u>
Creditors: amounts falling due within one year	20	(105,691)	(106,990)
		<u>865,193</u>	<u>993,249</u>
NET CURRENT ASSETS		<u>865,193</u>	<u>993,249</u>
TOTAL NET ASSETS		<u><u>48,023,724</u></u>	<u><u>44,511,599</u></u>
CHARITY FUNDS			
Unrestricted funds	22	48,023,724	44,511,599
TOTAL FUNDS		<u><u>48,023,724</u></u>	<u><u>44,511,599</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

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


The Lord Colgrain, Chairman

Date: 10.12.21

The notes on pages 17 to 41 form part of these financial statements.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	(533,571)	(376,936)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	503,529	550,001
Purchase of tangible fixed assets	(119,420)	(88,613)
Proceeds from sale of investments	2,169,734	2,634,573
Purchase of investments	(2,135,430)	(2,619,765)
NET CASH PROVIDED BY INVESTING ACTIVITIES	418,413	476,196
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(115,158)	99,260
Cash and cash equivalents at the beginning of the year	873,729	774,469
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	758,571	873,729

The notes on pages 17 to 41 form part of these financial statements

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition October 2019 (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Harris (Belmont) Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

Income from other trading activities comprise farming activities, gift shop/tea room sales, holiday cottage income and renewable heat incentive income. Income from farming activities is recognised in the period when the crop is harvested. Holiday cottage income is recognised in the period when the cottage is let. Remaining income is recognised on receipt.

Income from investments comprise rental property income, investment portfolio income and interest receivable. Investment income is recognised on a receivable basis.

Income from charitable activities comprise admission fees from visitors to the House and grounds and other events held and are recognised on the date of admission or when the event is held.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. It also includes the cost of generating funds and these comprise the costs associated with attracting voluntary income and the costs associated with running the gift shop and the farm. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. Governance costs relate to professional fees and trustees' expenses.

All expenditure is inclusive of irrecoverable VAT.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

1.6 GOING CONCERN

The trustees have reviewed the budgets and forecasts for a period of twelve months from approval of these financial statements, which reflect the impact of COVID-19 on its income and planned expenditure. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

1.7 GOVERNMENT GRANTS

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Land and buildings

Land is stated at valuation and is not depreciated.

Subsequent additions to Belmont House and grounds representing improvements to the property are depreciated over 10 years. General repairs and maintenance expenditure is written off in the year to which it relates. It also includes improvements to property through the trading subsidiary, which is also depreciated over 10 years.

Other fixed assets

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- between 3 and 20 years
---------------------	--------------------------

1.9 HERITAGE ASSETS

These are those fixed assets which are of historical significance and are held in order to advance the preservation and conservation objectives of the charity. As such, they comprise Belmont House and grounds, which is carried at the original cost or valuation when it was transferred to the Charity, and The Belmont House Collection which comprises the contents of Belmont House, being works of art, paintings, furniture and other chattels together with a collection of clocks and watches which are deemed to be of historic or artistic importance.

In accordance with the SORP, heritage assets are not depreciated, as the Trustees consider that the lives of these assets are sufficiently long and residual values, based on prices prevailing at the time of acquisition or subsequent valuation, are sufficiently high that their depreciation is insignificant. Any permanent diminution in value caused by obsolescence is charged to the statement of financial activities as appropriate.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

1.10 INVESTMENT PROPERTIES

Investment properties are included in the Balance sheet at their open market value in accordance with FRS102 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the Trustees, necessary in order to give a true and fair view of the financial position of the company and the group.

1.11 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at net book value.

1.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Farm stock includes the relevant proportion of available aid and set aside subsidies. Where subsidies have been received in advance, the amount is shown as deferred income.

1.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 CASH AT BANK AND IN HAND

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

1.15 LIABILITIES AND PROVISIONS

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

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

1.16 FINANCIAL INSTRUMENTS

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 PENSIONS

The company makes contributions to various money-purchase schemes.

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with FRS102 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the Trustees, necessary in order to give a true and fair view of the financial position of the company and the group.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Admissions and events	17,570	17,570	56,169
	<hr/>	<hr/>	<hr/>
Total 2020	56,169	56,169	
	<hr/>	<hr/>	

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. FUNDRAISING INCOME

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Shop and tea room income	5,623	5,623	26,478
Holiday cottage rent	25,663	25,663	31,528
Other income	73,742	73,742	48,998
Special events	-	-	29,400
	<u>105,028</u>	<u>105,028</u>	<u>136,404</u>
Total 2020	<u>136,404</u>	<u>136,404</u>	

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Farming	<u>582,522</u>	<u>582,522</u>	<u>923,919</u>
Total 2020	<u>923,919</u>	<u>923,919</u>	

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Estate rents	406,859	406,859	390,081
Listed investments	96,236	96,236	158,320
Interest receivable	434	434	1,600
	<u>503,529</u>	<u>503,529</u>	<u>550,001</u>
Total 2020	<u>550,001</u>	<u>550,001</u>	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Government grants receivable	<u>23,913</u>	<u>23,913</u>	<u>-</u>

Government grants receivable consists of amounts receivable under the Coronavirus Job Retention Scheme (CJRS).

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. COST OF RAISING FUNDS

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Shop and tea room purchases	14,569	14,569	26,808
Event costs	2,924	2,924	25,566
Holiday cottage costs	13,565	13,565	18,969
Postage, stationery and advertising	3,924	3,924	15,830
Subscriptions	3,017	3,017	8,565
Management fees	22,745	22,745	22,748
	<u>60,744</u>	<u>60,744</u>	<u>118,486</u>
Total 2020	<u>118,486</u>	<u>118,486</u>	

Fundraising trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Farming expenditure	535,136	535,136	627,637
Total 2020	<u>627,637</u>	<u>627,637</u>	

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment management fees	34,905	34,905	33,672
	<u>34,905</u>	<u>34,905</u>	
Total 2020	<u>33,672</u>	<u>33,672</u>	

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Belmont House and grounds	452,039	452,039	384,759
Estate costs	289,413	289,413	263,166
	<u>741,452</u>	<u>741,452</u>	<u>647,925</u>
Total 2020	<u>647,925</u>	<u>647,925</u>	

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Belmont House and grounds	412,496	39,543	452,039	384,759
Estate costs	267,520	21,893	289,413	263,166
	<u>680,016</u>	<u>61,436</u>	<u>741,452</u>	<u>647,925</u>
Total 2020	<u>572,044</u>	<u>75,881</u>	<u>647,925</u>	

Analysis of direct costs

	Belmont House and grounds 2021 £	Estate costs 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	127,867	133,400	261,267	270,644
Equipment repairs	3,704	5,755	9,459	8,710
Motor vehicle expenses	-	13,232	13,232	19,178
Light and heat	6,142	891	7,033	11,907
Insurance	32,113	2,039	34,152	32,712
Property rates	3,908	16,678	20,586	22,078
Repairs to property	213,453	69,234	282,687	153,575
House restoration	1,583	-	1,583	4,739
Grounds and garden maintenance	3,077	7,482	10,559	15,038
Woodland maintenance	-	18,809	18,809	12,891
Depreciation	20,649	-	20,649	20,572
	<u>412,496</u>	<u>267,520</u>	<u>680,016</u>	<u>572,044</u>
Total 2020	<u>335,391</u>	<u>236,653</u>	<u>572,044</u>	

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Belmont House and grounds 2021 £	Estate costs 2021 £	Total funds 2021 £	Total funds 2020 £
Finance costs	-	2,297	2,297	4,361
Professional fees (governance costs)	33,819	-	33,819	49,829
Trustee expenses (governance costs)	534	-	534	524
Telephone	4,323	-	4,323	4,618
Bad debts	-	4,433	4,433	-
Other costs	867	-	867	1,383
Management fees	-	15,163	15,163	15,166
	<u>39,543</u>	<u>21,893</u>	<u>61,436</u>	<u>75,881</u>
Total 2020	<u>49,368</u>	<u>26,513</u>	<u>75,881</u>	

Governance costs are attributable to both Belmont House and grounds and Estate costs.

11. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £9,844 (2020 - £10,758), and non-audit services of £8,523 (2020 - £8,146).

12. STAFF COSTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	243,521	251,085	243,521	251,085
Social security costs	15,675	17,137	15,675	17,137
Contribution to defined contribution pension schemes	2,071	2,422	2,071	2,422
	<u>261,267</u>	<u>270,644</u>	<u>261,267</u>	<u>270,644</u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. STAFF COSTS (continued)

The average number of persons employed by the company during the year was as follows:

	Group 2021 No.	Group 2020 No.
Direct charitable activities	16	19

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the Trustees and Clarke & Simpson who are considered part of key management. Fees were paid to Clarke & Simpson in the year totalling £44,029 (2020 - £60,721) comprising £37,908 (2020 - £37,914) in relation to Harris (Belmont) Charity and £6,121 (2020 - £22,807) in relation to Belnor Farms Limited.

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £286 were reimbursed or paid directly to 2 Trustees (2020 - £313 to 2 Trustees).

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. TANGIBLE FIXED ASSETS

Group

	Freehold land £	Property improvements £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2020	17,245,080	425,931	861,813	18,532,824
Additions	82,400	9,650	27,370	119,420
Revaluations	712,520	-	-	712,520
At 31 March 2021	<u>18,040,000</u>	<u>435,581</u>	<u>889,183</u>	<u>19,364,764</u>
Depreciation				
At 1 April 2020	-	412,597	660,938	1,073,535
Charge for the year	-	2,712	24,710	27,422
At 31 March 2021	<u>-</u>	<u>415,309</u>	<u>685,648</u>	<u>1,100,957</u>
Net book value				
At 31 March 2021	<u>18,040,000</u>	<u>20,272</u>	<u>203,535</u>	<u>18,263,807</u>
At 31 March 2020	<u>17,245,080</u>	<u>13,334</u>	<u>200,875</u>	<u>17,459,289</u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. TANGIBLE FIXED ASSETS (continued)

Charity

	Freehold land £	Property improvements £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2020	17,245,080	298,182	447,058	17,990,320
Additions	82,400	9,650	27,370	119,420
Revaluations	712,520	-	-	712,520
At 31 March 2021	<u>18,040,000</u>	<u>307,832</u>	<u>474,428</u>	<u>18,822,260</u>
Depreciation				
At 1 April 2020	-	295,109	274,197	569,306
Charge for the year	-	1,182	19,210	20,392
At 31 March 2021	<u>-</u>	<u>296,291</u>	<u>293,407</u>	<u>589,698</u>
Net book value				
At 31 March 2021	<u>18,040,000</u>	<u>11,541</u>	<u>181,021</u>	<u>18,232,562</u>
At 31 March 2020	<u>17,245,080</u>	<u>3,073</u>	<u>172,861</u>	<u>17,421,014</u>

The freehold land and were revalued at 31 March 2021, on a basis of market value, by qualified professional valuers working for Clarke & Simpson, acting in the capacity of independent valuers which valued the freehold land at £18.04m.

The revaluation model has been adopted and the trustees consider the valuation of the freehold land to be materially consistent with the net book value as at 31 March 2021.

If the historic cost basis of accounting had been used, the freehold land would have had a carrying value of £618k (2020: £618k).

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. HERITAGE ASSETS

Group and Company

Assets recognised at cost

	Belmont House and grounds 2021 £	Belmont House Collection 2021 £	Total 2021 £
Carrying value at 1 April 2020	489,482	3,344,906	3,834,388
	<u>489,482</u>	<u>3,344,906</u>	<u>3,834,388</u>

Analysis of heritage asset transactions

Group and Company

	2021 £	2020 £	2019 £	2018 £	2017 £
Works of art acquired	-	-	-	1,000	-
Total additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>

HERITAGE ASSET MANAGEMENT POLICY

The Charity holds in trust Belmont House and grounds, along with the house collection. National and International standards in the care of its collection are followed with every endeavour to protect and safeguard the collection in its care for future generations.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. FIXED ASSET INVESTMENTS

Group		Listed investments £	Cash investments £	Investment properties £	Total £
Cost or valuation					
At 1 April 2020		6,983,774	167,662	14,799,352	21,950,788
Additions		2,107,380	-	-	2,107,380
Disposals		(1,860,600)	-	-	(1,860,600)
Revaluations		1,612,572	-	1,017,574	2,630,146
Cash movements		-	28,050	-	28,050
At 31 March 2021		<u>8,843,126</u>	<u>195,712</u>	<u>15,816,926</u>	<u>24,855,764</u>
Net book value					
At 31 March 2021		<u>8,843,126</u>	<u>195,712</u>	<u>15,816,926</u>	<u>24,855,764</u>
At 31 March 2020		<u>6,983,774</u>	<u>167,662</u>	<u>14,799,352</u>	<u>21,950,788</u>

Company	Share in group undertaking £	Listed investments £	Cash investments £	Investment properties £	Total £
Cost or valuation					
At 1 April 2020	312,160	6,983,774	167,662	14,799,352	22,262,948
Additions	-	2,107,380	-	-	2,107,380
Disposals	-	(1,860,600)	-	-	(1,860,600)
Revaluations	(76,343)	1,612,572	-	1,017,574	2,553,803
Cash movements	-	-	28,050	-	28,050
At 31 March 2021	<u>235,817</u>	<u>8,843,126</u>	<u>195,712</u>	<u>15,816,926</u>	<u>25,091,581</u>
Net book value					
At 31 March 2021	<u>235,817</u>	<u>8,843,126</u>	<u>195,712</u>	<u>15,816,926</u>	<u>25,091,581</u>
At 31 March 2020	<u>312,160</u>	<u>6,983,774</u>	<u>167,662</u>	<u>14,799,352</u>	<u>22,262,948</u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. FIXED ASSET INVESTMENTS (continued)

INVESTMENT RISK MANAGEMENT POLICY

The Trustees annually review the risks faced by the Charity and have established an investment policy to identify and monitor the financial risks in the investment portfolio. Consideration is given to the inroads of inflation over time, currencies, volatility and liquidity and discretionary investment managers have been appointed. The investments are diversified across asset classes, regions and managers.

The portfolio is managed on a total return basis with the emphasis on growth. As a consequence a degree of volatility is anticipated and tolerated. The portfolio is a small part of the overall assets but is nonetheless an important component. Income has been paid to the Charity historically which has allowed the Trustees to invest in a number of projects to improve and enhance the fabric of the Estate rather than being used for the day-to-day operational running.

17. INVESTMENT IN TRADING SUBSIDIARY

The following was a subsidiary undertaking of the company:

Name	Company number	Registered office or principal place of business	Principal activity
Belnor Farms Limited	00457383	Salisbury House, Station Road, Cambridge, CB1 2LA	Farming

Holding

100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Belnor Farms Limited	582,587	(658,930)	(76,343)	235,817

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. STOCKS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Raw materials	269,667	317,614	-	-
Goods for resale	782	782	782	782
	270,449	318,396	782	782

19. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	39,946	38,585	26,636	27,998
Amounts owed by group undertakings	-	-	229,374	370,865
Other debtors	55,824	22,503	27,996	18,367
Prepayments and accrued income	101,311	227,375	30,236	30,295
	197,081	288,463	314,242	447,525

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank overdrafts	-	9,269	-	9,218
Trade creditors	95,622	82,133	58,853	44,175
Other taxation and social security	-	5,120	-	5,120
Other creditors	10,134	6,223	10,134	6,223
Accruals and deferred income	50,580	119,978	36,704	42,254
	156,336	222,723	105,691	106,990

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. FINANCIAL INSTRUMENTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Financial assets				
Financial assets measured at fair value through income and expenditure	758,571	882,998	655,860	651,932

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Investments fund	21,950,788	-	-	274,830	2,630,146	24,855,764
Estates - farm land	14,926,080	-	-	82,400	712,520	15,721,000
House and grounds fund	3,834,388	-	-	-	-	3,834,388
Fixed asset fund	2,533,209	-	-	9,598	-	2,542,807
	<u>43,244,465</u>	<u>-</u>	<u>-</u>	<u>366,828</u>	<u>3,342,666</u>	<u>46,953,959</u>
General funds						
General funds	<u>1,267,134</u>	<u>1,232,562</u>	<u>(1,372,237)</u>	<u>(366,828)</u>	<u>309,134</u>	<u>1,069,765</u>
Total Unrestricted funds	<u><u>44,511,599</u></u>	<u><u>1,232,562</u></u>	<u><u>(1,372,237)</u></u>	<u><u>-</u></u>	<u><u>3,651,800</u></u>	<u><u>48,023,724</u></u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. Statement of funds (continued)

The Investments fund includes the Investment Properties and Investment Portfolio which the Trustees are holding for the long term to secure an ongoing income for the Charity and as such there is no intention to reduce the value of the investment assets. The balance on the fund is equivalent to the balance of the investments. The transfers in the year represent funds withdrawn from the investment portfolio.

The Belmont House and grounds designated fund was established at the same time that the Charity was founded. The purpose of the Charity is the preservation, maintenance and upkeep of Belmont House, the surrounding land and property and the contents which are deemed to be of historic architectural or artistic importance or beauty which are available for the education and benefit of the public. The primary assets transferred to the Charity when it was founded are central to the continuation of the Charity and as such will remain intact for as long as the Charity exists. The Trustees are empowered to add to and dispose of items from the collection and contents of Belmont House for the benefit of the Charity as long as the collection and contents are not fundamentally diminished. The fund is represented by heritage assets.

The Estates - Farm Land designated fund represents the value of farm land utilised by Belnor Farms. The transfers during the year relate to additions.

The Fixed asset designated fund represents the net book value of fixed assets at the year end. The transfers in the year represent the reallocation from general funds and movements within the fixed assets.

Free reserves

The Trustees consider a balance equivalent to 6 months' worth of operating costs for the Charity a reasonable balance to hold in reserves, this figure is currently £250,000. The financial statements show a free reserves balance (non designated unrestricted funds not represented by operational fixed assets) of £1,069,765 (2020 - £1,267,134). Bearing in mind the cyclical nature of the business, the 'farm' balance provides the working capital requirement for the farm. The balance provides for approximately 9 months' worth of estate costs and is higher than the Charity's reserve policy. The Trustees are satisfied that these additional amounts will fund the increased expenditure expected in the maintenance plan in the next few years.

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22. Statement of funds (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
Designated funds						
Investments fund	22,420,862	-	-	9,201	(479,275)	21,950,788
Estates - farm land	14,850,000	-	-	76,080	-	14,926,080
House and grounds fund	3,834,388	-	-	-	-	3,834,388
Fixed asset fund	-	-	-	2,533,209	-	2,533,209
	<u>41,105,250</u>	<u>-</u>	<u>-</u>	<u>2,618,490</u>	<u>(479,275)</u>	<u>43,244,465</u>
General funds						
General funds	1,921,842	1,666,493	(1,427,720)	(917,490)	24,009	1,267,134
Revaluation reserve	1,701,000	-	-	(1,701,000)	-	-
	<u>3,622,842</u>	<u>1,666,493</u>	<u>(1,427,720)</u>	<u>(2,618,490)</u>	<u>24,009</u>	<u>1,267,134</u>
Total Unrestricted funds	<u>44,728,092</u>	<u>-</u>	<u>(1,427,720)</u>	<u>-</u>	<u>(455,266)</u>	<u>44,511,599</u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	43,244,465	-	-	366,828	3,342,666	46,953,959
General funds	1,267,134	1,232,562	(1,372,237)	(366,828)	309,134	1,069,765
	<u>44,511,599</u>	<u>1,232,562</u>	<u>(1,372,237)</u>	<u>-</u>	<u>3,651,800</u>	<u>48,023,724</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	41,105,250	-	-	2,618,490	(479,275)	43,244,465
General funds	3,622,842	1,666,493	(1,427,720)	(2,618,490)	24,009	1,267,134
	<u>44,728,092</u>	<u>1,666,493</u>	<u>(1,427,720)</u>	<u>-</u>	<u>(455,266)</u>	<u>44,511,599</u>

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	2,799,605	(216,493)
Adjustments for:		
Depreciation charges	27,422	31,168
(Gains)/losses on investments	(2,939,280)	455,266
Dividends, interests and rents from investments	(503,529)	(550,001)
Decrease in stocks	47,947	30,187
Decrease/(increase) in debtors	91,382	(68,204)
Decrease in creditors	(57,118)	(58,859)
Net cash used in operating activities	(533,571)	(376,936)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash in hand	758,571	882,998
Overdraft facility repayable on demand	-	(9,269)
Total cash and cash equivalents	758,571	873,729

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	882,998	(124,427)	758,571
Bank overdrafts repayable on demand	(9,269)	9,269	-
	873,729	(115,158)	758,571

HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

27. CONTINGENT LIABILITIES

A number of fixed asset investments were passed to the Charity upon the death of The Rt. Hon G R J Baron Harris (Sixth Baron Harris) who in turn had inherited them from the Fifth Baron Harris who died in 1984. The assets in question were granted conditionally exempt status. However, because the Sixth Baron Harris died within 30 years of the Fifth Baron Harris, HM Revenue & Customs would be entitled to claim Inheritance Tax at rates applicable at the time of death on whichever estate proved to be more beneficial to them. The Inheritance Tax liability will only crystallise if the Charity sells these assets in the future. The Trustees have a list of these assets and do not intend to sell them in the foreseeable future. Therefore no provision has been included in the accounts in respect of the future liability.

28. RELATED PARTY TRANSACTIONS

The Charity rents farmland to its subsidiary, Belnor Farms Limited, and receives a deed of covenant from the company at the year end. The rental charge in the year totalled £116,294 (2020 - £104,340) and the deed of covenant in the year amounted to £nil (2020 - £195,888). In addition, there are a number of arm's length recharges to the subsidiary for costs paid by the Charity.

As at 31 March 2021, £229,374 (2020 - £370,865) remained outstanding. This includes a loan advanced to the subsidiary of £150,000 (2020 - £150,000). This loan bears interest at 5% per annum over the Bank of England base rate and has a fixed repayment date.

After the year end, a loan agreement was signed by Belnor Farms Limited where the parent made a loan of £200,000 to the company for the purpose of assisting with cash flow management whilst putting up a new grain store at Northcourt.