

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 2022

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

| | |
|-----------------------------------|--|
| Trustees | The Lord Colgrain, Chairman A Mathewson Lady V Jessel A J S Ross D M Del Mar J A Stainton |
| 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 officer | Henry Birch & Sally Watts of Clarke & Simpson (Chartered Surveyors), Well Close Square, Framlingham, Suffolk, IP13 9DU |
| Independent auditors | Peters Elworthy & Moore Chartered Accountants 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 |
| Investment Advisers | Schroder & Co Limited (Cazenove Capital) 1 London Wall Place London EC2Y 5AU |

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

| | |
|-----------------------------|---|
| Property Consultants | Clarke & Simpson Well Close Square Framlingham Suffolk IP13 9DU |
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HARRIS (BELMONT) CHARITY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are the Directors for Companies Act purposes) present their annual report and financial statements for Harris (Belmont) Charity (the Charity) for the year ended 31 March 2022 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) (effective 1 January 2015).

Since the Charity 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.

POLICIES AND OBJECTIVES

The Harris Family came to Belmont in 1801. Over a 200-year period they fashioned the House and today it provides a living testament to a family that played a pivotal role in the political and social life of their time. Their legacies include their parts in the Seringapatam and Waterloo campaigns, the patronage of the artist Michel-Jean Cazabon, the development of cricket as a world game and one of the finest private clock collections in the world today. The Harris (Belmont) Charity was established in 1980 and is responsible for all aspects of the House and the wider estate.

The Trustees' Objectives are derived from the Original Trust Deed (1980), the Memorandum & Articles of Association (2012), and the Family's Wishes (various) which are stated as being:

- The preservation and maintenance of, and provision of public access to, Belmont House, Faversham, Kent together with its contents and surrounding land, and any other property and assets of architectural, historical, or artistic importance or beauty, for the education, enjoyment, and benefit of the public.
- Notwithstanding the Trustees' absolute discretion to do otherwise, the Trustees should endeavour to preserve Belmont House and its contents and surrounding land.
- The promotion of such other charitable purposes as the Trustees may decide.

To meet these objectives, the current Trustees agreed in 2022 to interpret their role as follows: -

- To preserve and maintain Belmont House, its contents, gardens, and the surrounding land. Where appropriate, this may include acquiring adjacent land or properties, either as investments or to preserve the integrity of the estate, reflecting 6th Lord Harris's view that "with all the building programmes now being envisaged in the South, I think to preserve the estate would be in everybody's interest ..."
- To provide access to the House and gardens for the education, enjoyment, and benefit of the public
- That Belmont should take its place and serve a purpose in both the local community and the county of Kent
- That when there is surplus income, this should be used to support cricket in the county of Kent (in memory of 4th Lord Harris) or other local causes the Trustees deem appropriate to Belmont

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.

These objectives are measured by ensuring that all the Belmont estate is 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, by reviewing requests for historical (archive) material, and the on-going reviewing of the chattel's records and the preservation thereof.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIES FOR ACHIEVING OBJECTIVES

Managing the House, its grounds and opening to the public

The house was completed in its current form in 1793 and is one of the finest examples of the architectural work of Samuel Wyatt. The grounds have been evolved by the family over time and as a Millennium Project, the Trustees invited Arabella Lennox- Boyd to create a new kitchen garden which was implemented by the Belmont Garden staff.

The Trustees employ 12 full time members of staff to look after and maintain the House and Grounds, a part-time archivist and use volunteer guides to enable the public to visit the property. Events are organised throughout the year and promoted on the website, social media, specialist magazines and the local press to reach the target audience. Belmont is also promoted elsewhere by specialist exhibitions and loans to various cultural and heritage exhibitions which have recently included various clocks from the Lord Harris Belmont collection to Bonham's and the Science Museum. In addition, the Seringapatam Jewels are on permanent loan to the V&A.

Preserving and displaying the House, its clocks, pictures, and other chattels

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

There are many remarkable items in the contents of the House, but the most significant is the clock collection. The 5th Lord Harris was the founding president of the Antiquarian Horological Society and is described by Jonathan Betts, Belmont's Curatorial Adviser, as "one of the twentieth century's great horological celebrities".

Managing the Farm

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

Managing the assets

The Trustees' ability to achieve the aforementioned aims is dependent on the performance of the Charity's core assets – rental property, farming & forestry operations, the investment portfolio and visitor revenue.

Visitor revenue needs to be thought of differently to the other three sources because it is, in itself, an aim of the Charity. The farming, property and investment assets need to justify themselves financially. This is less true of the House and gardens; whilst the Trustees aim to make a return on these assets, ultimately it is a central purpose of the Trust to provide access to the House and the estate. It is also inconceivable that visitor revenue will cover the costs of maintaining Belmont House and opening it to the public without a contribution from the other income sources.

The Beneficiaries

The beneficiaries of the Charity are the public who visit the house, gardens and estate, as well as those who play cricket on the 4th Lord Harris's cricket pitch, use the golf course, or gain employment from Belmont's various activities. 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 enjoy the house and grounds: these include The Spring Fair, Woodfest, plant shows, open garden events, garden tours, open air theatre productions, specialist clock tours, craft workshops and other bespoke tours.

HARRIS (BELMONT) CHARITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Use of volunteers

When the House is open, the public gain access to the house via guided tours and self-guided tours. These tours are guided by local Guides and Room stewards for the first time in Summer 2021; the House Guides and Room Stewards provide this service on a voluntary basis. The Guides and Room Stewards 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.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Major objectives and achievements for the year to 31 March 2022 included the ongoing maintenance of the House and grounds – the exterior of the House was decorated within the 5 yearly redecoration programme.

Work on the repair and repointing of the Ha-ha was completed.

Visitor numbers during the 2nd year of intermittent scares of the Covid 19 pandemic were 11,180 up on the previous year count of 4050 (year to 31 March 2020 was 11,936) and the Trustees were pleased to share the open spaces of the gardens with the general public. In July 2021 the House was opened again with a new 'self guided free flow' system which enabled the visitor to walk through some of the rooms with an information leaflet. Each room was looked after by a member of staff or a volunteer. In September the annual Woodfest event was staged again after 2 years and was well received with a record visitor number.

Within the quinquennial review dated 2017 two major maintenance projects that were identified (the restoration of the Ha-ha and repairs to the orangery roof) have now been completed. An updated 'conditions survey' for the house is now due.

During the year £10,000 was donated to the Canterbury Cathedral Clocktower appeal to assist with their renovations:

<https://www.canterbury-cathedral.org/whats-on/news/2018/11/27/face-lift-time-for-cathedral-clock/>

The Trustees also commissioned Joel Tarr, a local blacksmith and metal artist, to create a bespoke armillary sphere for the centre of the mandala.

The Trustees via their Events Manager continue to monitor feedback on Trip Advisor, Facebook, Twitter and Instagram – levels are deemed to be satisfactory.

Performance of Belnor Farms Limited

The Trustees receive and challenge regular reports from the agricultural contractors and during the year review farming practice including on-site inspections.

Revenue from farm activities was significantly higher than in the previous year, due to a good harvest which resulted in good crop yields. Revenue for the year was £834,439 (2021 - £529,424). This delivered a profit of £292,391. A gift aid payment of £236,399 will be paid to the Charity in December 2022.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Financial Performance and position

The Trustees are satisfied with the financial performance and position of the Charity.

Income has increased by 26% compared to the prior year. Expenditure however has also increased significantly with the lifting of restrictions, with an increase of 16% compared to 2021. This has resulted in a net loss before investment gains was £38,649 (2021 - £139,675).

The performance of the investment portfolio (including investment properties) was satisfactory, with net gains on investments totalling £3,447,544 compared to £3,651,800 last year, which was ahead of the target growth for the investment portfolio of 3% plus RPI.

This has resulted in an increase of £3,408,895 (2021 - £3,512,125) in the net assets of the Charity, which remains in a strong financial position to meet the challenges of future years.

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 £500,000. The financial statements show a free reserves balance (non-designated unrestricted funds not represented by operational fixed assets) of £1,069,650 (2021 - £1,069,765). 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 in line with 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.

Principal funding and fundraising

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.

Future developments

The 5-year strategy plan for the period 2021 to 2025 is being worked up in collaboration with the following advisers :- Francis Maude of Donald Insall Associates (Architects), George Carter, (Garden & Landscape Designer) and Edward Bulmer, (Interior designer)

The primary objectives for the financial year to 31 March 2023 are to continue to develop the events programme and to increase the number of popular workshops. Work will continue with the chattels' conservation programme identifying paintings and clocks on an annual basis that require conservation work.

The BBC staged the Antiques Roadshow at Belmont in August 2022. This was seen by the Trustees as a good way of exposing Belmont House to a wider market.

The programme of recruiting Guides for the House will continue.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 8. 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.

Method 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 are re-elected after 5 years should they wish to remain in the position; after 10 years of service, should they wish to remain Trustees must demonstrate the skills that they are bringing to the post.

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.

Pay policy for Senior Staff/ Organisational structure and decision making

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. The agreement with Clarke & Simpson is reviewed on a regular basis and is benchmarked against charges by other similar agents.

Investment Powers

These are governed by the Memorandum of Articles which permits the funds to be invested in any security listed on the London Stock Exchange.

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.

HARRIS (BELMONT) CHARITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees recognise that the key financial risk area is the 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 Stock 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 and comparisons with previous years.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Harris (Belmont) Charity 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group 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 Charity'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 information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

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

Alastair Colgrain

The Lord Colgrain, Chairman
Trustee

Date: 19 December 2022

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 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity 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 2022 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
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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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was 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; and
- 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
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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 bias and 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 directors 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.

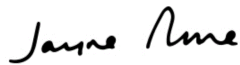
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

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

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

Date: 22 December 2022

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

| | Note | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|------|------------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | |
| Charitable activities | 3 | 64,443 | 64,443 | 17,570 |
| Other trading activities | 4 | 991,371 | 991,371 | 687,550 |
| Investments | 5 | 487,326 | 487,326 | 503,529 |
| Other income | 6 | 10,519 | 10,519 | 23,913 |
| TOTAL INCOME | | 1,553,659 | 1,553,659 | 1,232,562 |
| EXPENDITURE ON: | | | | |
| Raising funds | 7,8 | 754,139 | 754,139 | 630,785 |
| Charitable activities | 9 | 838,169 | 838,169 | 741,452 |
| TOTAL EXPENDITURE | | 1,592,308 | 1,592,308 | 1,372,237 |
| NET EXPENDITURE BEFORE NET GAINS ON INVESTMENTS | | | | |
| | | (38,649) | (38,649) | (139,675) |
| Net gains on investments | 16 | 1,998,544 | 1,998,544 | 2,939,280 |
| NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS | | 1,959,895 | 1,959,895 | 2,799,605 |
| OTHER RECOGNISED GAINS: | | | | |
| Gains on revaluation of fixed assets | 14 | 1,449,000 | 1,449,000 | 712,520 |
| NET MOVEMENT IN FUNDS | | 3,408,895 | 3,408,895 | 3,512,125 |
| RECONCILIATION OF FUNDS: | | | | |
| Total funds brought forward | | 48,023,724 | 48,023,724 | 44,511,599 |
| Net movement in funds | | 3,408,895 | 3,408,895 | 3,512,125 |
| TOTAL FUNDS CARRIED FORWARD | | 51,432,619 | 51,432,619 | 48,023,724 |

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

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|--------------------------|--------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 14 | 19,880,667 | 18,263,807 |
| Heritage assets | 15 | 3,834,388 | 3,834,388 |
| Investments | 16 | 26,810,274 | 24,855,764 |
| | | <u>50,525,329</u> | <u>46,953,959</u> |
| CURRENT ASSETS | | | |
| Stocks | 17 | 347,593 | 270,449 |
| Debtors | 18 | 405,227 | 197,081 |
| Cash at bank and in hand | 23 | 399,584 | 758,571 |
| | | <u>1,152,404</u> | <u>1,226,101</u> |
| Creditors: amounts falling due within one year | 19 | (245,114) | (156,336) |
| NET CURRENT ASSETS | | <u>907,290</u> | 1,069,765 |
| TOTAL NET ASSETS | | <u><u>51,432,619</u></u> | <u><u>48,023,724</u></u> |
| CHARITY FUNDS | | | |
| Restricted funds | 20 | - | - |
| Unrestricted funds | 20 | 51,432,619 | 48,023,724 |
| TOTAL FUNDS | | <u><u>51,432,619</u></u> | <u><u>48,023,724</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.

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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

Alastair Colgrain

The Lord Colgrain
Trustee

Date: 19 December 2022

The notes on pages 20 to 44 form part of these financial statements.

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

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|--------------------------|--------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 14 | 19,663,165 | 18,232,562 |
| Heritage assets | 15 | 3,834,388 | 3,834,388 |
| Investments | 16 | 27,102,083 | 25,091,581 |
| | | <u>50,599,636</u> | <u>47,158,531</u> |
| CURRENT ASSETS | | | |
| Stocks | 17 | 782 | 782 |
| Debtors | 18 | 626,481 | 314,242 |
| Cash at bank and in hand | | 329,135 | 655,860 |
| | | <u>956,398</u> | <u>970,884</u> |
| Creditors: amounts falling due within one year | 19 | (123,415) | (105,691) |
| NET CURRENT ASSETS | | <u>832,983</u> | <u>865,193</u> |
| TOTAL NET ASSETS | | <u><u>51,432,619</u></u> | <u><u>48,023,724</u></u> |
| CHARITY FUNDS | | | |
| Restricted funds | 20 | - | - |
| Unrestricted funds | 20 | 51,432,619 | 48,023,724 |
| TOTAL FUNDS | | <u><u>51,432,619</u></u> | <u><u>48,023,724</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.

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

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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

Alastair Colgrain

The Lord Colgrain
Trustee

Date: 19 December 2022

The notes on pages 20 to 44 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 2022

| | Note | 2022 £ | 2021 £ |
|---|------|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash used in operating activities | 22 | (694,347) | (533,571) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends, interests and rents from investments | | 487,326 | 503,529 |
| Purchase of tangible fixed assets | | (196,000) | (119,420) |
| Proceeds from sale of investments | | 4,936,933 | 2,169,734 |
| Purchase of investments | | (4,892,899) | (2,135,430) |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | | 335,360 | 418,413 |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | (358,987) | (115,158) |
| Cash and cash equivalents at the beginning of the year | | 758,571 | 873,729 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 23 | 399,584 | 758,571 |

The notes on pages 20 to 44 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 2022

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) (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 Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity 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.

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 2022

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 the 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 2022

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. The trustees have a reasonable expectation that the group 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.

Belmont House and grounds

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives are as follows:

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

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 Group 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.

1.16 FINANCIAL INSTRUMENTS

The Group 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 Group makes contributions to various money-purchase schemes.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------|--|---------------------------------------|-----------------------------|
| Admissions and events | 64,443 | 64,443 | 17,570 |
| | <u>64,443</u> | <u>64,443</u> | <u>17,570</u> |
| TOTAL 2021 | <u>17,570</u> | <u>17,570</u> | |

4. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--------------------------|--|---------------------------------------|-----------------------------|
| Shop and tea room income | 11,519 | 11,519 | 5,623 |
| Holiday cottage rent | 43,259 | 43,259 | 25,663 |
| Other income | 42,904 | 42,904 | 73,742 |
| | <u>97,682</u> | <u>97,682</u> | <u>105,028</u> |
| TOTAL 2021 | <u>105,028</u> | <u>105,028</u> | |

Income from non charitable trading activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------|--|---------------------------------------|-----------------------------|
| Farming | 893,689 | 893,689 | 582,522 |
| | <u>893,689</u> | <u>893,689</u> | <u>582,522</u> |
| TOTAL 2021 | <u>582,522</u> | <u>582,522</u> | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. INVESTMENT INCOME

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------|--|---------------------------------------|-----------------------------|
| Estate rents | 387,502 | 387,502 | 406,859 |
| Listed investments | 99,716 | 99,716 | 96,236 |
| Interest receivable | 108 | 108 | 434 |
| | <u>487,326</u> | <u>487,326</u> | <u>503,529</u> |
| TOTAL 2021 | <u>503,529</u> | <u>503,529</u> | |

6. OTHER INCOMING RESOURCES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------|--|---------------------------------------|-----------------------------|
| Government grants receivable | 10,519 | 10,519 | 23,913 |
| TOTAL 2021 | <u>23,913</u> | <u>23,913</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 2022

7. EXPENDITURE ON RAISING FUNDS

COSTS OF RAISING VOLUNTARY INCOME

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------------------------|--|---------------------------------------|-----------------------------|
| Shop and tea room purchases | 17,371 | 17,371 | 14,569 |
| Event costs | 20,311 | 20,311 | 2,924 |
| Holiday cottage costs | 40,583 | 40,583 | 13,565 |
| Postage, stationery and advertising | 15,533 | 15,533 | 3,924 |
| Subscriptions | 5,465 | 5,465 | 3,017 |
| Management fees | 23,907 | 23,907 | 22,745 |
| | <u>123,170</u> | <u>123,170</u> | <u>60,744</u> |
| | <u>60,744</u> | <u>60,744</u> | |
| TOTAL 2021 | | | |

FUNDRAISING TRADING EXPENSES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------|--|---------------------------------------|-----------------------------|
| Farming expenditure | 586,935 | 586,935 | 535,136 |
| | <u>535,136</u> | <u>535,136</u> | |
| TOTAL 2021 | | | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. INVESTMENT MANAGEMENT COSTS

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|----------------------------|------------------------------------|-----------------------------|-----------------------------|
| Investment management fees | 44,034 | 44,034 | 34,905 |
| TOTAL 2021 | 34,905 | 34,905 | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

| | Unrestricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---------------------------|--|-----------------------------|-----------------------------|
| Belmont House and grounds | 509,589 | 509,589 | 452,039 |
| Estate costs | 328,580 | 328,580 | 289,413 |
| | <u>838,169</u> | <u>838,169</u> | <u>741,452</u> |
| | <u>741,452</u> | <u>741,452</u> | |
| TOTAL 2021 | <u>741,452</u> | <u>741,452</u> | |

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--------------------------|--|---|---------------------------------------|---------------------------------------|
| Belnor House and grounds | 432,972 | 76,617 | 509,589 | 452,039 |
| Estate costs | 308,657 | 19,923 | 328,580 | 289,413 |
| | <u>741,629</u> | <u>96,540</u> | <u>838,169</u> | <u>741,452</u> |
| | <u>680,016</u> | <u>61,436</u> | <u>741,452</u> | |
| TOTAL 2021 | <u>680,016</u> | <u>61,436</u> | <u>741,452</u> | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

| | Belmont House and grounds 2022 £ | Estate costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--------------------------------|---|------------------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 132,079 | 142,593 | 274,672 | 261,267 |
| Equipment repairs | 5,477 | 18,297 | 23,774 | 9,459 |
| Motor vehicle expenses | - | 17,233 | 17,233 | 13,232 |
| Light and heat | 7,320 | 2,157 | 9,477 | 7,033 |
| Insurance | 37,629 | 2,297 | 39,926 | 34,152 |
| Property rates | 10,436 | 21,864 | 32,300 | 20,586 |
| Repairs to property | 175,749 | 68,627 | 244,376 | 282,687 |
| House restoration | 917 | - | 917 | 1,583 |
| Grounds and garden maintenance | 41,468 | 18,827 | 60,295 | 10,559 |
| Woodland maintenance | - | 16,762 | 16,762 | 18,809 |
| Depreciation | 21,897 | - | 21,897 | 20,649 |
| | <u>432,972</u> | <u>308,657</u> | <u>741,629</u> | <u>680,016</u> |
| TOTAL 2021 | <u>412,496</u> | <u>267,520</u> | <u>680,016</u> | |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

| | Belmont House and grounds 2022 £ | Estate costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--------------------------------------|--|---------------------------|-----------------------------|-----------------------------|
| Finance costs | - | 3,473 | 3,473 | 2,297 |
| Professional fees (governance costs) | 55,530 | 512 | 56,042 | 33,819 |
| Trustee expenses (governance costs) | 5,623 | - | 5,623 | 534 |
| Telephone | 14,794 | - | 14,794 | 4,323 |
| Bad debts | - | - | - | 4,433 |
| Other costs | 670 | - | 670 | 867 |
| Management fees | - | 15,938 | 15,938 | 15,163 |
| | <u>76,617</u> | <u>19,923</u> | <u>96,540</u> | <u>61,436</u> |
| TOTAL 2021 | <u>39,543</u> | <u>21,893</u> | <u>61,436</u> | |

11. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £12,505 (2021 - £9,844), and non-audit services of £6,000 (2021 - £8,523).

12. STAFF COSTS

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|--|-----------------------|--------------------|-----------------------|----------------------|
| Wages and salaries | 255,209 | 243,521 | 255,209 | 243,521 |
| Social security costs | 16,989 | 15,675 | 16,989 | 15,675 |
| Contribution to defined contribution pension schemes | 2,474 | 2,071 | 2,474 | 2,071 |
| | <u>274,672</u> | <u>261,267</u> | <u>274,672</u> | <u>261,267</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. STAFF COSTS (CONTINUED)

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

| | Group 2022 No. | Group 2021 No. |
|-----------|-------------------------------|----------------------|
| Employees | 13 | 16 |

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 £54,940 (2021 - £44,029) comprising £47,740 (2021 - £37,908) in relation to Harris (Belmont) Charity and £7,200 (2021 - £6,121) in relation to Belnor Farms Limited.

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £243 were reimbursed or paid directly to 1 Trustee (2021 - £286 to 2 Trustees).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. TANGIBLE FIXED ASSETS

GROUP

| | Freehold land £ | Property improve- ments £ | Plant and machinery £ | Assets under construction £ | Total £ |
|--------------------------|--------------------------|------------------------------------|-----------------------------|--------------------------------------|--------------------------|
| COST OR VALUATION | | | | | |
| At 1 April 2021 | 18,040,000 | 435,581 | 889,183 | - | 19,364,764 |
| Additions | 37,105 | 3,500 | 1,033 | 154,362 | 196,000 |
| Disposals | - | - | (1,500) | - | (1,500) |
| Revaluations | 1,449,000 | - | - | - | 1,449,000 |
| At 31 March 2022 | <u>19,526,105</u> | <u>439,081</u> | <u>888,716</u> | <u>154,362</u> | <u>21,008,264</u> |
| DEPRECIATION | | | | | |
| At 1 April 2021 | - | 415,309 | 685,648 | - | 1,100,957 |
| Charge for the year | - | 2,998 | 25,142 | - | 28,140 |
| On disposals | - | - | (1,500) | - | (1,500) |
| At 31 March 2022 | <u>-</u> | <u>418,307</u> | <u>709,290</u> | <u>-</u> | <u>1,127,597</u> |
| NET BOOK VALUE | | | | | |
| At 31 March 2022 | <u><u>19,526,105</u></u> | <u><u>20,774</u></u> | <u><u>179,426</u></u> | <u><u>154,362</u></u> | <u><u>19,880,667</u></u> |
| At 31 March 2021 | <u><u>18,040,000</u></u> | <u><u>20,272</u></u> | <u><u>203,535</u></u> | <u><u>-</u></u> | <u><u>18,263,807</u></u> |

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14. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

| | Freehold land £ | Property improvements £ | Plant and machinery £ | Total £ |
|--------------------------|--------------------------|-------------------------------|-----------------------------|--------------------------|
| COST OR VALUATION | | | | |
| At 1 April 2021 | 18,040,000 | 307,832 | 474,428 | 18,822,260 |
| Additions | - | 3,500 | - | 3,500 |
| Disposals | - | - | (1,500) | (1,500) |
| Revaluations | 1,449,000 | - | - | 1,449,000 |
| At 31 March 2022 | <u>19,489,000</u> | <u>311,332</u> | <u>472,928</u> | <u>20,273,260</u> |
| DEPRECIATION | | | | |
| At 1 April 2021 | - | 296,291 | 293,407 | 589,698 |
| Charge for the year | - | 1,567 | 20,330 | 21,897 |
| On disposals | - | - | (1,500) | (1,500) |
| At 31 March 2022 | <u>-</u> | <u>297,858</u> | <u>312,237</u> | <u>610,095</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2022 | <u><u>19,489,000</u></u> | <u><u>13,474</u></u> | <u><u>160,691</u></u> | <u><u>19,663,165</u></u> |
| At 31 March 2021 | <u><u>18,040,000</u></u> | <u><u>11,541</u></u> | <u><u>181,021</u></u> | <u><u>18,232,562</u></u> |

The freehold land was revalued at 31 March 2022, 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 £19.489m.

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 2022.

If the historic cost basis of accounting had been used, the freehold land would have had a carrying value of £618k (2021 - £618k).

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15. HERITAGE ASSETS

GROUP AND CHARITY

Assets recognised at cost

| | Belmont House and grounds 2022 £ | Belmont House Collection 2022 £ | Total 2022 £ |
|--------------------------------|---|--|-----------------------------|
| Carrying value at 1 April 2021 | 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 CHARITY

| | 2022 £ | 2021 £ | 2020 £ | 2019 £ | 2018 £ |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| PURCHASES | | | | | |
| Works of art acquired | - | - | - | - | 1,000 |
| TOTAL ADDITIONS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,000</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.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. FIXED ASSET INVESTMENTS

| GROUP | | Listed investments £ | Cash investments £ | Investment properties £ | Total £ |
|----------------------------------|--|-------------------------------------|-----------------------------------|--|--------------------|
| COST OR VALUATION | | | | | |
| At 1 April 2021 | | 8,843,126 | 195,712 | 15,816,926 | 24,855,764 |
| Additions | | 4,858,940 | - | - | 4,858,940 |
| Disposals (Proceeds: £4,936,933) | | (4,831,704) | - | - | (4,831,704) |
| Revaluations | | 329,265 | - | 1,564,050 | 1,893,315 |
| Movement in cash | | - | 33,959 | - | 33,959 |
| AT 31 MARCH 2022 | | <u>9,199,627</u> | <u>229,671</u> | <u>17,380,976</u> | <u>26,810,274</u> |

| CHARITY | Share in group undertaking £ | Listed investments £ | Cash investments £ | Investment properties £ | Total £ |
|-------------------------------------|---|-------------------------------------|-----------------------------------|--|--------------------|
| COST OR VALUATION | | | | | |
| At 1 April 2021 | 235,817 | 8,843,126 | 195,712 | 15,816,926 | 25,091,581 |
| Additions | - | 4,858,940 | - | - | 4,858,940 |
| Disposals (Proceeds: £4,936,933) | - | (4,831,704) | - | - | (4,831,704) |
| Revaluations | 55,992 | 329,265 | - | 1,564,050 | 1,949,307 |
| Movement in cash | - | - | 33,959 | - | 33,959 |
| AT 31 MARCH 2022 | <u>291,809</u> | <u>9,199,627</u> | <u>229,671</u> | <u>17,380,976</u> | <u>27,102,083</u> |

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.

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

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NOTES TO THE FINANCIAL STATEMENTS
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16. FIXED ASSET INVESTMENTS (CONTINUED)

| 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 | 893,701 | (621,423) | 272,278 | 291,809 |

17. STOCKS

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Raw materials | 346,811 | 269,667 | - | - |
| Goods for resale | 782 | 782 | 782 | 782 |
| | 347,593 | 270,449 | 782 | 782 |

HARRIS (BELMONT) CHARITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

18. DEBTORS

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|------------------------------------|-----------------------------|--------------------|-------------------------------|----------------------|
| DUE WITHIN ONE YEAR | | | | |
| Trade debtors | 53,173 | 39,946 | 38,112 | 26,636 |
| Amounts owed by group undertakings | - | - | 507,626 | 229,374 |
| Other debtors | 36,432 | 55,824 | 28,079 | 27,996 |
| Prepayments and accrued income | 315,622 | 101,311 | 52,664 | 30,236 |
| | 405,227 | 197,081 | 626,481 | 314,242 |

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|------------------------------------|-----------------------------|--------------------|-------------------------------|----------------------|
| Trade creditors | 120,329 | 95,622 | 80,373 | 58,853 |
| Other taxation and social security | 873 | - | - | - |
| Other creditors | 17,500 | 10,134 | 9,936 | 10,134 |
| Accruals | 106,412 | 50,580 | 33,106 | 36,704 |
| | 245,114 | 156,336 | 123,415 | 105,691 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2022 £ |
|---------------------------------|---------------------------------|-------------------------|---------------------------|--------------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Investments fund | 24,855,764 | - | - | 66,695 | 1,893,315 | 26,815,774 |
| Estates - farm land | 15,721,000 | - | - | - | - | 15,721,000 |
| House and grounds fund | 3,834,388 | - | - | - | - | 3,834,388 |
| Fixed asset fund | 2,542,807 | - | - | - | 1,449,000 | 3,991,807 |
| | <u>46,953,959</u> | <u>-</u> | <u>-</u> | <u>66,695</u> | <u>3,342,315</u> | <u>50,362,969</u> |
| GENERAL FUNDS | | | | | | |
| General funds | <u>1,069,765</u> | <u>1,553,659</u> | <u>(1,592,308)</u> | <u>(66,695)</u> | <u>105,229</u> | <u>1,069,650</u> |
| TOTAL UNRESTRICTED FUNDS | <u><u>48,023,724</u></u> | <u><u>1,553,659</u></u> | <u><u>(1,592,308)</u></u> | <u><u>-</u></u> | <u><u>3,447,544</u></u> | <u><u>51,432,619</u></u> |

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20. 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 and gains realised in the year.

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 Fixed asset designated fund represents the net book value of fixed assets at the year end.

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 £500,000. The financial statements show a free reserves balance (non-designated unrestricted funds not represented by operational fixed assets) of £1,069,650 (2021 - £1,069,765). 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 in line with 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR 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> |

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NOTES TO THE FINANCIAL STATEMENTS
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21. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2022 £ |
|------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------|-------------------------------------|
| Designated funds | 46,953,959 | - | - | 66,695 | 3,342,315 | 50,362,969 |
| General funds | 1,069,765 | 1,553,659 | (1,592,308) | (66,695) | 105,229 | 1,069,650 |
| | <u>48,023,724</u> | <u>1,553,659</u> | <u>(1,592,308)</u> | <u>-</u> | <u>3,447,544</u> | <u>51,432,619</u> |

SUMMARY OF FUNDS - PRIOR 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> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

| | Group 2022 £ | Group 2021 £ |
|--|--------------------|--------------------|
| Net income for the year (as per Statement of Financial Activities) | 1,959,895 | 2,799,605 |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 28,140 | 27,422 |
| Gains on investments | (1,998,544) | (2,939,280) |
| Dividends, interests and rents from investments | (487,326) | (503,529) |
| (Increase)/decrease in stocks | (77,144) | 47,947 |
| (Increase)/decrease in debtors | (208,146) | 91,382 |
| Increase/(decrease) in creditors | 88,778 | (57,118) |
| NET CASH USED IN OPERATING ACTIVITIES | (694,347) | (533,571) |

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | Group 2022 £ | Group 2021 £ |
|--|--------------------|--------------------|
| Cash in hand | 399,584 | 758,571 |
| TOTAL CASH AND CASH EQUIVALENTS | 399,584 | 758,571 |

24. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 April 2021 £ | Cash flows £ | At 31 March 2022 £ |
|--------------------------|-------------------------|------------------|--------------------------|
| Cash at bank and in hand | 758,571 | (358,987) | 399,584 |
| | 758,571 | (358,987) | 399,584 |

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NOTES TO THE FINANCIAL STATEMENTS
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25. 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.

26. 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 £NIL (2021 - £116,294) due to a rebate being given to assist with cashflow management whilst putting up a new grain store at Northcourt. The deed of covenant in the year amounted to £216,286 (2021 - £NIL). In addition, there are a number of arm's length recharges to the subsidiary for costs paid by the Charity.

As at 31 March 2022, £487,513 (2021 - £229,374) was outstanding. This includes a loan advanced to the subsidiary of £250,000 (2021 - £150,000). This loan bears interest at 5% per annum, over the Bank of England base rate and has a fixed repayment date.