

MARKET HARBOROUGH AND THE BOWDENS CHARITY

England & Wales · Charity number 1157787

Details

Status Registered

Legal form CIO

Registered 2014-07-09

Register [View on the Charity Commission register](#)

Contact

Address 10 Fairfield Road
Market Harborough
LE16 9QQ

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Email secretary1@mhbcharity.co.uk

Website www.mhbcharity.co.uk

Activities

Objects: (A) SUCH CHARITABLE PURPOSES FOR THE GENERAL BENEFIT OF THE INHABITANTS OF THE AREA OF BENEFIT AS THE CHARITY TRUSTEES THINK FIT FOR WHICH PROVISION IS NOT MADE OUT OF RATES, TAXES OR OTHER PUBLIC FUNDS, AND (B) RELIEF IN NEED ? I.E. THE RELIEF EITHER GENERALLY OR INDIVIDUALLY OF RESIDENTS IN THE AREA OF BENEFIT WHO ARE IN CONDITIONS OF NEED, HARDSHIP OR DISTRESS, BUT NOT DIRECTLY IN RELIEF OF RATES, TAXES OR OTHER PUBLIC FUNDS. IN EXCEPTIONAL CIRCUMSTANCES THE CHARITY TRUSTEES MAY GRANT RELIEF TO INDIVIDUALS OTHERWISE ELIGIBLE WHO ARE RESIDENT IMMEDIATELY OUTSIDE THE AREA OF BENEFIT, AND (C) EDUCATION - THE PROVISION OF FINANCIAL HELP TO ENABLE SUITABLE APPLICANTS OVER THE AGE OF 16 AND RESIDENT IN THE AREA OF BENEFIT TO UNDERTAKE PROGRAMMES OF STUDY IN FURTHER OR HIGHER EDUCATION, OR TRAINING TOWARDS A VOCATIONAL QUALIFICATION, WHICH THEY WOULD OTHERWISE BE LESS ABLE TO AFFORD, AND(D) THE MAINTENANCE AND REPAIR OF THE FABRIC OF THE PARISH CHURCH OF THE ECCLESIASTICAL PARISH OF ST. PETER AND ST. PAUL, GREAT BOWDEN, PROVIDED THAT THE CHARITY TRUSTEES MUST NOT APPLY MORE THAN 20% OF THE CIO'S INCOME IN THIS WAY IN ANY THREE YEAR PERIOD. AND THE AREA OF BENEFIT REFERENCED IN SUB-CLAUSES (A), (B) AND (C) OF THIS CLAUSE SHALL BE THE URBAN AREA OF LEICESTERSHIRE CENTRED ON MARKET HARBOROUGH, GREAT BOWDEN AND LITTLE BOWDEN.

Activities: FROM 1 JUNE 17, THE CHARITY MAKES, WITHIN A SPECIFIED AREA OF BENEFIT, CHARITABLE DONATIONS FOR THE GENERAL BENEFIT OF THE COMMUNITY AND DONATIONS TO INDIVIDUALS TO ASSIST WITH FURTHER EDUCATION, AND TO RELIEVE NEED, HARDSHIP & DISTRESS. IT ALSO PROVIDES ALLOTMENTS AND FUNDS FOR THE MAINTENANCE AND REPAIR OF THE OLD GRAMMAR SCHOOL AND THE FABRIC OF THE PARISH CHURCH OF GREAT BOWDEN.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Leicestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£483,807	£731,751	-	-
2023-12-31	£546,523	£656,163	£21,606,661	3
2022-12-31	£696,704	£957,363	£20,746,044	3
2021-12-31	£1,064,215	£862,331	£22,352,400	3
2020-12-31	£656,277	£984,641	£20,342,430	3

Trustees

Name	Role	Appointed
Dr Sarah Hill	Chair	2019-05-30
Antony Walters		2023-08-31
Chris Davies		2021-02-25
Daniel ASHFORD		2025-11-26
Edmund Green		2023-09-18
Emma KLIMOWICZ		2025-11-26
GEOFF BUXTON		2017-01-01
GORDON KELLIE		2017-01-01
Iain MILLER		2025-11-26
JENNIFER ANN BALME		2018-02-22
John Richardson		2024-10-09
KERRY MERRYWEATHER		2019-05-30
Mark Merryweather		2025-11-26
Rohini Corfield		2023-08-31
Susan Berridge		2023-08-31

MARKET HARBOROUGH AND THE BOWDENS CHARITY

England & Wales - Charity number 1157787

Accounts

MARKET HARBOROUGH AND THE BOWDENS CHARITY
(A Charitable Incorporated Organisation)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

Charity Registered Number 1157787

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2024

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MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their report along with the financial statements of Market Harborough and The Bowdens Charity, ("the Charity") for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and 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) issued in October 2019 ("SORP (FRS 102)").

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Market Harborough and The Bowdens Charity
Charity Registration Number	1157787
Status:	Charitable Incorporated Organisation
Principal Office Address	10, Fairfield Road, Market Harborough, Leicestershire, LE16 9QQ
Trustees	The members of the Board of Trustees who served during the year and at the date of this report are as follows:
Appointed Trustees:	
	Mrs S Berridge
	Mrs J Balme
	Mr G Buxton
	Mrs R Corfield
	Mrs C Davies
	Mr J Feavyour QPM Chair
	Mr E Green
	Dr S Hill
	Prof. W Jones Deceased 3 August 2025
	Mr G Kellie
	Mrs L Kvatch Resigned 26 August 2025
	Mrs K Merryweather
	Mr A Walters
	Nominated:
	Ms E Elliott To 9 October 2024
	Mr J Richardson From 9 October 2024
Charity Secretary	Mrs W Hempson
Accountants and Auditors	Edward Thomas Peirson & Sons, 21, The Point, Rockingham Road, Market Harborough, Leicestershire, LE16 7NU
Solicitors	BHW Solicitors, 1 Smith Way, Leicester LE19 1SX
Bank	HSBC plc, 15 High Street, Market Harborough, Leicestershire, LE16 7NN
Investment Managers	Mercer LLC, G1 Building, 5 George Square, Glasgow, G2 1AR
Land Agents	Fisher German LLP, Innovation House, Welland Business Park, Valley Way, Market Harborough, Leicestershire, LE16 7PS

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's area of benefit is the 'Urban area of Leicestershire centred on Market Harborough, Great Bowden and Little Bowden'

In summary, the objects of the Charity as set out in its constitution, are:

1. Such charitable purposes for the general benefit of the inhabitants of the area of benefit as the Trustees think fit for which provision is not made out of rates, taxes or other public funds;
2. The relief either generally or individually of residents in the area of benefit who are in conditions of need, hardship or distress, but not directly in relief of rates, taxes or other public funds. This is referred to in the objects as "Relief in Need". In exceptional circumstances the Trustees may grant relief to individuals otherwise eligible who are resident immediately outside the area of benefit;
3. Education – the provision of financial help to enable suitable applicants over the age of 16 and resident in the area of benefit to undertake programmes of study in further or higher education, or training towards a vocational qualification, which they would otherwise be less able to afford, and
4. The maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The amount applied in this respect is restricted to 20% of the Charity's income in any three-year period.

Before applying the income of the Charity in support of these objects the Trustees must first defray the costs of maintaining the Charity's property (including that held on trust by the Charity) and the costs, charges and expenses of administering the Charity.

Activities

The Charity's principal activity is grant making for the general benefit of the public, relief-in-need payments to individuals largely referred to the Charity by welfare agencies, and educational grants predominantly to prospective undergraduates.

Grants are also awarded, in consultation with the Parochial Church Council, as and when required towards the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden.

Outside of direct grant provision, the Charity has fourteen fully serviced flats, two local allotment sites and, protects and enhances the ecological value of a Site of Special Scientific Interest on land that is held within its investment property portfolio.

Finally, the Charity has since 2005 owned a 17th Century building known as the Old Grammar School – Grade I listed building in Market Harborough of historical, cultural and architectural importance. The Undercroft is available for rent, while the upstairs function room continues to be used as a temporary office for the Charity.

Grant Making Policy

Applications for grants are made through the Charity's website www.mhbcharity.co.uk with each application considered by a committee of trustees for probity, fit with the Charity's constitution and availability of budget.

The 2024-25 Strategy was adopted in August 2024, with the following priorities:

Increasing emphasis on environmental, social and governance (ESG) policy

- Engaging with other local charities and voluntary organisations
- Scoring of grant applications against public benefit, ESG, long-term problem solving and partnership.
- Developing proactive plans for the Charity's local land and buildings

Grant making remains largely unchanged, but the trustees are seeking to make more proactive use of its local assets for greater public benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES (continued)

Volunteers

In meeting these aims, each of the Trustees provides the Charity with many hours of service on a voluntary basis, and the Charity has no requirement for volunteers outside of the trustee body. No financial value is attributed to this voluntary work in the financial statements.

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance published by the Charity Commission on public benefit when reviewing the Charity's aims and objectives, in planning future activities and in setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

An Away Day was held in January 2024 for trustees and staff, and trustees from Howard Watson Symington Memorial, from which it was clear that Trustees were keen to more proactively explore the options available for the Charity's local assets, and to make climate change an integral part of what the Charity does. Trustees wanted to remain true to the original benefactors' aspirations, to raise the Charity's profile and to reach more people in need. Two major initiatives were launched in 2024:

In October 2024 the Charity submitted a bid to Leicestershire County Council (LCC) to buy the former Roman Way Community Centre in Market Harborough. This vast property was put on the market by Leicestershire County Council, and bids were invited. The Charity received 61 responses to the questionnaire it sent out in September 2024, demonstrating very strong local engagement and genuine need and enthusiasm for a local community hub for charities and voluntary groups. In December 2024, Trustees were disappointed to learn that the Charity's bid had been unsuccessful, but they have remained committed to the vision of creating a community hub within the Area of Benefit. They have continued to explore other potential venues and have visited a community centre in Loughborough to expand their understanding of how a community hub could work in practice and benefit the Area of Benefit.

Secondly, the Environmental Committee, established to inform the Charity's climate crisis policy and actions, began researching the possibility of creating a nature reserve on its land at Gallow Lodge Farm. Following a biodiversity survey and its associated report, Trustees learned that the land had the potential to generate a significantly important income from the sale of 30-year biodiversity credits. At the same time, a publicly accessible nature reserve could be created on the land for residents of the Area of Benefit to enjoy for many years to come, with benefits to both the environment and to residents' mental and physical wellbeing.

Howard Watson Symington Memorial Charity (HWSMC) and the Charity have continued to attend joint meetings with the objective of learning from each other and maximising benefit to beneficiaries. A part-time administrator for HWSMC has been employed by the Charity, based in the Charity's office and financed by HWSMC. This has led to increased cooperation and learning between the charities.

Grant making has continued and is highlighted below.

Institutional Grants

Payments of grants to institutions in the financial year amounted to £187,136 and £9,068 was refunded by institutions supported in previous years where the grants did not meet the eligibility criteria or were no longer required.

A large grant to Market Harborough Squash, Cricket and Padel Club covered repairs to the squash court roof, renovation of the changing rooms and the installation of an acoustic fence to enable evening play on the club's padel courts.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

Institutional Grants (continued)

The largest grants paid in the year were as follows:

Market Harborough Squash, Cricket & Padel Club repairs/improvements	£43,800
Voluntary Action South Leicestershire – operational costs	£43,330
Harborough Town Football Club – LED floodlighting & solar panels	£27,963
Market Harborough PCC - St Dionysius Church tower & clock repair	£20,000
Home Start South Leicestershire – Family know-how project	£10,000
Little Bowden Bowls Club – solar panels	£9,500
HCCYC - Young Carer Group operational costs	£7,500

A further grant of £30,000 was also made to Home-Start South Leicestershire in early 2025 to continue to help fund their hugely important work with very vulnerable young local families.

The Charity wishes to encourage musicians and to promote the arts for all ages, and in 2024 it provided Creative Harborough with a PRS licence and made the Undercroft of the Old Grammar School available for busking, concerts and other performances. Performances began in November 2024 and will continue throughout 2025.

Relief in Need

All applications for individual assistance are treated in complete confidence.

During 2024, the Charity continued its support for people in need. A total of 33 applicants (2023: 54) were supported, and the Charity was able to provide grants for variety of new household items including carpets, furniture, white goods, plus cognitive behaviour therapy for a child and a specialist mobility pushchair.

Education

All applications for an Education grant are treated in complete confidence.

The Charity continued its support of anyone wanting to take vocational, further and higher education courses. A total of 83 (2023: 108) awards were made. All candidates were interviewed prior to a grant offer being made. Trustees believe that such a process properly informs their consideration, as well as being excellent experience for the candidates. The Trustees have also proactively engaged with local schools to formulate an approach to find those pupils most in need of the Charity's assistance. Education grants are not restricted to young people.

Allotments

The two allotment fields have continued to be very popular and well managed. Amongst other maintenance work, the two ponds have been dredged to improve and maintain them as open water for wildlife.

Site of Special Scientific Interest

There is a Site of Special Scientific Interest ("SSSI") on part of the farmland owned by the Charity for investment purposes.

Church of St. Peter & St. Paul Great Bowden

The Charity continues to be responsible for the fabric of the Church of St. Peter and St. Paul Great Bowden.

The Old Grammar School

In 2024, a structural survey of the Old Grammar School revealed damage to the entrance, which is awaiting repair by Leicestershire County Council. Objects found during the renovation in 2015 were donated to Harborough Museum, on condition that they could be loaned back to the Charity, if ever needed.

Trustees have continued to explore potential uses of the building and public access to it, which the Charity wishes to enable in the future, once the Charity's office has relocated from the Old Grammar School to a more permanent home.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

ACHIEVEMENTS AND PERFORMANCE (continued)

Other properties and land

- Scotland End Flats – management of the flats was entirely outsourced in 2024, a positive move which reduced the administrative burden on the Charity's office. Trustees took the decision to have the flats refurbished and let commercially as and when they became vacant. To date, 50% of the flats are now let commercially and the increased income will cover the cost of refurbishment within a two-year period. Former almshouse residents will continue to be welcome to remain in their supported accommodation and on the same terms as before, for as long as they are capable of independent living.
- In July 2024, Falcon Support Services gave notice and the lease of 10, Fairfield Road was transferred to Beacon Care & Advice at a peppercorn rent (excluding utilities) as part of the Charity's provision of charitable purposes. Beacon Care & Advice have continued to provide advice and support from the property to anyone in need, plus a wellbeing café.
- The lease for 53-55 High Street, Market Harborough, has been extended to the end of 2025. Its renewal in 2026 is not anticipated, and Trustees have continued to explore its potential development, and use by the Charity. Such a development would be part of improvements to the endowment assets of the CIO and would properly be funded from the permanent endowment with the consequent reduction of income.
- In early 2024, the trees bordering The Folly Pond in Market Harborough were cut back in line with a Tree Safety Report and new fencing was installed, to improve the site and ensure the public's safety.
- Leicester Road Paddocks – fencing has been installed to prevent fly grazing, and the possibility of planting trees on both paddocks is being explored.

FINANCIAL REVIEW

Review of major risks

For many years the Charity's income has been well in excess of its requirement to cover operational expenses and core grant giving. In March 2023, the Charity moved of all its investment endowment to Mercer and adopted an investment strategy to provide for present and future beneficiaries with appropriate diversification to avoid unnecessary risks.

Income since the move to Mercer has fallen below that expected, although growth has been very strong and the value of the Charity's investments have increased by over £1 million.

In 2024, Trustees began exploring the possible benefits of moving to the Total Return methodology. This would allow the Charity to spend any increase to the endowment but would make it subject to the vagaries of the stock market. The Finance Committee will continue to research the pros and cons of Total Return, including measures taken by other charities to protect themselves from uncertainty. Global uncertainty caused by President Trump's regime of tariffs has caused chaos on global stock markets, further highlighting the potential risks of adopting Total Return.

The property at 53-56 High Street, Market Harborough, formerly rented by Joules, will be vacated by the end of 2025, resulting in a loss of £80k income for the Charity. The Estates Committee is currently investigating other uses for the property, including the possibility of using it as the Charity office and as a community hub. Such a development would come at a financial cost to the Charity.

The new Governance Committee, formed to ensure compliance with Charity Commission guidance and to ensure the necessary policies and procedures were in place, has made excellent progress, to date having updated 14 policies and procedures. This work will provide proper protections for the Charity, staff and trustees.

The Board continues to engage a firm of Chartered Accountants to oversee all aspects of bookkeeping, provide quarterly management accounts and to draft the annual financial statements. No issues of any substance were raised by the auditors from the Annual Report for 2023, in part due to the many improvements made to financial controls by the Charity's bookkeeper.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW (continued)

Financial and investment performance

Income from the investment portfolio (excluding investment properties) reduced by approximately 17.5% compared with the previous year to approximately £273k. The value of the investments under Mercer had risen by approximately £1.26 million compared to the end of the previous year, before President Trump's imposition of tariffs caused worldwide chaos on global finance markets in April 2025.

Expenditure in 2024 was largely as expected, with some one-off costs, but the Charity's reduced income is a continuing concern. Income has decreased from £546,523 in 2023 to £483,807 in 2024, and the outlook for 2025 is equally if not more concerning.

Messrs Fisher German LLP, Chartered Surveyors undertook a full valuation of the Charity's property portfolio, both held for investment and operational use, as at 31 December 2024 and the results are incorporated in the financial statements. This has resulted in a net increase of £69,000 and £110,476 in the carrying value of the investment and operational properties, respectively.

Reserves policy

Reserves represent unrestricted funds after appropriate provision has been made, through designated funds (as described above) for: meeting commitments for grants pledged; maintenance and repair of the Great Bowden church; making Relief in Need and educational grants; and repairs to all freehold properties.

The Trustees aim to find projects worthy of support, in accordance with the Charity's objects, such that the grants that they award are approximately equal to the Charity's income net of operational expenses and management and administration expenses. However, reserves are required:

- to allow for unforeseen reductions in annual income; and
- to enable the Charity to provide funds for specific projects so that these projects can be undertaken at short notice.

Taking these factors into account the Trustees consider that the reserves should ideally be within a range of twelve to eighteen months of the typical outgoing resources of the Charity (excluding amounts specifically covered by designated reserves) which approximately equates to between £500,000 and £750,000.

The reserves at 31 December 2024 amount to £837,444, however, property which is in use for Social Investment purposes represents £190,000 of this total. Therefore, the net free reserves are £647,444. This level of reserves lies towards middle of the ideal range and is considered to be acceptable for the immediate needs of the Charity.

The Charity's Finance Committee continues to keep the level of reserves under review and in making its assessment it will refer to quarterly management accounts prepared by the Charity's accountants, income projections prepared by the Charity's fund managers and internally produced cash flow projections. Appropriate recommendations will then be made to the Board as to the level of grants to be awarded in 2025. If necessary, the level may need to be reduced from that of recent years but there is no material uncertainty that the Charity will be able to continue as a going concern for the foreseeable future.

PLANS FOR FUTURE PERIODS

The energy and direction invested in the Charity's unsuccessful bid to buy the former Roman Way Community Centre has been rechannelled into a determination to succeed with the creation of a community hub for the Area of Benefit. The possibility of utilising 53-56 High Street, Market Harborough, for this purpose will be explored further in 2025.

The seven actions agreed at the Away Day in January 2024 will guide the Charity going forward. These include the development of a Charity/Community Hub, to include the Charity's office. The Charity will consult locally to try to better understand residents' priorities, and will actively support free local events for maximum public enjoyment. A new environmental policy is to be developed in 2025, the grant application process will be reviewed.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

PLANS FOR FUTURE PERIODS (continued)

Most importantly, the investment policy will be reviewed as a matter of urgency, in order to generate sufficient income for the Charity.

Grant giving continues to be a mainstay of the work of the Charity. The General Grants committee will take a more progressive approach to grant giving and will continue to ask applicants to demonstrate public benefit as part of their bid. The Education committee will continue to focus support on those students who most need financial help to progress their studies. And the Relief-in-need committee will continue its conversations with support agencies in an effort to find 'stepping stones, not nets' – to find ways for applicants to help themselves through education or mentoring and thus avoid the cycle of repeated applications for help every time a problem occurs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was registered as a Charitable Incorporated Organisation on 9 July 2014 and is governed by a foundation constitution, which was last amended on 1st June 2023. The constitution states that the body of trustees ("the Board") shall consist of a minimum of eight trustees and a maximum of fifteen appointed trustees and one ex officio trustee. The first fifteen trustees of the Charity were appointed for terms ranging from between two and five years, whereupon they are eligible for re-appointment. All subsequent appointments/re-appointments are for a term of four years.

Organisational structure

The Board meets once a quarter to deal with all governance and policy matters and has appointed staff to attend to the day to day running of the Charity. Three grant-giving sub-committees have been established to reflect the constitution namely: General grants, Relief-in-need, and Education. Operational sub-committees have been established for Finance, Estates, Flats and Allotments. Policy committees have been set up to advise on Governance and Environmental matters. An HR sub-committee also meets as required. The Board receives a Charity Secretary's report to bring the decisions of the sub-committees to the attention of the trustees as a whole.

Remuneration structure for key management personnel

Trustees are entirely unremunerated. Staff salaries are index linked with cost-of-living increments applied each year based on a national index.

Trustee recruitment, induction and training

Harborough District Council ("the Council") may appoint one individual to act as an ex-officio trustee of the Charity provided that individual is also a Senior Officer of the Council. The position of ex officio trustee shall remain vacant if none of the Council's Senior Officers are willing to act in this capacity.

The four trustees appointed in 2023 brought the complement of trustees to thirteen, plus one ex-officio trustee. As part of the induction process, the new trustees were assigned a "buddy" trustee and taken on a tour of the Charity's properties. The new trustees were informed of their legal obligations under charity law, the content of the constitution, the committees and decision-making processes, strategic review, and the recent financial performance of the Charity. All trustees will be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

GDPR training was attended and appreciated by the Charity's staff in February 2025.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP FRS (102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

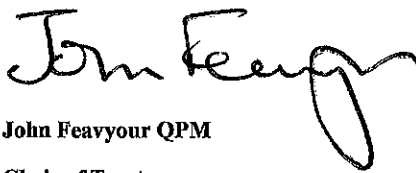
The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUND-RAISING STANDARDS INFORMATION

The Charity does not carry out any significant fundraising activities involving the general public.

DECLARATION

I declare, in my capacity of Charity Trustee, that the Trustees have approved the report above and have authorised me to sign it on their behalf.



John Feavyour QPM

Chair of Trustees

Dated 22 October 2025

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY

Opinion

We have audited the financial statements of Market Harborough and The Bowdens Charity (the "charity") for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and 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.

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 9), the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate experience, competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- through discussions with the trustees and other management, and from our commercial knowledge of the charity's activities and objectives, we identified the laws and regulations applicable to the charity and focused on specific laws and regulations which we considered may have a direct material effect on the financial statements and operations of the charity.
- we remained alert to instances of non-compliance throughout the audit and assessed the extent of compliance through discussions with management and examination of documentation.

We assessed the susceptibility of the charity's financial statements to material misstatement and obtained an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was a susceptibility to fraud and their knowledge of any actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate the risk of fraud and non-compliance with laws and regulations.

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify unusual or unexpected relationships;
- reviewed the nominal ledger and, specifically, journal entries to identify large or unusual transactions and investigated them; and
- we assessed the extent to which accounting entries relied on a high degree of judgement and/or estimation and when deemed necessary, such as for financial assets held at fair value, obtained external evidence to support said judgement and/or estimation.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included:

- agreeing financial statement disclosures to supporting documentation;
- reading minutes of trustee / management meetings, relevant regulators and the charity's professional advisers;
- performing substantive procedures on material balances and transactions; and
- enquiring of management as to actual and potential litigation and claims.

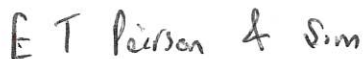
There are inherent limitations in our audit procedures outlined above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance 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 and/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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Thomas Peirson & Sons

Statutory Auditor
Chartered Accountants
21, The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7NU

Dated: 29 October 2025

Edward Thomas Peirson & Sons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	General Fund £	Designated Funds £	Restricted Income Funds £	Endowment Fund £	Total 2024 £	Total 2023 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	200	-	-	-	200	425
Charitable activities	3	102,082	-	-	-	102,082	99,039
Investments:							
From investment properties	4	105,885	-	-	-	105,885	116,927
From investment portfolio	4	272,883	-	-	-	272,883	330,023
Other	5	2,757	-	-	-	2,757	109
Total income and endowments		483,807	-	-	-	483,807	546,523
EXPENDITURE ON:							
Raising Funds	6	(66,691)	-	-	4,519	(62,172)	(28,956)
Charitable activities:							
Provision of grant funding	7	(365,356)	-	-	-	(365,356)	(374,103)
Other charitable activities	8	(253,747)	-	-	(50,476)	(304,223)	(253,104)
Total expenditure		(685,794)	-	-	(45,957)	(731,751)	(656,163)
Net income/(expenditure) before gains/(losses) on investments		(201,987)	-	-	(45,957)	(247,944)	(109,640)
GAINS/(LOSSES):							
On Investment properties:							
Realised		-	-	-	-	-	-
Unrealised	15	15,000	-	-	54,000	69,000	15,561
On Investments:							
Realised	16	29,231	-	-	666,002	695,233	3,885
Unrealised	16	22,617	-	-	515,307	537,924	716,977
Net income/(expenditure) before transfers		(135,139)	-	-	1,189,352	1,054,213	626,783
Net transfers between funds	19	138,099	(138,099)	-	-	-	-
Net income/(expenditure) for the period		2,960	(138,099)	-	1,189,352	1,054,213	626,783
OTHER RECOGNISED GAINS/(LOSSES):							
On revaluation of Tangible Fixed Assets	13	-	-	-	110,476	110,476	233,834
Net movements in funds		2,960	(138,099)	-	1,299,828	1,164,689	860,617
Total funds brought forward		834,484	360,250	10,352	20,401,575	21,606,661	20,746,044
Total funds carried forward		837,444	222,151	10,352	21,701,403	22,771,350	21,606,661

All activities relate to continuing operations.

The notes on pages 15 to 32 form part of these financial statements.

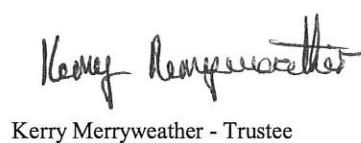
MARKET HARBOROUGH AND THE BOWDENS CHARITY

BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024	As At 31 December 2023
		£	£
Fixed Assets			
Tangible fixed assets	13		
Freehold land and buildings		2,007,347	1,951,818
Fixtures and fittings		-	-
Office equipment		-	-
		<u>2,007,347</u>	<u>1,951,818</u>
Intangible fixed assets	14		
Basic Payment Scheme entitlements		-	-
Investments			
Investment properties	15	2,980,000	2,911,000
Investment portfolio	16	17,628,024	16,364,979
		<u>20,608,024</u>	<u>19,275,979</u>
		<u>22,615,371</u>	<u>21,227,797</u>
Current Assets			
Debtors	17	13,323	31,103
Cash at bank and on deposit		281,070	400,469
Cash in hand		472	195
		<u>294,865</u>	<u>431,767</u>
Creditors payable within one year	18	(138,886)	(52,903)
Net Current Assets		<u>155,979</u>	<u>378,864</u>
Net Assets		<u>22,771,350</u>	<u>21,606,661</u>
Funds	19		
Unrestricted funds			
General funds		837,444	834,484
Designated funds		222,151	360,250
		<u>1,059,595</u>	<u>1,194,734</u>
Restricted funds			
Income funds		10,352	10,352
Endowment funds		21,701,403	20,401,575
Total Funds		<u>22,771,350</u>	<u>21,606,661</u>

The financial statements were approved by the trustees on 22 October 2025 and signed on their behalf by:


John Feavours QPM - Chair


Kerry Merryweather - Trustee

The notes on pages 15 to 32 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Total 2024 £	Total 2023 £
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net movements in funds per Statement of Financial Activities	1,164,689	860,617
Adjustments for:		
Depreciation & Amortisation Charges	54,947	48,965
Bad debt provision written back	(43)	-
Fund manager's fees rebate adjustment	(29,888)	-
(Gains)/Losses on investment properties:		
Realised	-	-
Unrealised	(69,000)	(15,561)
(Gains)/Losses on investments:		
Realised	(695,233)	(3,885)
Unrealised	(537,924)	(716,977)
Dividends, rents and interest receivable from:		
Investment properties	(105,885)	(116,927)
Investments	(272,883)	(330,023)
(Gains)/Losses on revaluation of Tangible Fixed Assets	(110,476)	(233,834)
(Increase)/Decrease in Debtors	13,236	(7,488)
Increase/(Decrease) in Creditors	71,389	(41,114)
Net cash used in operating activities	(517,071)	(556,227)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Rents received from investment properties	125,066	129,667
Dividends and interest received from investments	272,883	331,164
Proceeds of Sale of Investments	15,336,930	17,608,034
Purchase of Investments	(15,336,930)	(18,015,721)
Net cash provided by investing activities	397,949	53,144
NET CHANGE IN CASH IN THE REPORTING PERIOD	(119,122)	(503,083)
Cash brought forward	400,664	903,747
CASH CARRIED FORWARD	281,542	400,664
Cash Carried Forward represents:		
Cash held in investment portfolio awaiting investment	-	-
Cash at bank and in hand held on instant access and short term deposits	281,070	400,469
Cash in Hand	472	195
	281,542	400,664

The notes on pages 15 to 32 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

1 PRINCIPAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 ("SORP (FRS 102)");
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) ("FRS 102");
- The Charities Act 2011; and
- UK Generally Accepted Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The going concern basis and historical cost convention, as modified by the inclusion of freehold land and investments at fair value, have been used in preparing the financial statements.

(b) GOING CONCERN ASSESSMENT

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The most significant area of uncertainty, which affects the continuing income of the Charity, are the levels of investment income and performance of investment markets. Note 16 to the financial statements provides detail of the action taken by the Trustees to mitigate the risks involved. Designated reserves have been established to ensure that adequate funds are available to meet pledges made by the Charity at the balance sheet date in the event that the associated conditions are met by the intended beneficiaries.

The Covid-19 pandemic and the subsequent war in Ukraine created turmoil in the financial markets with the result that only during the year ended 31 December 2023 did the value of the investment portfolio recover to its pre-pandemic level. At 31 December 2024 the value of the portfolio exceeded its pre-pandemic level by approximately £1,913,000.

Investment receipts also fell in response to these two events and as a result of the change in investment managers. Lower levels of investment income are expected to continue for the foreseeable future and the Trustees are currently considering adopting a total return approach to investment. In the meantime, the Charity has set realistic projections of its investment income receivable in accordance with advice from its investment managers. Typically only between 30% and 40% of annual income is required to cover the Charity expenditure other than the payment of grants. Therefore, whilst the Trustees accept that grant making may have to be restricted to a level below that of recent years they confidently expect that the Charity will have the cash flows to be able to satisfy existing pledges and to continue to make meaningful grant awards for the foreseeable future.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(c) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Charitable activities income comprises contributions due from the tenants of the Scotland End Flats and rents and similar amounts receivable from the Cricket Club, SSSI, Old Grammar School and the allotments. These properties are held for charitable purposes and the income arising represents less than a market rent.

Investment income represents rental income from commercial properties and farm land, which are held by the Charity for their investment potential, together with interest and dividends on stocks, shares and bank deposits held on the endowment and unrestricted funds. Such income is recognised on a receivable basis and where appropriate, this includes the income tax recoverable.

Incoming resources from investments (including investment properties) held as part of the endowment fund are unrestricted.

Wherever possible, income is reported gross of any related expenditure. However, in the case of investment management costs within managed funds it is not always practicable to identify such costs with reasonable accuracy and, therefore, the investment income is reported net of these costs.

In accordance with SORP (FRS 102) no amount is included in the financial statements for volunteer time.

(d) EXPENDITURE RECOGNITION

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to make payment to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. As the Charity is not registered for VAT, all expenditure is shown gross of irrecoverable VAT.

Expenditure is categorised under the following headings:

Raising funds This represents: costs of managing and maintaining the Charity's investment properties; investment portfolio management fees; and promotional and website costs aimed at potential donors.

Charitable activities Costs under this heading fall into two distinct categories:

- Grants paid to individuals and organisations as approved by the Trustees in accordance with the Charity's Constitution; and
- The costs incurred in providing and maintaining the Scotland End Flats, the Old Grammar School; the allotments and the Site of Special Scientific Interest.

Where unconditional grants are offered the expenditure is accrued as soon as the recipient is notified of the grant and there is a reasonable expectation that it will be paid. Where grants are pledged, but payment is conditional on the performance of the recipient, the amount is not recognised as an expense until the conditions have been fulfilled. However, an amount equivalent to that pledged is transferred to a designated reserve.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(e) ALLOCATION OF COSTS

Costs which are directly attributable to a single activity are allocated directly to that activity. Shared costs which contribute directly to more than one activity are apportioned between those activities on the basis of usage by each activity.

Support costs represent the remaining costs that are not capable of direct attribution. They have been allocated between the categories of raising funds and charitable activities in accordance with the basis specified in Note 7.

Governance costs, which represent the expenses of Trustees' meetings and legal and professional fees related to the running and management of the Charity (including external audit fees), are included within the heading of support costs.

The allocation process involves a significant element of judgement as the charity has to consider the cost of detailed calculations and record keeping with the resultant benefit.

(f) OPERATING LEASES

Rentals payable and receivable under operating leases are charged/credited in the Statement of Financial Activities on a straight-line basis over the period of the lease.

(g) TANGIBLE FIXED ASSETS INCLUDING HERITAGE ASSETS

Freehold land, comprising the allotments and cricket club land, are included at their estimated open market value based on a professional valuation which is usually undertaken at least once every three years. The most recent revaluation was undertaken as at 31 December 2024. Any unrealised gains or losses are credited or charged to the SOFA as they arise. No depreciation is provided on such assets.

The Old Grammar School, as more fully explained in Note 12, is a Heritage Asset which forms part of the Charity's Permanent Endowment. There is no record of the original cost of the building and the Trustees consider that there are no suitable or cost-effective techniques available to ascertain a reliable valuation for the property. Accordingly, no cost or valuation is attributed to the property in these financial statements.

All other assets are recorded at cost/valuation less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £2,000 each, are expensed in the year in which they are incurred.

Depreciation is provided at rates calculated to write off the cost/valuation, less estimated residual value, of each asset on a straight-line basis over its estimated useful life as follows:

Freehold property for operational use	- over 50 years
Improvements to cricket club buildings	- over the period of the lease to the cricket club
Scotland End Flats buildings	- over 50 years
Scotland End Flats fixtures	- over 7 years
Office equipment	- 25% per annum

The depreciation charge of assets held with Endowment Fund is charged to that fund. All other depreciation is charged to the General Fund.

(h) INTANGIBLE FIXED ASSETS

Intangible fixed assets represent Basic Payment Scheme entitlements purchased by the Charity, which were initially recognised at cost. The assets were being amortised on a straight-line basis so as to fully write off their cost by the end of 2027, in accordance with UK Government policy to phase out Direct Payments under the scheme over this period. However, the Government subsequently announced that financial support payments for the years 2024 to 2027 will be delinked from the entitlements and that they will not be tradeable after May 2023. Accordingly, the remaining net book value of the assets at 31 December 2021 was written off on a straight-line basis through to the end of May 2023. The assets form part of the Endowment Fund and the amortisation is charged to that fund.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(i) INVESTMENTS

Investments comprise investment properties and securities held within an investment portfolio and are initially recorded at their transaction price (including costs).

Investment properties are subsequently recorded at their estimated open market value at the end of each financial year. This estimate is based on an independent formal valuation, which is usually undertaken at least once every three years, and by the Trustees in the intervening years based on independent advice from a desktop review of the most recent formal valuation. The last formal valuation was undertaken as at 31 December 2024. Investment properties are not depreciated.

Investments within the portfolio are revalued annually at their market value on the last day of the financial year. All investments are a form of basic financial instrument which are traded in quoted public markets. The Charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses on investments are calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost. Unrealised gains and losses represent the movement in market values between valuations. Both types of gains and losses are credited or charged to the Statement of Financial Activities in the year of gain or loss.

(j) DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are included within expenditure.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

Whilst cash held by investment managers awaiting investment is in this category, such balances are included in the balance sheet within the value of the investment portfolio.

(l) FUND ACCOUNTING

The Charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the Charity's objectives.

Designated funds are unrestricted funds which the Trustees have earmarked for particular purposes. Details of the nature and purpose of each designated fund is set out in Note 17. Transfers from general funds to designated funds are stated at amounts that the Trustees deem necessary to meet their known and anticipated future obligations.

Restricted income funds are funds which have restrictions placed on them by the donor that require them to be spent only for specified purposes.

Endowment Funds are capital funds which the Trustees cannot spend. The income arising from the endowment funds is unrestricted.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

2 DONATIONS AND LEGACIES

	2024	General Fund 2023
	£	£
Miscellaneous donations & Gift Aid tax recovery	200	425
	<u>200</u>	<u>425</u>

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2024	General Fund 2023
	£	£
Contributions from Scotland End Flats tenants	74,171	70,665
Old Grammar School rent	375	590
Allotment rents	5,610	5,407
Market Harborough Cricket Club rental income	6,490	6,490
Countryside Stewardship & other SSSI grants	15,436	15,887
	<u>102,082</u>	<u>99,039</u>

4 INVESTMENT INCOME

	2024	General Fund 2023
	£	£
From investment properties:		
Rental income from commercial High Street properties	92,033	90,000
Farm Land	7,477	7,177
Miscellaneous	6,375	19,750
	<u>105,885</u>	<u>116,927</u>
From investment portfolio:		
Interest on UK fixed interest securities and Treasury stock	-	2,702
Dividends receivable from equity shares	755	26,234
Dividends receivable from collective investment funds	271,801	247,333
Dividends receivable from COIF Units	-	48,399
Interest on cash deposits	327	5,355
	<u>272,883</u>	<u>330,023</u>

5 OTHER INCOME

	2024	General Fund 2023
	£	£
Wayleaves	20	19
Interest on tax repayments & sundry income	-	90
Howard Watson Symington Memorial Charity reimbursement (Note 23)	2,737	-
	<u>2,757</u>	<u>109</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

6 EXPENDITURE ON RAISING FUNDS		2024	2023
		£	£
GENERAL FUND			
Commercial property management			
Secretarial salaries & on-costs		1,920	1,779
Insurance		1,869	1,770
Repairs and maintenance		38,684	267
Legal & professional fees		7,966	2,750
Bad debt (recovered)/incurred		(43)	2,861
Support costs (Note 9)		7,909	7,937
Social investment property management			
Insurance		247	175
Repairs and maintenance		1,309	744
Legal & professional fees		994	953
Investment management			
Net investment manager's fees/rebate adjustment (Note 16)		(1,257)	486
Support costs (Note 9)		5,565	5,430
Website & other promotional costs		1,528	1,412
		<u>66,691</u>	<u>26,564</u>
ENDOWMENT FUND			
Investment management			
Net investment manager's fees/rebate adjustment (Note 16)		(28,631)	(8,680)
Investment property management fees		-	2,700
Support costs (Note 9)		-	-
Professional fees		19,641	1,338
Cricket Club - Depreciation of changing rooms		4,471	5,384
Amortisation of Intangible Assets		-	1,650
		<u>(4,519)</u>	<u>2,392</u>
TOTAL EXPENDITURE ON RAISING FUNDS		<u>62,172</u>	<u>28,956</u>

7 EXPENDITURE ON PROVISION OF GRANT FUNDING		2024	2023
		£	£
GENERAL FUND			
Grants to institutions or for specific purposes			
Institution	Purpose of grant		
VASL	Core Running Costs for a five year period	43,330	
Harborough Town Football Club	Floodlighting and solar panels	27,963	
Market Harborough Cricket & Squash Club	Changing facilities	25,000	
Market Harborough PCC	Repairs to the west tower of the church	15,000	
Home-Start South Leicestershire	Family Know-How Project running costs	10,000	
Market Harborough Cricket & Squash Club	Squash court roof repairs	10,000	
Little Bowden Bowling Club	Solar panels	9,500	
Harborough District & Young People's Charity	Operating cost of Young Carer's group	7,500	
Hursley Park Wetland Project	Creation of a wetland/pond area	6,170	
Market Harborough PCC	Church clock repairs	5,000	
Market Harborough Cricket & Squash Club	Acoustic fence	5,000	
Market Harborough Cricket & Squash Club	Girls' cricket	3,800	
HIES UP Project and Enterprise Club	Room Hire, refreshments, childcare etc.	3,291	
Others, each £3,000 and under		15,582	
		<u>187,136</u>	<u>180,377</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

7 EXPENDITURE ON PROVISION OF GRANT FUNDING (continued)

	2024 £	2023 £
Brought forward	187,136	180,377
Part repayment of grants paid in previous periods		
Dementia UK Portion of grant not used in the area of benefit	(8,193)	-
Others, each £3,000 and under	(875)	-
	<u>178,068</u>	<u>180,377</u>
Grants to Church of St. Peter & St. Paul, Great Bowden - Repairs & maintenance	1,262	670
Grants to individuals		
Educational fund (83, 2023: 108)	89,735	71,600
Relief in Need £1,000 and over (9, 2023: 19)	11,764	42,551
Relief in Need less than £1,000 (24, 2023: 35)	10,104	16,790
Total grants paid	<u>290,933</u>	<u>311,988</u>
Secretarial salary & on-costs	25,053	19,226
Communications strategy, advertising and website development costs	3,056	2,824
Support costs (Note 9)	46,314	40,065
Total	<u>365,356</u>	<u>374,103</u>

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES

	2024 £	2023 £
GENERAL FUND		
Scotland End Flats:		
Secretarial salary & on-costs	9,572	8,478
Insurance	1,126	1,066
Utilities (including lifeline)	18,172	22,828
Repairs and maintenance	146,521	71,143
Council Tax in void period & other miscellaneous costs	1,709	3,244
Website & promotional costs	1,528	1,412
Legal & professional fees	1,320	3,328
Depreciation of fixtures & fittings	-	1,222
Support costs (Note 9)	15,340	15,986
	<u>195,288</u>	<u>128,707</u>
Old Grammar School:		
Secretarial salary & on-costs	3,234	2,850
Insurance	1,199	1,135
Repairs, maintenance & utilities	1,398	(1,778)
Legal & professional fees	440	276
Support costs (Note 9)	4,278	4,522
	<u>10,549</u>	<u>7,005</u>
Allotments:		
Secretarial salary & on-costs	7,652	6,699
Repairs and maintenance	25,643	43,723
Website & promotional costs	1,528	1,412
Legal & professional fees	880	552
Water & miscellaneous expenses	1,183	1,410
Support costs (Note 9)	8,758	9,315
	<u>45,644</u>	<u>63,111</u>
Carried forward	<u>251,481</u>	<u>198,823</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES (continued)

		2024		2023	
		£	£	£	£
Brought forward			251,481		198,823
Site of Special					
Scientific Interest:					
	Secretarial salary & on-costs	631		550	
	Insurance	-		167	
	Repairs and maintenance	-		6,875	
	Legal & professional fees	440		5,196	
	Other miscellaneous costs	506		476	
	Support costs (Note 9)	689		739	
			2,266		14,003
			<u>253,747</u>		<u>212,826</u>
ENDOWMENT FUND					
Depreciation of Scotland End Flats			50,476		40,278
			<u>50,476</u>		<u>40,278</u>
TOTAL ALL FUNDS			<u>304,223</u>		<u>253,104</u>

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS

Support costs, as detailed below, have been allocated to resources expended as follows:

Support Costs					
	Governance Costs £	Office Costs £	Accounts & Finance £	Total £	2023 Total £
RESOURCES EXPENDED:					
General Fund:					
Expenditure on raising funds :					
Commercial property management	1,116	1,228	5,565	7,909	7,937
Investment management	-	-	5,565	5,565	5,430
Expenditure on Charitable Activities:					
Grants payable	16,751	18,434	11,129	46,314	40,065
Scotland End Flats	5,184	5,704	4,452	15,340	15,986
Old Grammar School	1,772	1,950	556	4,278	4,522
Allotments	3,905	4,297	556	8,758	9,315
SSSI	328	361	-	689	739
	<u>29,056</u>	<u>31,974</u>	<u>27,823</u>	<u>88,853</u>	<u>83,994</u>

Bases for support cost allocation:

Support costs are allocated between the various activities representing resources expended on the following bases:

Governance costs	Estimated time spent on each activity by the charity secretaries
Secretarial support and office costs	Estimated time spent on each activity by the charity secretaries
Accounts & finance	Estimated time spent on each activity by the charity accountants and bookkeeper

The cost allocation includes an element of judgement as the charity has to consider the cost of detailed calculations and record keeping compared with the resultant benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS (continued)

Governance costs included within support costs comprise:	2024	2023
	£	£
Secretarial salary & on-costs	19,351	17,416
Legal and professional fees	440	276
Auditors remuneration	6,156	4,014
General insurance	1,613	1,528
Trustee indemnity insurance	717	679
General expenses (including training of trustees)	780	128
	<u>29,057</u>	<u>24,041</u>

10 AUDITORS' REMUNERATION

The amounts payable to the Auditors', Edward Thomas Peirson & Sons, were as follows:

	2024	2023
	£	£
For audit services	6,156	4,014
For other assurance services	23,835	22,467
Total	<u>29,991</u>	<u>26,481</u>

The other assurance services provided by Edward Thomas Peirson & Sons included: preparation of the financial statements for the year; assistance to the Trustees in the financial management of the charity's affairs by the preparation of quarterly management accounts; and payroll services. No member of the firm's audit team was involved in the provision of these other services.

11 TRUSTEES' REMUNERATION AND REIMBURSED EXPENDITURE

The Trustees, who are considered to be the key management personnel, were not remunerated for their services in the year or the preceding year.

During the year no trustee was paid/reimbursed for expenses incurred on behalf of the Charity (2023: £155 reimbursed to one trustee). The reimbursed expenses related to sundry goods/services paid for on behalf of the charity.

Trustee indemnity insurance is included as part of the charity's overall insurance and the amount charged in these financial statements in this respect is £717 (2023: £679).

12 STAFF NUMBERS AND COSTS

The number of employees of the charity were as follows:

Activity	Involvement	2024	2023
Secretarial	Full time	1	1
	Part time - 12 hours per week	2	2
	Part time - 8 hours per week	1	-

The aggregate payroll cost in respect of these employees was as follows:

	2024	2023
	£	£
Salaries	65,224	52,204
Social security costs	5,036	3,857
Pension contributions	2,188	1,778
	<u>72,448</u>	<u>57,839</u>
Employment Allowance	(5,036)	(3,857)
	<u>67,412</u>	<u>53,982</u>

No employee had employment benefits in excess of £60,000 (2023: None).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS

	Freehold Allotments Cricket Club & Other Land £	Almshouses		Office Equipment £	Total £
		Freehold Land & Buildings £	Fixtures & Fittings £		
Cost or Valuation					
Brought forward	416,000	1,590,000	28,165	22,550	2,056,715
Revaluation	15,000	45,000	-	-	60,000
At 31 December 2024	431,000	1,635,000	28,165	22,550	2,116,715
Cumulative Depreciation					
Brought forward	54,182	-	28,165	22,550	104,897
Charge for the year	4,471	50,476	-	-	54,947
Revaluation	-	(50,476)	-	-	(50,476)
At 31 December 2024	58,653	-	28,165	22,550	109,368
Net Book Value					
At 31 December 2024	372,347	1,635,000	-	-	2,007,347
At 31 December 2023	361,818	1,590,000	-	-	1,951,818

Cost or valuation at 31 December 2024 is represented by:

Valuation					
31 December 2024	371,000	1,590,000	-	-	1,961,000
Cost					
	60,000	-	28,165	22,550	110,715
	431,000	1,590,000	28,165	22,550	2,071,715

Basis for inclusion in the accounts

All of the freehold properties were revalued, with effect from 31 December 2024, at their open market value by Fisher German LLP, Chartered Surveyors. In addition, included within the cost or valuation of Allotments, Cricket Club & Other land, is £60,000 representing the cost to the charity of its contribution, as landlord, to the construction of new changing rooms for the Cricket Club and an extension of the courts to its Squash section. Depreciation of these costs commenced on the completion of the relevant works using a straight line basis over the remaining period of the lease.

Had the properties not been revalued they would have been included at the following historical cost:

	As At 31 December 2024		As At 31 December 2023	
	Allotments Cricket Club & Other Land £	Scotland End Flats £	Allotments Cricket Club & Other Land £	Scotland End Flats £
Cost	68,962	231,697	68,962	231,697
Aggregate depreciation	58,654	148,969	54,183	146,104
Net Book Value	10,308	82,728	14,779	85,593

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS (continued)

Heritage Assets

In addition to the assets shown above, the Charity owns a 17th Century building known as the Old Grammar School, Market Harborough, which was vested in the Charity during 2005 together with the other assets of the Market Harborough Exhibition Foundation Charity. The Old Grammar School is a local landmark and a listed building of significant historical and architectural importance, which the Trustees intend will form part of the Charity's permanent endowment to be maintained and preserved for its cultural significance to the town. Prior to the outbreak of the Covid-19 pandemic, the Charity made the building available for hire by the public, on a daily basis, in exchange for a specified contribution towards the annual running costs.

There is no information readily available as to the original cost of the building and the Trustees consider that there are no suitable techniques available to ascertain a reliable valuation for the property, certainly not without involving the Charity in significant costs which would outweigh any benefit.

As a result, in accordance with the permitted treatment for heritage assets in SORP (FRS 102) the Old Grammar School is not recognised as an asset in the Charity's balance sheet.

14 INTANGIBLE FIXED ASSETS	31-Dec-24 £	31-Dec-23 £
Cost		
Brought forward	6,932	6,932
Additions	-	-
At 31 December 2024	6,932	6,932
Cumulative Amortisation		
Brought forward	6,932	5,282
Charge for the year	-	1,650
At 31 December 2024	6,932	6,932
Net Book Value		
At 31 December 2024	-	-
At 31 December 2023	-	1,650

Intangible assets represent Basic Payment Scheme entitlements.

15 INVESTMENT PROPERTIES	General Investment £	Social Investment £	31-Dec-24 Total £	31-Dec-23 £
Valuation at the beginning of the year	2,736,000	175,000	2,911,000	2,767,000
Transfer from Tangible Fixed Assets	-	-	-	128,439
Unrealised gains/(losses) on revaluation	54,000	15,000	69,000	15,561
Valuation at the end of the year	2,790,000	190,000	2,980,000	2,911,000
Historical cost at the end of the year	562,312	257,469	819,781	819,781

The general investment properties comprise various parcels of land and four retail shops, of which three have been converted into one, situated in High Street, Market Harborough. A formal open market valuation of these assets was undertaken by Fisher German LLP, Chartered Surveyors as at 31 December 2024 and is incorporated in these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

15 INVESTMENT PROPERTIES (continued)

The Land in the charity's ownership includes:

Approximately 116.65 acres of farm land which is let in the year on a seasonal grazing licence. The property is subject to a restrictive covenant in favour of two predecessors in title whereby, in the event of any subsequent non-agricultural development being permitted, the charity will be required to pay 33% of any defined increase in value. The covenant extends to forty years from the date of grant;

Land situated a short distance to the north of Great Bowden village comprising 13.03 acres of grassland, which is let on seasonal grazing licences, and 6.45 acres which has been designated a Site of Special Scientific Interest ("SSSI"). The SSSI is subject to control by English Nature and the charity works closely with the Leicestershire and Rutland Wildlife Trust in ensuring that the ecological value of the site is protected and where possible enhanced. This land is subject to a similar restrictive covenant to that described above in relation to the farm land.

Two small permanent pasture paddocks situated close to the western fringe of Market Harborough town. One of these paddocks is subject to a fifty-year covenant in favour of the predecessor in title which commits the charity to pay away 33% of any uplift in value as a result of subsequent development beyond agricultural use; and

Various strips of land retained by the charity following previous significant land sales. Certain of these strips provide a possible means of access and services from adopted highways into potential development land which is not within the charity's ownership. In particular, a developer has recently expressed an interest in renewing a previous option (now expired) granting them the right to acquire the ransom strip in the event that the developer obtains planning permission for development on certain adjacent property, entry to which would be serviced over the ransom strip. However, at the present time in view of the uncertainties affecting their value, the Trustees have decided not to attribute any value to them in these financial statements.

16 INVESTMENT PORTFOLIO

	31-Dec-24	31-Dec-23
	£	£
Market value at the beginning of the year	16,364,979	15,236,396
Acquisitions at cost	15,336,930	17,996,452
Acquisitions by way of rebated fund manager's fees	29,888	19,303
Sales proceeds from disposals	(15,336,930)	(17,608,034)
Realised gains/(losses) on disposals	695,233	3,885
Unrealised gains/(losses) on revaluation	537,924	716,977
	<u>17,628,024</u>	<u>16,364,979</u>
Cash at bank on deposit/awaiting investment	-	-
Market value at the end of the year	<u>17,628,024</u>	<u>16,364,979</u>
Historical cost at the end of the year (excluding cash)	<u>16,841,485</u>	<u>12,845,647</u>

The realised gains/(losses) on disposals are shared between funds as follows:

General fund	29,231	8,183
Endowment fund	666,002	(4,298)
	<u>695,233</u>	<u>3,885</u>

The unrealised gains/(losses) on disposals are shared between funds as follows:

General fund	22,617	30,145
Endowment fund	515,307	686,832
	<u>537,924</u>	<u>716,977</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

		31-Dec-24		31-Dec-23	
		£	%	£	%
Managed by Mercer	Class				
Mercer Absolute Return Fixed Income Fund	A17H5200DGBP	-	0.00%	476,936	2.91%
Mercer China Equity Fund	A1504000DGBP	-	0.00%	568,629	3.47%
Mercer Diversifying Alternatives Strategies	I-1GBP HEDGE	2,144,440	12.16%	1,611,470	9.85%
Mercer Dynamic Asset Allocation Fund	A1705000GBP	1,611,355	9.14%	-	0.00%
Mercer Dynamic Asset Allocation Fund	A17H5200DGBP	976,324	5.54%	3,136,165	19.16%
Mercer Emerging Market Debt Hard Ccy Fd	A1907000DGBP	-	0.00%	562,694	3.44%
Mercer Emerging Market Debt Hard Ccy Fd	Z2H00200GBP	775,597	4.40%	-	0.00%
Mercer Fundamental Index Glob Equity CCF	A1806GBPGB6	-	0.00%	398,449	2.43%
Mercer Global Small Cap Equity Fund	M-3 GBP DIS	718,965	4.08%	494,769	3.02%
Mercer Low Volatility Equity Fund	M-3 GBP DIS	-	0.00%	314,913	1.92%
Mercer Multi-Asset Credit Fund	A1504000DGBP	2,086,185	11.83%	1,989,024	12.15%
Mercer Passive Global REITS UCITS CCF	A17H52DGBPGB4	212,919	1.21%	688,506	4.21%
Mercer Passive Sustain Gbl Eq UCITS CCF	A17050GBPGB6	1,178,278	6.68%	-	0.00%
Mercer Sustainable Global Equity Fund	A1705000DGBP	-	0.00%	978,034	5.98%
Mercer Sustainable Global Equity Fund	M-1 GBP Hdg	-	0.00%	494,642	3.02%
Mercer Sustainable Listed Infra UCITS CCF	A1705DGBPGB6	-	0.00%	318,396	1.95%
Mercer Synthetic Eq-Linked Dynamic Bd Fd	CLASS M-3GBP	-	0.00%	1,018,465	6.22%
Mercer UCITS Alternatives Strategies	M-1 GBP Hdgd	699,251	3.97%	379,022	2.32%
MGI Emerging Market Debt Fund	M-2 GBP DIS	-	0.00%	568,147	3.47%
MGI Emerging Markets Equity Fund	A1605000DGBP	775,406	4.40%	1,235,255	7.55%
MGI Eurozone Equity Fund	CLASS M-1GBP	-	0.00%	168,142	1.03%
MGI Eurozone Equity Fund	M-2 GBP HEDG	-	0.00%	486,231	2.97%
MGI GLOBAL BOND FUND	M-2 GBP Hdgd	1,486,485	8.43%	-	0.00%
MGI GLOBAL EQUITY FUND	CLASS M-1GBP	2,853,391	16.19%	-	0.00%
MGI GLOBAL EQUITY FUND	M-4GBP HEDGE	663,353	3.76%	-	0.00%
MGI Passive UK Long Gilt Fund	A1605000GBP	917,477	5.20%	-	0.00%
MGI UK CASH FUND	CLASS M-2GBP	528,598	3.01%	-	0.00%
MGI UK EQUITY	CLASS M-2GBP	-	0.00%	477,090	2.93%
		<u>17,628,024</u>	100.00%	<u>16,364,979</u>	100.00%

The investments in the portfolio are carried at their fair value which is the bid price for units in common investment funds, unit trusts and open-ended investment companies. Investment sales and purchases are recognised at the date of trade at their transaction value, net of costs in the respect of sales and inclusive of costs in respect of purchases.

Each of the investment funds levies charges which are used to pay for the cost of running the fund, including the costs of marketing and distributing it. These costs are not borne directly by the Charity and, therefore, are not reflected as an expense in these financial statements. However, such charges reduce the potential growth of the investment fund. The fund managers have advised that the fees deducted in the financial year to cover both Mercer and underlying sub-investment managers fees amount to £123,321.

Certain of these charges have been rebated to the Charity by way of the provision of additional units in the fund at no cost to the Charity. The notional cost of the new units acquired is reflected in the financial statements as an investment purchase and an equivalent reduction in operating expenses.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

All investments are basic financial instruments traded on quoted public markets. The Charity does not make use of derivatives and similar complex financial instruments as the Trustees take the view that investments are held for their longer term yield and total return and that any short-term volatility in the markets will normally be corrected in any five year period.

Investment returns are exposed to various risks which include credit, liquidity and market risks. Both credit and liquidity risks are assessed as low as the Charity invests predominantly in blue-chip securities in which the failure rate is historically low and all investments are traded on markets in which central banks and other regulators have an interest in ensuring continuation of orderly trading.

Market risk is the principal risk faced by the Charity due to a combination of uncertainty in investment markets and volatility in yields. These factors are of particular relevance to the Charity as it is reliant, in part, on dividends and interest to finance its grant making activities. As many of its collective investment funds include significant holdings in international equities and bonds which are denominated in foreign currencies, the Charity also has exposure to exchange rate risk.

The Trustees manage these risks by retaining the expert services of a fund manager, as shown in the above analysis of the portfolio, and in operating an investment policy which provides for a high degree of diversification of holdings within investment asset classes providing for a balance of income and long-term capital growth.

17 DEBTORS

	31-Dec-24	31-Dec-23
	£	£
Accrued income	2,651	7,425
Prepayments	5,228	7,830
Other Debtors	1,900	12,304
Income tax recoverable	3,544	3,544
	<u>13,323</u>	<u>31,103</u>

Accrued income includes £2,641 (2023: £7,185) and Income tax recoverable includes £3,544 (2023: £3,544), which is attributable to cash flows from investing activities.

18 CREDITORS PAYABLE WITHIN ONE YEAR

	31-Dec-24	31-Dec-23
	£	£
Accruals	81,123	40,134
Other creditors	56,890	11,854
Taxation & Social Security	873	915
	<u>138,886</u>	<u>52,903</u>

Included within the above are grants payable with a total value of £13,585 (2023: £6,055)

Other creditors include £18,444 (2023: £3,850) which is attributable to cash flows from investing activities.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS

	At 1 January 2024 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2024 £
Unrestricted funds:							
General funds							
Revenue	834,484	483,807	(685,794)	66,848	303,370	(165,271)	837,444
Designated funds							
For Grants:							
Charitable grants	93,475	-	-	-	(187,135)	95,721	2,061
Church of St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	46,775	-	-	-	(96,235)	69,550	20,090
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Scotland End Flats:							
Extraordinary repair	40,000	-	-	-	(20,000)	-	20,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Restricted fund:							
Income fund	10,352	-	-	-	-	-	10,352
Endowment fund	20,401,575	-	(45,957)	1,345,785	-	-	21,701,403
	<u>21,606,661</u>	<u>483,807</u>	<u>(731,751)</u>	<u>1,412,633</u>	<u>-</u>	<u>-</u>	<u>22,771,350</u>

General Funds are unrestricted funds that the Trustees are free to use in accordance with the objects of the charity.

Designated Funds are unrestricted funds that have been earmarked by the Trustees for particular purposes. These purposes fall into two categories: the payment of grants; and future repairs and maintenance. Specifically they are as follows:

Charitable Grants:

The charitable grants relate to amounts pledged by the Trustees for charitable purposes where no binding commitment exists at the balance sheet date. Transfers are made to this fund from the general fund for amounts pledged in the year which have not been paid by the year end. A transfer is made from this fund to the general fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

Church of St. Peter & St. Paul, Great Bowden:

One of the Charity's objects is the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The income to be applied for this purpose must not exceed 20% of the Charity's income in any three year period. A designated reserve for the purpose of meeting this expenditure is maintained at a level to ensure that the charity has sufficient funds to meet its ongoing obligations based on advice from representatives of the P.C.C.

Relief in Need grants:

The charity makes donations to individuals to relieve need, hardship and distress, which are referred to as Relief in Need grants. In order to ensure that sufficient funds are available to continue to meet such needs, the Trustees have agreed to maintain a reserve approximately equivalent to the Relief in Need grants paid in the last three years.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

Educational grants and bursary funds:

The Trustees invite applications from individuals for assistance with tuition fees and expenses for a first degree at a British university and for equipment and costs associated with apprenticeships and vocational training. A fund is maintained at a value which will enable the charity to meet its obligations to pay the fees of the successful applicants over the remainder of their courses.

Repair funds:

The Extraordinary Repair Funds are established to cover the cost of non routine maintenance of the charity's properties.

Separate repair funds are maintained in respect of: the Allotments & Commercial Properties; and the Scotland End Flats.

Amounts are transferred to these funds and are released back to the General Fund as the Trustees consider appropriate to offset the cost of non routine maintenance on the properties. The aggregate funds are to be maintained between a minimum of £50,000 and a maximum of £100,000.

An extraordinary repair fund is maintained for the Old Grammar School. The Old Grammar School is an ancient building which is in regular need of maintenance and repair. Following a major restoration project which was completed during 2014, the current ongoing commitment for expenditure has been substantially reduced and this is reflected in the level of reserves maintained for this purpose.

Restricted income funds represent funds donated to the Charity by the Market Harborough Musical Theatre on the understanding that they are to be applied to support performing arts in the area of benefit.

The Endowment Fund represents the permanent capital of the Charity. These funds must be held indefinitely and the Trustees have no power to convert the capital into funds which may be spent.

The movements in funds in the previous financial year were as follows:

	At 1 January 2023	Income	Expenditure	Realised and Unrealised Gains or (Losses)	Transfers from Designated Funds	Transfers to Designated Funds	At 31 December 2023
	£	£	£	£	£	£	£
Unrestricted funds:							
General funds							
Revenue	781,626	546,523	(613,493)	84,889	250,899	(215,960)	834,484
Designated funds							
For Grants:							
Charitable grants	131,064	-	-	-	(179,299)	141,710	93,475
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	44,125	-	-	-	(71,600)	74,250	46,775
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Scotland End Flats: Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School: Extraordinary repair	10,000	-	-	-	-	-	10,000
Carried forward	1,176,815	546,523	(613,493)	84,889	-	-	1,194,734

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

	At 1 January 2023 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2023 £
Unrestricted funds:							
Brought forward	1,176,815	546,523	(613,493)	84,889	-	-	1,194,734
Restricted fund:							
Income fund	10,352	-	-	-	-	-	10,352
Endowment fund	19,558,877	-	(42,670)	885,368	-	-	20,401,575
	<u>20,746,044</u>	<u>546,523</u>	<u>(656,163)</u>	<u>970,257</u>	<u>-</u>	<u>-</u>	<u>21,606,661</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2024	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	-	-	-	2,007,347	2,007,347
Intangible fixed assets	-	-	-	-	-
Investment properties	190,000	-	-	2,790,000	2,980,000
Investment portfolio	519,019	222,151	-	16,886,854	17,628,024
Cash held for investment	-	-	-	-	-
Sundry Debtors	13,323	-	-	-	13,323
Cash at Bank on Deposit	243,616	-	10,352	27,102	281,070
Cash in hand	472	-	-	-	472
Current Liabilities	(128,986)	-	-	(9,900)	(138,886)
Total Net Assets	<u>837,444</u>	<u>222,151</u>	<u>10,352</u>	<u>21,701,403</u>	<u>22,771,350</u>

As at 31 December 2023	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	-	-	-	1,951,818	1,951,818
Intangible fixed assets	-	-	-	-	-
Investment properties	175,000	-	-	2,736,000	2,911,000
Investment portfolio	327,815	360,250	-	15,676,914	16,364,979
Cash held for investment	-	-	-	-	-
Sundry Debtors	31,103	-	-	-	31,103
Cash at Bank on Deposit	351,924	-	10,352	38,193	400,469
Cash in hand	195	-	-	-	195
Current Liabilities	(51,553)	-	-	(1,350)	(52,903)
Total Net Assets	<u>834,484</u>	<u>360,250</u>	<u>10,352</u>	<u>20,401,575</u>	<u>21,606,661</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

21 OPERATING LEASE COMMITMENTS

The total minimum lease payments to which the Charity is committed under an operating lease for office equipment is shown below:

	31-Dec-24	31-Dec-23
	£	£
Payments due in respect of leases expiring:		
Within one Year	-	-
In two to five years	2,114	-
Total	<u>2,114</u>	<u>-</u>

Lease payments recognised as an expense in the Statement of Financial Activities amounted to £529 (2023: £573).

22 OTHER FINANCIAL COMMITMENTS

Commitments for the acquisition of tangible fixed assets, which were contracted for but not provided in the financial statements, amounted to £Nil (2023: £Nil).

23 RELATED PARTY TRANSACTIONS

At various times during the year the Charity has received applications for grants from other charitable organisations which have certain trustees in common with the Charity. In accordance with the Charity's procedures, the relevant trustees declared their interest and did not take part in any of the discussions relating to the grant application.

The Charity is related to the Howard Watson Symington Memorial Charity - Charity Number 512708 ("HWSMC") by virtue of having two trustees in common. During the year the Charity employed a new part-time member of staff who has been engaged entirely in supporting HWSMC's administration and grant making activities. HWSMC has reimbursed the Charity for the direct employment related costs of the employee, which amounted to £2,737. No unpaid amounts were outstanding at 31 December 2024.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

England & Wales - Charity number 1157787

Accounts

MARKET HARBOROUGH AND THE BOWDENS CHARITY
(A Charitable Incorporated Organisation)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

Charity Registered Number 1157787

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2023

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MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report along with the financial statements of Market Harborough and The Bowdens Charity, ("the Charity") for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and 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) issued in October 2019 ("SORP (FRS 102)").

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Market Harborough and The Bowdens Charity																														
Charity Registration Number	1157787																														
Status:	Charitable Incorporated Organisation																														
Principal Office Address	10, Fairfield Road, Market Harborough, Leicestershire, LE16 9QQ																														
Trustees	The members of the Board of Trustees who served during the year and at the date of this report are as follows: Appointed Trustees: <table><tr><td>Mrs S Berridge</td><td>Appointed 31 August 2023</td></tr><tr><td>Mrs J Balme</td><td></td></tr><tr><td>Mr G Buxton</td><td></td></tr><tr><td>Mrs R Corfield</td><td>Appointed 31 August 2023</td></tr><tr><td>Mrs C Davies</td><td></td></tr><tr><td>Mr J Feavyour QPM</td><td>Chair</td></tr><tr><td>Mr E Green</td><td>Appointed 18 September 2023</td></tr><tr><td>Dr S Hill</td><td></td></tr><tr><td>Prof. W Jones</td><td></td></tr><tr><td>Mr G Kellie</td><td></td></tr><tr><td>Mrs L Kvatch</td><td></td></tr><tr><td>Mrs K Merryweather</td><td></td></tr><tr><td>Mrs L Rhodes</td><td>Retired 23 February 2023</td></tr><tr><td>Mr A Walters</td><td>Appointed 31 August 2023</td></tr><tr><td>Mrs J A Williams</td><td>Retired 31 August 2023</td></tr></table> Nominated: Ms E Elliott	Mrs S Berridge	Appointed 31 August 2023	Mrs J Balme		Mr G Buxton		Mrs R Corfield	Appointed 31 August 2023	Mrs C Davies		Mr J Feavyour QPM	Chair	Mr E Green	Appointed 18 September 2023	Dr S Hill		Prof. W Jones		Mr G Kellie		Mrs L Kvatch		Mrs K Merryweather		Mrs L Rhodes	Retired 23 February 2023	Mr A Walters	Appointed 31 August 2023	Mrs J A Williams	Retired 31 August 2023
Mrs S Berridge	Appointed 31 August 2023																														
Mrs J Balme																															
Mr G Buxton																															
Mrs R Corfield	Appointed 31 August 2023																														
Mrs C Davies																															
Mr J Feavyour QPM	Chair																														
Mr E Green	Appointed 18 September 2023																														
Dr S Hill																															
Prof. W Jones																															
Mr G Kellie																															
Mrs L Kvatch																															
Mrs K Merryweather																															
Mrs L Rhodes	Retired 23 February 2023																														
Mr A Walters	Appointed 31 August 2023																														
Mrs J A Williams	Retired 31 August 2023																														
Charity Secretary	Mrs W. Hempson																														
Accountants and Auditors	Edward Thomas Peirson & Sons, 21, The Point, Rockingham Road, Market Harborough, Leicestershire, LE16 7NU																														
Solicitors	BHW Solicitors, 1 Smith Way, Leicester LE19 1SX																														
Bank	HSBC plc, 15 High Street, Market Harborough, Leicestershire, LE16 7NN																														
Investment Managers	Up until April 2023: MHA Caves Wealth, Lockgates House, Rushmills, Northampton NN4 7YB Cazenove Capital Management Limited, 1, London Wall Place, London Wall, London, EC2Y 5AU CCLA Investment Management Limited, One Angel Lane, London, EC4R 3AB From April 2023: Mercer LLC, G1 Building, 5 George Square, Glasgow, G2 1AR																														
Land Agents	Fisher German LLP, Innovation House, Welland Business Park, Valley Way, Market Harborough, Leicestershire, LE16 7PS																														

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's area of benefit is the 'Urban area of Leicestershire centred on Market Harborough, Great Bowden and Little Bowden'

In summary, the objects of the Charity as set out in its constitution, are:

1. Such charitable purposes for the general benefit of the inhabitants of the area of benefit as the Trustees think fit for which provision is not made out of rates, taxes or other public funds;
2. The relief either generally or individually of residents in the area of benefit who are in conditions of need, hardship or distress, but not directly in relief of rates, taxes or other public funds. This is referred to in the objects as "Relief in Need". In exceptional circumstances the Trustees may grant relief to individuals otherwise eligible who are resident immediately outside the area of benefit;
3. Education – the provision of financial help to enable suitable applicants over the age of 16 and resident in the area of benefit to undertake programmes of study in further or higher education, or training towards a vocational qualification, which they would otherwise be less able to afford, and
4. The maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The amount applied in this respect is restricted to 20% of the Charity's income in any three-year period.

Before applying the income of the Charity in support of these objects the Trustees must first defray the costs of maintaining the Charity's property (including that held on trust by the Charity) and the costs, charges and expenses of administering the Charity.

Activities

The Charity's principal activity is grant making for the general benefit of the public, relief-in-need payments to individuals largely referred to the Charity by welfare agencies, and educational grants predominantly to prospective undergraduates.

Grants are also awarded, in consultation with the Parochial Church Council, as and when required towards the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden.

Outside of direct grant provision, the Charity has fourteen fully serviced flats, two local allotment sites and, in conjunction with the Leicestershire and Rutland Wildlife Trust, protects and enhances the ecological value of a Site of Special Scientific Interest on land that is held within its investment property portfolio.

Finally, the Charity has since 2005 owned a 17th Century building known as the Old Grammar School which is a listed landmark building in the town of Market Harborough of significant historical, cultural and architectural importance. The undercroft is available for rent whilst the function room commenced use as the administrative office for the Charity on a temporary basis in 2023 so that the principal office could be used by others (see later).

Grant Making Policy

The Charity has devised standard application forms for grant applications available through its website www.mhbcharity.co.uk with each application considered by a committee of trustees for probity, fit with the Charity's constitution and availability of budget.

The Strategic Plan developed in late 2022 continued to identify priorities as follows:

- Vulnerable people of all ages
- Mental health wellbeing and ill-health prevention
- Incorporating environmental, social and governance (ESG) elements to all aspects of the business of the Charity

At the time of writing, the strategic plan is once again under review. Grant making remains largely unchanged, but the trustees are seeking to make more proactive use of its local assets for greater public benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

OBJECTIVES AND ACTIVITIES (continued)

Volunteers

In meeting these aims, each of the Trustees provides the Charity with many hours of service on a voluntary basis, but the Charity has no particular requirement for volunteers outside of the trustee body. No financial value is attributed to this voluntary work in the financial statements.

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance published by the Charity Commission on public benefit when reviewing the Charity's aims and objectives, in planning future activities and in setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

Two substantial changes took place during 2023 namely allowing the principal office to be used by other charities and stepping away from almshouse provision.

The principal office had not been used to full capacity – a situation which had been exacerbated during the covid pandemic when hybrid working flourished. Other charities had applied for grants to fund their rental costs which the trustees had wanted to support. The trustees and staff contrived to move out to the Old Grammar School as a temporary base, and to lease their principal office at a peppercorn rent to social welfare charities to use as, inter alia, a drop-in centre.

The fourteen almshouses forming part of the Charity's endowment were determined to be redundant. This followed a two-year review, consultation with the residents, extensive consideration by trustees and a failure to secure any applicants for vacant flats. The conclusion was that there was no need for almshouses for 'the poor' in the area of benefit. Having considered the options, the trustees sitting as members of the CIO at a general meeting resolved to step away from almshouse provision subject to their continued support of existing almshouse residents.

Grant making continued and is highlighted below.

Institutional grants

Payments of grants to institutions in the financial year amounted to £180,377 (2022: £218,330). The largest grants were as follows:

• VASL Core Running Costs for a five-year period	£34,664
• Market Harborough Community Bus towards a new minibus	£30,000
• Home-Start South Leicestershire Family Know-How Project	£20,000
• Beacon Care & Wellbeing Café Wellbeing drop-in café	£19,750
• VASL Wellbeing Befriending project costs	£16,560
• Harborough Christian Counselling Service Operating costs	£12,500

Relief in Need

All applications for individual assistance are treated in complete confidence.

During 2023, 54 applications (2022: 92) were supported and the Charity was able to provide a variety of new household items, such as carpets, sofas, and white goods. The single largest grant was for a sensory room for a seriously disabled child.

Gift cards had been issued in previous years for vulnerable, less advantaged families to help them buy Christmas presents for their children. However, the absence of feedback led the trustees away from such gifts in 2023.

Education

The Charity continued its support of undergraduates. A total of 108 (2022: 108) awards were made. Trustees invited bids from any aspiring student; application forms were assessed, and all candidates were interviewed prior to any grant offer being made. Trustees believe that such a process properly informs their consideration about who to award a grant to as well as being excellent experience for the young people themselves.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Almshouses

As alluded to in the 2022 trustees annual report and mentioned above, the Charity no longer maintains almshouses. The residents who were in occupation when that decision was made will continue to enjoy their supported accommodation until they leave or find themselves no longer able to live independently.

The future of the properties themselves has not yet been determined, but for the immediate future they will comprise 'almshouse' residents (charity beneficiaries) who make a maintenance contribution below market price, and new tenants who will pay a market related rent. The latter will be on shorthold tenancies to facilitate whatever changes the trustees decide are appropriate in due course.

Allotments

The two allotment fields are fully occupied and have seen their presentation improved throughout the year. This has included new security in the form of fencing and gates, as well as the clearance of run-down plots and renovation of ponds at Stevens Street. These increased costs are reflected in a material upturn in expenditure on allotments of £63,111 (2022: £27,014).

Site of Special Scientific Interest

There is a Site of Special Scientific Interest ("SSSI") on part of the farmland, owned by the Charity for investment purposes, which is managed by the Leicestershire and Rutland Wildlife Trust. Direct costs of £14,003 (2022: £55,786) were incurred on this site during the year.

Church of St. Peter & St. Paul Great Bowden

During the year, the Charity received applications from the Great Bowden PCC for assistance with the cost of repair and maintenance of the Church of St. Peter & St. Paul amounting to £670 (2022: £10,695). Grants were awarded in settlement of these applications in accordance with the Charity's objects.

FINANCIAL REVIEW

Review of major risks

The Board takes comfort from the fact that its income has for many years been well in excess of its requirement to cover operational expenses and core grant giving. However, as mentioned last year, a review of the performance of investment assets led to the move of all of the investment endowment to Mercer which took place largely in March 2023. The last year has involved the trustees developing their understanding of the new portfolio to ensure income and growth meet their expectations. The diversification of investments required by trustees to mitigate against unnecessary volatility in the markets is present in the Mercer product. The Charity has adopted an investment strategy to provide for present and future beneficiaries with appropriate diversification to avoid unnecessary risks.

The Estates committee had to abandon plans for the development of plans for a Wellbeing Campus on a particular site because of a change in demand from other local charities both in terms of capacity and location. Another change occurring at the time of writing was the notice given by a tenant to leave their leased retail premises which triggers a potential £80k reduction in income.

The new governance committee has in its plans an intention to review the Charity's internal financial controls. The systems that evolved to maintain operations during the covid pandemic and thereafter are recognised as not fit for purpose and will be revised to provide proper protections for the CIO, staff and trustees.

The Board continues to engage a firm of Chartered Accountants to oversee all aspects of bookkeeping, provide quarterly management accounts and to draft the annual financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW (continued)

Financial and investment performance

Income from the investment portfolio (excluding investment properties) reduced by approximately 31% compared with the previous year to £330,023. The value of the investments under Mercer had risen by approximately £775k (4.98%) compared to the end of the previous year. Whilst this has not had an impact on operational performance, it has caused the trustees to revisit their understanding of the Mercer portfolio. Managers have been interviewed by the Finance committee accordingly and the proposition to move to a total return approach is being considered.

The growth of 4.98% compares with increases of 3.85% in the FTSE All Share index and 3.78% in the FTSE 100 index over the same period. However, due to the relatively cautious and balanced investment strategy, which is adopted by the Charity, a more suitable benchmark could be the MSCI WMA Private Investor Balanced index which, grew by 10.11% over the year.

Messrs Fisher German LLP, Chartered Surveyors undertook a full valuation of the Charity's property portfolio, both held for investment and operational use, as at 31 December 2023. Whilst the investment properties are revalued annually the operational properties were last revalued on 31 December 2020. This has resulted in a net increases of £15,561 and £233,834 in the carrying value of the investment properties and operational properties, respectively. The net investment property gain is split between: a gain of £46,561 in the Charity's Principal Office which, as explained above, is held within the General Fund for Social Investment purposes; and a loss of £31,000 in the properties held within the Endowment Fund.

Rental income from the investment properties (which include farmland, paddocks and shops) for the year was £116,927 compared with £98,172 in 2022. This represents an investment yield of approximately 4.27% based on the latest valuation (excluding the Charity's Principal Office).

Income from the charitable activities including the almshouses, Old Grammar School and allotments was slightly lower at £99,039 compared with £115,725 in 2022.

Voluntary income and other incoming resources contributed a further £534 (2022: £2,068) in the year.

The cost of generating funds was £28,956 (2022: £84,462) of which £26,564 (2022: £27,925) has been met from the General Funds and £2,392 (2022: £57,167) from the Endowment Fund. The large reduction in expenditure from the Endowment Fund is the result of the different way in which Mercer charge investment management fees compared with the previous fund managers.

The provision of grant funding (including support costs) totalled £374,103 (2022: £633,995) and expenditure on other charitable activities (excluding grants) was £253,104 (2022: £238,906), of which £40,278 related to the depreciation of the almshouses and was charged against the Endowment Fund

Financial position at the end of the year

Unrestricted General and Designated Funds

As a result of the movement in resources referred to above the net outgoing resources from the General Fund for the year, before gains/losses on investments and transfers to/from designated reserves, amounted to £66,970 compared with £163,214 in the previous year.

In addition to the, gain referred to above, of £46,561 on the revaluation of the property, realised and unrealised gains of £38,328 were reported on general fund investments with the result that unrestricted reserves have risen by £17,919 over the course of the year and stood at £1,194,734 as at 31 December 2023.

The net transfer from designated funds to general funds in the year amounted to £34,939 such that, of the total unrestricted reserves: £360,250 has been designated for specific purposes (including grants pledged); and £834,484 represent general funds.

Restricted Income Fund

During the year there was no movement in the balance of the Restricted Income Fund which stands at £10,352. Of this sum, £6,087 is restricted for the payment of grants supporting musical activities and the balance of £4,265 is restricted for children with special needs.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW (continued)

Endowment Fund

In addition to the expenditure described above, net losses of £4,298 were realised on sales of stocks within the investment portfolio during the year and unrealised gains of £686,832 were recorded on the revaluation of the portfolio to its market value at the year end. As reported above, revaluation of the property portfolio resulted in a unrealised loss of £31,000 in the investment properties and an unrealised gain of £233,834 in the operational properties.

The net effect is that the value of the Endowment Fund assets grew by £842,698 over the year and stood at £20,401,575 as at 31 December 2023.

Reserves policy

Reserves represent unrestricted funds after appropriate provision has been made, through designated funds (as described above) for: meeting commitments for grants pledged; maintenance and repair of the Great Bowden church; making Relief in Need and educational grants; and repairs to all freehold properties.

The Trustees aim to find projects worthy of support, in accordance with the Charity's objects, such that the grants that they award are approximately equal to the Charity's income net of operational expenses and management and administration expenses. However, reserves are required:

- to allow for unforeseen reductions in annual income; and
- to enable the Charity to provide funds for specific projects so that these projects can be undertaken at short notice.

Taking these factors into account the Trustees consider that the reserves should ideally be within a range of twelve to eighteen months of the typical outgoing resources of the Charity (excluding amounts specifically covered by designated reserves) which approximately equates to between £500,000 and £750,000.

The reserves at 31 December 2023 amount to £834,484, however, property which is in use for Social Investment purposes represents £175,000 of this total. Therefore, the net free reserves are £659,484. This level of reserves lies towards middle of the ideal range and is considered to be acceptable for the immediate needs of the Charity.

The Charity's Finance Committee continues to keep the level of reserves under review and in making its assessment it will refer to quarterly management accounts prepared by the Charity's accountants, income projections prepared by the Charity's fund managers and internally produced cash flow projections. Appropriate recommendations will then be made to the Board as to the level of grants to be awarded in 2024. If necessary, the level may need to be reduced from that of recent years but there is no material uncertainty that the Charity will be able to continue as a going concern for the foreseeable future.

PLANS FOR FUTURE PERIODS

The Charity has seen some material changes in 2023. The management of the investment portfolio has been moved and is under scrutiny to ensure it delivers the growth and income required. The withdrawal from ongoing almshouse provision reflects the requirements of the area of benefit in a modern welfare state.

The decision to allow the principal office to be used by other charities has been useful in several respects. The way that relationships have developed between leaseholders will be helpful in future projects not least of which will be how the former Wellbeing Campus plans are taken forward.

The creativity demonstrated by the trustees over their principal office, the notice received from their main retail tenant and their enthusiasm to make better use of their local assets for public benefit presents a number of options. Whilst a period of consolidation to allow finances to settle is one option, the trustees are still keen to use local assets more proactively. They own such assets, and they recognise that they could change out those assets for other more suitable alternatives.

The presentation of their next strategic plan will properly therefore involve further deliberations about their own operating base, facilities that can be made available to others for public benefit and the extent to which they want to change the profile of their assets to do so.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

PLANS FOR FUTURE PERIODS (continued)

Grant giving continues to be a mainstay of the work of the Charity. The General Grants committee is increasingly asking applicants to demonstrate public benefit as part of their bid. The Education committee is trying to focus support on those students who most need financial help to progress their studies. And the Relief-in-need committee is engaged in conversations with support agencies in an effort to find 'stepping stones, not nets' – to find ways for applicants to help themselves through education or mentoring and thus avoid the cycle of repeated applications for help every time a problem occurs.

The trustees are also trialling a partnership with the Howard Watson Symington Memorial Chairty as they have the same objectives and area of benefit. Trustees are attending each other's meetings, and they are jointly employing an administrator with a view to learning from each other and to provide greater resilience to both.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was registered as a Charitable Incorporated Organisation on 9 July 2014 and is governed by a foundation constitution, which was last amended on 1st June 2023. The constitution states that the body of trustees ("the Board") shall consist of a minimum of eight trustees and a maximum of fifteen appointed trustees and one ex officio trustee. The first fifteen trustees of the Charity were appointed for terms ranging from between two and five years, whereupon they are eligible for re-appointment. All subsequent appointments/re-appointments are for a term of four years.

Organisational structure

The Board meets once a quarter to deal with all governance and policy matters and has appointed staff to attend to the day to day running of the Charity. Three grant-giving sub-committees have been established to reflect the constitution namely: General grants, Relief-in-need, and Education. Operational sub-committees have been established for Finance, Estates, Flats and Allotments. Policy committees have been set up to advise on Governance and Environmental matters. An HR sub-committee also meets as required. The Board receives a Charity Secretary's report to bring the decisions of the sub-committees to the attention of the trustees as a whole.

Remuneration structure for key management personnel

Trustees are entirely unremunerated. Staff salaries are index linked with cost-of-living increments applied each year based on a national index.

Trustee recruitment, induction and training

Vacancies are considered from time to time and 2023 saw the appointment of four new trustees. The opportunities were advertised widely, a shortlist drawn up and selection interviews held. The new trustees come with a wide experience including governance, finance, and the environment obtained in the private and public sectors.

Harborough District Council ("the Council") may appoint one individual to act as an ex-officio trustee of the Charity provided that individual is also a Senior Officer of the Council. The position of ex officio trustee shall remain vacant if none of the Council's Senior Officers are willing to act in this capacity.

New trustees are provided with an induction pack including information on their legal obligations under charity law, the content of the constitution, the committees and decision-making processes, strategic review, and the recent financial performance of the Charity. All trustees will be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS (continued)

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP FRS (102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

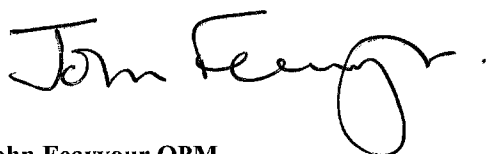
The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUND-RAISING STANDARDS INFORMATION

The Charity does not carry out any significant fundraising activities involving the general public.

DECLARATION

I declare, in my capacity of Charity Trustee, that the Trustees have approved the report above and have authorised me to sign it on their behalf.



John Feavours QPM
Chair of Trustees
Dated **20** October 2024

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY

Opinion

We have audited the financial statements of Market Harborough and The Bowdens Charity (the "charity") for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 9), the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate experience, competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- through discussions with the trustees and other management, and from our commercial knowledge of the charity's activities and objectives, we identified the laws and regulations applicable to the charity and focused on specific laws and regulations which we considered may have a direct material effect on the financial statements and operations of the charity.
- we remained alert to instances of non-compliance throughout the audit and assessed the extent of compliance through discussions with management and examination of documentation.

We assessed the susceptibility of the charity's financial statements to material misstatement and obtained an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was a susceptibility to fraud and their knowledge of any actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate the risk of fraud and non-compliance with laws and regulations.

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify unusual or unexpected relationships;
- reviewed the nominal ledger and, specifically, journal entries to identify large or unusual transactions and investigated them; and
- we assessed the extent to which accounting entries relied on a high degree of judgement and/or estimation and when deemed necessary, such as for financial assets held at fair value, obtained external evidence to support said judgement and/or estimation.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included:

- agreeing financial statement disclosures to supporting documentation;
- reading minutes of trustee / management meetings, relevant regulators and the charity's professional advisers;
- performing substantive procedures on material balances and transactions; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures outlined 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 and/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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Thomas Peirson & Sons

Statutory Auditor
Chartered Accountants
21, The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7NU

Dated: 22 October 2024

Edward Thomas Peirson & Sons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	General Fund £	Designated Funds £	Restricted Income Funds £	Endowment Fund £	Total 2023 £	Total 2022 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	425	-	-	-	425	1,960
Charitable activities	3	99,039	-	-	-	99,039	115,725
Investments:							
From investment properties	4	116,927	-	-	-	116,927	98,172
From investment portfolio	4	330,023	-	-	-	330,023	480,739
Other	5	109	-	-	-	109	108
Total income and endowments		546,523	-	-	-	546,523	696,704
EXPENDITURE ON:							
Raising Funds	6	(26,564)	-	-	(2,392)	(28,956)	(84,462)
Charitable activities:							
Provision of grant funding	7	(374,103)	-	-	-	(374,103)	(633,995)
Other charitable activities	8	(212,826)	-	-	(40,278)	(253,104)	(238,906)
Total expenditure		(613,493)	-	-	(42,670)	(656,163)	(957,363)
Net income/(expenditure) before gains/(losses) on investments		(66,970)	-	-	(42,670)	(109,640)	(260,659)
GAINS/(LOSSES):							
On Investment properties:							
Realised		-	-	-	-	-	-
Unrealised	15	46,561	-	-	(31,000)	15,561	259,500
On Investments:							
Realised	16	8,183	-	-	(4,298)	3,885	(15,351)
Unrealised	16	30,145	-	-	686,832	716,977	(1,589,846)
Net income/(expenditure) before transfers		17,919	-	-	608,864	626,783	(1,606,356)
Net transfers between funds	19	34,939	(34,939)	-	-	-	-
Net income/(expenditure) for the period		52,858	(34,939)	-	608,864	626,783	(1,606,356)
OTHER RECOGNISED GAINS/(LOSSES):							
On revaluation of Tangible Fixed Assets	13	-	-	-	233,834	233,834	-
Net movements in funds		52,858	(34,939)	-	842,698	860,617	(1,606,356)
Total funds brought forward		781,626	395,189	10,352	19,558,877	20,746,044	22,352,400
Total funds carried forward		834,484	360,250	10,352	20,401,575	21,606,661	20,746,044

All activities relate to continuing operations.

The notes on pages 15 to 32 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023	As At 31 December 2022
		£	£
Fixed Assets			
Tangible fixed assets	13		
Freehold land and buildings		1,951,818	1,892,259
Fixtures and fittings		-	1,223
Office equipment		-	256
		<u>1,951,818</u>	<u>1,893,738</u>
Intangible fixed assets	14		
Basic Payment Scheme entitlements		-	1,650
Investments			
Investment properties	15	2,911,000	2,767,000
Investment portfolio	16	16,364,979	15,589,234
		<u>19,275,979</u>	<u>18,356,234</u>
		<u>21,227,797</u>	<u>20,251,622</u>
Current Assets			
Debtors	17	31,103	37,707
Cash at bank and on deposit		400,469	550,663
Cash in hand		195	246
		<u>431,767</u>	<u>588,616</u>
Creditors payable within one year	18	(52,903)	(94,194)
Net Current Assets		<u>378,864</u>	<u>494,422</u>
Net Assets		<u>21,606,661</u>	<u>20,746,044</u>
Funds	19		
Unrestricted funds			
General funds		834,484	781,626
Designated funds		360,250	395,189
		<u>1,194,734</u>	<u>1,176,815</u>
Restricted funds			
Income funds		10,352	10,352
Endowment funds		20,401,575	19,558,877
Total Funds		<u>21,606,661</u>	<u>20,746,044</u>

The financial statements were approved by the trustees on 20 October 2024 and signed on their behalf by:



John Feavoyour QPM - Chair



Kerry Merryweather - Trustee

The notes on pages 15 to 32 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Total 2023 £	Total 2022 £
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net movements in funds per Statement of Financial Activities	860,617	(1,606,356)
Adjustments for:		
Depreciation & Amortisation Charges	48,965	54,694
(Gains)/Losses on investment properties:		
Realised	-	-
Unrealised	(15,561)	(259,500)
(Gains)/Losses on investments:		
Realised	(3,885)	15,351
Unrealised	(716,977)	1,589,846
Dividends, rents and interest receivable from:		
Investment properties	(116,927)	(98,172)
Investments	(330,023)	(480,739)
(Gains)/Losses on revaluation of Tangible Fixed Assets	(233,834)	-
(Increase)/Decrease in Debtors	(7,488)	11,173
Increase/(Decrease) in Creditors	(41,114)	17,918
Net cash used in operating activities	(556,227)	(755,785)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Rents received from investment properties	129,667	87,097
Dividends and interest received from investments	331,164	483,976
Proceeds of Sale of Investments	17,608,034	2,330,477
Purchase of Investments	(18,015,721)	(1,955,248)
Net cash provided by investing activities	53,144	946,302
NET CHANGE IN CASH IN THE REPORTING PERIOD	(503,083)	190,517
Cash brought forward	903,747	713,230
CASH CARRIED FORWARD	400,664	903,747
Cash Carried Forward represents:		
Cash held in investment portfolio awaiting investment	-	352,838
Cash at bank and in hand held on instant access and short term deposits	400,469	550,663
Cash in Hand	195	246
	400,664	903,747

The notes on pages 15 to 32 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 PRINCIPAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 ("SORP (FRS 102)");
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) ("FRS 102");
- The Charities Act 2011; and
- UK Generally Accepted Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The going concern basis and historical cost convention, as modified by the inclusion of freehold land and investments at fair value, have been used in preparing the financial statements.

(b) GOING CONCERN ASSESSMENT

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The most significant area of uncertainty, which affects the continuing income of the Charity, are the levels of investment return and performance of investment markets. Note 16 to the financial statements provides detail of the action taken by the Trustees to mitigate the risks involved. Designated reserves have been established to ensure that adequate funds are available to meet pledges made by the Charity at the balance sheet date in the event that the associated conditions are met by the intended beneficiaries.

The Covid-19 pandemic and the subsequent war in Ukraine created turmoil in the financial markets with the result that only during the current year did the value of the investment portfolio recover to its pre-pandemic level. At 31 December 2023 the value of the portfolio exceeded its pre-pandemic level by approximately £650,000.

Investment receipts also fell in response to these two events and as a result of the change in investment managers. Lower investment returns are expected to continue for the foreseeable future and the Trustees are currently considering adopting a total return approach to investment. In the meantime, the Charity has set realistic projections of its investment income receivable in accordance with advice from its investment managers. Typically only between 30% and 40% of annual income is required to cover the Charity expenditure other than the payment of grants. Therefore, whilst the Trustees accept that grant making may have to be restricted to a level below that of recent pre-pandemic years they confidently expect that the Charity will have the cash flows to be able to satisfy existing pledges and to continue to make meaningful grant awards for the foreseeable future.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(c) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Charitable activities income comprises contributions due from the tenants of the almshouses and rents and similar amounts receivable from the Cricket Club, SSSI, Old Grammar School and the allotments. These properties are held for charitable purposes and the income arising represents less than a market rent.

Investment income represents rental income from commercial properties and farm land, which are held by the Charity for their investment potential, together with interest and dividends on stocks, shares and bank deposits held on the endowment and unrestricted funds. Such income is recognised on a receivable basis and where appropriate, this includes the income tax recoverable.

Incoming resources from investments (including investment properties) held as part of the endowment fund are unrestricted.

Wherever possible, income is reported gross of any related expenditure. However, in the case of investment management costs within managed funds it is not always practicable to identify such costs with reasonable accuracy and, therefore, the investment income is reported net of these costs.

In accordance with SORP (FRS 102) no amount is included in the financial statements for volunteer time.

(d) EXPENDITURE RECOGNITION

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to make payment to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. As the Charity is not registered for VAT, all expenditure is shown gross of irrecoverable VAT.

Expenditure is categorised under the following headings:

Raising funds This represents: costs of managing and maintaining the Charity's investment properties; investment portfolio management fees; and promotional and website costs aimed at potential donors.

Charitable activities Costs under this heading fall into two distinct categories:

- Grants paid to individuals and organisations as approved by the Trustees in accordance with the Charity's Constitution; and
- The costs incurred in providing and maintaining the almshouses, the Old Grammar School; the allotments and the Site of Special Scientific Interest.

Where unconditional grants are offered the expenditure is accrued as soon as the recipient is notified of the grant and there is a reasonable expectation that it will be paid. Where grants are pledged, but payment is conditional on the performance of the recipient, the amount is not recognised as an expense until the conditions have been fulfilled. However, an amount equivalent to that pledged is transferred to a designated reserve.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(e) ALLOCATION OF COSTS

Costs which are directly attributable to a single activity are allocated directly to that activity. Shared costs which contribute directly to more than one activity are apportioned between those activities on the basis of usage by each activity.

Support costs represent the remaining costs that are not capable of direct attribution. They have been allocated between the categories of raising funds and charitable activities in accordance with the basis specified in Note 7.

Governance costs, which represent the expenses of Trustees' meetings and legal and professional fees related to the running and management of the Charity (including external audit fees), are included within the heading of support costs.

The allocation process involves a significant element of judgement as the charity has to consider the cost of detailed calculations and record keeping with the resultant benefit.

(f) OPERATING LEASES

Rentals payable and receivable under operating leases are charged/credited in the Statement of Financial Activities on a straight line basis over the period of the lease.

(g) TANGIBLE FIXED ASSETS INCLUDING HERITAGE ASSETS

Freehold land, comprising the allotments and cricket club land, are included at their estimated open market value based on a professional valuation which is usually undertaken every three years. The most recent revaluation was undertaken as at 31 December 2023. Any unrealised gains or losses are credited or charged to the SOFA as they arise. No depreciation is provided on such assets.

The Old Grammar School, as more fully explained in Note 12, is a Heritage Asset which forms part of the Charity's Permanent Endowment. There is no record of the original cost of the building and the Trustees consider that there are no suitable or cost-effective techniques available to ascertain a reliable valuation for the property. Accordingly, no cost or valuation is attributed to the property in these financial statements.

All other assets are recorded at cost/valuation less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £2,000 each, are expensed in the year in which they are incurred.

Depreciation is provided at rates calculated to write off the cost/valuation, less estimated residual value, of each asset on a straight line basis over its estimated useful life as follows:

Freehold property for operational use	- over 50 years
Improvements to cricket club buildings	- over the period of the lease to the cricket club
Almshouse buildings	- over 50 years
Almshouse fixtures	- over 7 years
Office equipment	- 25% per annum

The depreciation charge of assets held with Endowment Fund is charged to that fund. All other depreciation is charged to the General Fund.

(h) INTANGIBLE FIXED ASSETS

Intangible fixed assets represent Basic Payment Scheme entitlements purchased by the Charity, which are initially recognised at cost. The assets were being amortised on a straight line basis so as to fully write off their cost by the end of 2027, in accordance with UK Government policy to phase out Direct Payments under the scheme over this period. However, the Government have subsequently announced that financial support payments for the years 2024 to 2027 will be delinked from the entitlements and that they will not be tradeable after May 2023. Accordingly, the remaining net book value of the assets at 31 December 2021 is being written off on a straight line basis through to the end of May 2023. This change of accounting estimate has increased the amortisation charge for 2022 by £3,024. The assets form part of the Endowment Fund and the amortisation is charged to that fund.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(i) INVESTMENTS

Investments comprise investment properties and securities held within an investment portfolio and are initially recorded at their transaction price (including costs).

Investment properties are subsequently recorded at their estimated open market value at the end of each financial year. This estimate is based on an independent formal valuation, which is usually undertaken every three years, and by the Trustees in the intervening years based on independent advice from a desktop review of the most recent formal valuation. The last formal valuation was undertaken as at 31 December 2023. Investment properties are not depreciated.

Investments within the portfolio are revalued annually at their market value on the last day of the financial year. All investments are a form of basic financial instrument which are traded in quoted public markets. The Charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses on investments are calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost. Unrealised gains and losses represent the movement in market values between valuations. Both types of gains and losses are credited or charged to the Statement of Financial Activities in the year of gain or loss.

(j) DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are included within expenditure.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

Whilst cash held by investment managers awaiting investment is in this category, such balances are included in the balance sheet within the value of the investment portfolio.

(l) FUND ACCOUNTING

The Charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the Charity's objectives.

Designated funds are unrestricted funds which the Trustees have earmarked for particular purposes. Details of the nature and purpose of each designated fund is set out in Note 17. Transfers from general funds to designated funds are stated at amounts that the Trustees deem necessary to meet their known and anticipated future obligations.

Restricted income funds are funds which have restrictions placed on them by the donor that require them to be spent only for specified purposes.

Endowment Funds are capital funds which the Trustees cannot spend. The income arising from the endowment funds is unrestricted.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 DONATIONS AND LEGACIES	2023	General Fund 2022
	£	£
Miscellaneous donations & Gift Aid tax recovery	425	1,960
	<u>425</u>	<u>1,960</u>
3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2023	General Fund 2022
	£	£
Contributions from almshouse tenants	70,665	73,629
Old Grammar School rent	590	1,975
Allotment rents	5,407	4,000
Market Harborough Cricket Club rental income	6,490	6,490
Countryside Stewardship & other SSSI grants	15,887	29,631
	<u>99,039</u>	<u>115,725</u>
4 INVESTMENT INCOME	2023	General Fund 2022
	£	£
From investment properties:		
Rental income from commercial High Street properties	90,000	90,000
Farm Land	7,177	6,172
Miscellaneous	19,750	2,000
	<u>116,927</u>	<u>98,172</u>
From investment portfolio:		
Interest on UK fixed interest securities and Treasury stock	2,702	7,108
Dividends receivable from equity shares	26,234	96,555
Dividends receivable from collective investment funds	247,333	228,412
Dividends receivable from COIF Units	48,399	143,967
Interest on cash deposits	5,355	4,697
	<u>330,023</u>	<u>480,739</u>
5 OTHER INCOME	2023	General Fund 2022
	£	£
Wayleaves	19	26
Interest on tax repayments & sundry income	90	82
	<u>109</u>	<u>108</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

6 EXPENDITURE ON RAISING FUNDS		2023	2022
GENERAL FUND		£	£
Commercial property management			
Secretarial salaries & on-costs		1,779	1,796
Insurance		1,770	1,721
Repairs and maintenance		267	1,186
Legal & professional fees		2,750	2,660
Bad debt		2,861	-
Support costs (Note 9)		7,937	7,328
Social investment property management			
Insurance		175	-
Repairs and maintenance		744	-
Legal & professional fees		953	-
Investment management			
Investment manager's fees		486	7,079
Support costs (Note 9)		5,430	5,335
Website & other promotional costs		1,412	190
		<u>26,564</u>	<u>27,295</u>
ENDOWMENT FUND			
Investment management			
Investment manager's fees		(8,680)	44,688
Investment property management fees		2,700	3,136
Support costs (Note 9)		-	-
Professional fees		1,338	-
Cricket Club - Depreciation of changing rooms		5,384	5,384
Amortisation of Intangible Assets		1,650	3,959
		<u>2,392</u>	<u>57,167</u>
TOTAL EXPENDITURE ON RAISING FUNDS		<u>28,956</u>	<u>84,462</u>
7 EXPENDITURE ON PROVISION OF GRANT FUNDING		2023	2022
GENERAL FUND		£	£
Grants to institutions or for specific purposes			
Institution	Purpose of grant		
VASL	Core Running Costs for a five year period	34,664	
Market Harborough Community Bus	Purchase of new minibus	30,000	
Home-Start South Leicestershire	Family Know-How Project	20,000	
Beacon Care & Wellbeing Café	Wellbeing drop-in café establishment costs	19,750	
VASL	Wellbeing Befriending project costs	16,560	
Harborough Christian Counselling Service	Operating costs over a five year period	12,500	
Learn Academy Trust	DDA compliant access to Peace Garden	6,273	
Harborough Anglican Team	Training of one Youth Worker	5,326	
Arts Fresco	Street-based arts festival running costs	5,000	
TS Fernie Sea Cadets	Purchase of containers for storage of equipment	5,000	
Harborough District Scouts	Attendance at World Scout Jamboree	3,750	
Others, each £3,000 and under		21,554	
		<u>180,377</u>	<u>218,330</u>
Education Bursary Fund Grants	Awards to a total of 0 (2022: 8) Academies	-	233,038
Carried forward		<u>180,377</u>	<u>451,368</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

7 EXPENDITURE ON PROVISION OF GRANT FUNDING (continued)	2023	2022
	£	£
Brought forward	180,377	451,368
Grants to Church of St. Peter & St. Paul, Great Bowden - Repairs & maintenance	670	10,695
Grants to individuals		
Educational fund (108, 2022: 108)	71,600	74,889
Relief in Need £1,000 and over (19, 2022: 16)	42,551	22,271
Relief in Need less than £1,000 (35, 2022: 76)	16,790	12,151
Other grants and awards		
Commemorative Queen Elizabeth II Platinum Jubilee mugs for local school children	-	10,433
Transport for Ukrainian refugees	-	493
Total grants paid	311,988	582,300
Secretarial salary & on-costs	19,226	18,489
Caseworker's costs	-	88
Communications strategy, advertising and website development costs	2,824	381
Support costs (Note 9)	40,065	32,737
Total	374,103	633,995

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES	2023	2022
	£	£
GENERAL FUND		
Almshouses:		
Secretarial salary & on-costs	8,478	9,115
Insurance	1,066	1,036
Utilities (including lifeline)	22,828	15,400
Repairs and maintenance	71,143	48,324
Council Tax in void period & other miscellaneous costs	3,244	1,761
Website & promotional costs	1,412	191
Legal & professional fees	3,328	2,720
Depreciation of fixtures & fittings	1,222	1,832
Support costs (Note 9)	15,986	15,159
	128,707	95,538
Old Grammar School:		
Secretarial salary & on-costs	2,850	2,885
Insurance	1,135	1,471
Repairs, maintenance & utilities	(1,778)	11,697
Legal & professional fees	276	380
Support costs (Note 9)	4,522	3,857
	7,005	20,290
Allotments:		
Secretarial salary & on-costs	6,699	7,319
Repairs and maintenance	43,723	7,299
Website & promotional costs	1,412	190
Legal & professional fees	552	760
Water & miscellaneous expenses	1,410	2,325
Support costs (Note 9)	9,315	9,121
	63,111	27,014
Carried forward	198,823	142,842

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES (continued)

		2023		2022
		£	£	£
Brought forward			198,823	142,842
Site of Special				
Scientific Interest:	Secretarial salary & on-costs	550		633
	Insurance	167		33
	Repairs and maintenance	6,875		50,412
	Legal & professional fees	5,196		3,809
	Other miscellaneous costs	476		79
	Support costs (Note 9)	739		820
			14,003	55,786
			212,826	198,628
ENDOWMENT FUND				
Depreciation of Almshouses			40,278	40,278
			40,278	40,278
TOTAL ALL FUNDS			253,104	238,906

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS

Support costs, as detailed below, have been allocated to resources expended as follows:

	Support Costs				
	Governance Costs £	Office Costs £	Accounts & Finance £	Total £	2022 Total £
RESOURCES EXPENDED:					
General Fund:					
Expenditure on raising funds :					
Commercial property management	1,060	1,447	5,430	7,937	7,328
Investment management	-	-	5,430	5,430	5,335
Expenditure on Charitable Activities:					
Grants payable	12,352	16,854	10,859	40,065	32,737
Almshouses	4,924	6,718	4,344	15,986	15,159
Old Grammar School	1,683	2,296	543	4,522	3,857
Allotments	3,710	5,062	543	9,315	9,121
SSSI	313	426	-	739	820
	24,042	32,803	27,149	83,994	74,357

Bases for support cost allocation:

Support costs are allocated between the various activities representing resources expended on the following bases:

Governance costs	Estimated time spent on each activity by the charity secretaries
Secretarial support and office costs	Estimated time spent on each activity by the charity secretaries
Accounts & finance	Estimated time spent on each activity by the charity accountants and bookkeeper

The cost allocation includes an element of judgement as the charity has to consider the cost of detailed calculations and record keeping compared with the resultant benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS (continued)

Governance costs included within support costs comprise:	2023	2022
	£	£
Secretarial salary & on-costs	17,416	17,454
Legal and professional fees	276	380
Auditors remuneration	4,014	3,840
General insurance	1,528	1,485
Trustee indemnity insurance	679	660
General expenses (including training of trustees)	128	(150)
	<u>24,041</u>	<u>23,669</u>

10 AUDITORS' REMUNERATION

The amounts payable to the Auditors', Edward Thomas Peirson & Sons, were as follows:

	2023	2022
	£	£
For audit services	4,014	3,840
For other assurance services	22,467	22,566
Total	<u>26,481</u>	<u>26,406</u>

The other assurance services provided by Edward Thomas Peirson & Sons included: preparation of the financial statements for the year; assistance to the Trustees in the financial management of the charity's affairs by the preparation of quarterly management accounts; and payroll services. No member of the firm's audit team was involved in the provision of these other services.

11 TRUSTEES' REMUNERATION AND REIMBURSED EXPENDITURE

The Trustees, who are considered to be the key management personnel, were not remunerated for their services in the year or the preceding year.

Aggregate expenses of £155 were reimbursed during the year to one trustee (2022: £1,105 to one trustee). The reimbursed expenses in the both years related to sundry goods/services paid for on behalf of the charity.

Trustee indemnity insurance is included as part of the charity's overall insurance and the amount charged in these financial statements in this respect is £679 (2022: £660).

12 STAFF NUMBERS AND COSTS

The number of employees of the charity were as follows:

Activity	Involvement	2023	2022
Secretarial	Full time	1	1
	Part time - Approx. 2.5 days per week	2	2

The aggregate payroll cost in respect of these employees was as follows:

	2023	2022
	£	£
Salaries	52,204	52,199
Social security costs	3,857	3,908
Pension contributions	1,778	1,436
	<u>57,839</u>	<u>57,543</u>
Employment Allowance	(3,857)	(3,032)
	<u>53,982</u>	<u>54,511</u>

No employee had employment benefits in excess of £60,000 (2022: None).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

13 TANGIBLE FIXED ASSETS

	Freehold Property for Operational Use £	Freehold Allotments Cricket Club & Other Land £	Almshouses		Office Equipment £	Total £
			Freehold Land & Buildings £	Fixtures & Fittings £		
Cost or Valuation						
Brought forward	130,000	443,000	1,450,000	28,165	22,550	2,073,715
Revaluation	-	(27,000)	140,000	-	-	113,000
Transfer to Social Investment	(130,000)	-	-	-	-	(130,000)
At 31 December 2023	-	416,000	1,590,000	28,165	22,550	2,056,715
Cumulative Depreciation						
Brought forward	1,388	48,797	80,556	26,942	22,294	179,977
Charge for the year	173	5,385	40,278	1,223	256	47,315
Revaluation	-	-	(120,834)	-	-	(120,834)
Transfer to Social Investment	(1,561)	-	-	-	-	(1,561)
At 31 December 2023	-	54,182	-	28,165	22,550	104,897
Net Book Value						
At 31 December 2023	-	361,818	1,590,000	-	-	1,951,818
At 31 December 2022	128,612	394,203	1,369,444	1,223	256	1,893,738

Cost or valuation at 31 December 2023 is represented by:

Valuation						
31 December 2023	-	356,000	1,590,000	-	-	1,946,000
Cost	-	60,000	-	28,165	22,550	110,715
	-	416,000	1,590,000	28,165	22,550	2,056,715

Basis for inclusion in the accounts

Freehold property for operational use was the premises at 10, Fairfield Road, Market Harborough which the charity purchased and subsequently redeveloped and refurbished as the charity's office. No depreciation was provided on the estimated land value of £100,000, which is included in the total cost/valuation at the start of the year. During the year the Charity vacated the premises and temporarily relocated its office to the Old Grammar School. The premises have subsequently been leased to another charity of a rent-free basis and, accordingly, have been transferred to a separate category of social investment within investment properties (see Note 15).

All of the freehold properties were revalued, with effect from 31 December 2023, at their open market value by Fisher German LLP, Chartered Surveyors. In addition, included within the cost or valuation of Allotments, Cricket Club & Other land, is £60,000 representing the cost to the charity of its contribution, as landlord, to the construction of new changing rooms for the Cricket Club and an extension of the courts to its Squash section. Depreciation of these costs commenced on the completion of the relevant works using a straight line basis over the remaining period of the lease.

Had the properties not been revalued they would have been included at the following historical cost:

	As At 31 December 2023			As At 31 December 2022		
	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £
Cost	-	68,962	231,697	257,470	68,962	231,697
Aggregate depreciation	-	54,183	146,104	27,546	48,798	143,239
Net Book Value	-	14,779	85,593	229,924	20,164	88,458

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

13 TANGIBLE FIXED ASSETS (continued)

Heritage Assets

In addition to the assets shown above, the Charity owns a 17th Century building known as the Old Grammar School, Market Harborough, which was vested in the Charity during 2005 together with the other assets of the Market Harborough Exhibition Foundation Charity. The Old Grammar School is a local landmark and a listed building of significant historical and architectural importance, which the Trustees intend will form part of the Charity's permanent endowment to be maintained and preserved for its cultural significance to the town. Prior to the outbreak of the Covid-19 pandemic, the Charity made the building available for hire by the public, on a daily basis, in exchange for a specified contribution towards the annual running costs.

There is no information readily available as to the original cost of the building and the Trustees consider that there are no suitable techniques available to ascertain a reliable valuation for the property, certainly not without involving the Charity in significant costs which would outweigh any benefit.

As a result, in accordance with the permitted treatment for heritage assets in SORP (FRS 102) the Old Grammar School is not recognised as an asset in the Charity's balance sheet.

14 INTANGIBLE FIXED ASSETS

	31-Dec-23	31-Dec-22
	£	£
Cost		
Brought forward	6,932	6,932
Additions	-	-
At 31 December 2023	<u>6,932</u>	<u>6,932</u>
Cumulative Amortisation		
Brought forward	5,282	1,323
Charge for the year	1,650	3,959
At 31 December 2023	<u>6,932</u>	<u>5,282</u>
Net Book Value		
At 31 December 2023	<u>-</u>	<u>1,650</u>
At 31 December 2022	<u>1,650</u>	<u>5,609</u>

Intangible assets represent Basic Payment Scheme entitlements.

15 INVESTMENT PROPERTIES

	General Investment	Social Investment	31-Dec-23 Total	31-Dec-22
	£	£	£	£
Valuation at the beginning of the year	2,767,000	-	2,767,000	2,507,500
Transfer from Tangible Fixed Assets	-	128,439	128,439	-
Unrealised gains/(losses) on revaluation	(31,000)	46,561	15,561	259,500
Valuation at the end of the year	<u>2,736,000</u>	<u>175,000</u>	<u>2,911,000</u>	<u>2,767,000</u>
Historical cost at the end of the year	<u>562,312</u>	<u>257,469</u>	<u>819,781</u>	<u>562,312</u>

The general investment properties comprise various parcels of land and four retail shops, of which three have been converted into one, situated in High Street, Market Harborough. A formal open market valuation of these assets was undertaken by Fisher German LLP, Chartered Surveyors as at 31 December 2023 and is incorporated in these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

15 INVESTMENT PROPERTIES (continued)

The Land in the charity's ownership includes:

Approximately 116.65 acres of farm land which is let in the year on a seasonal grazing licence. The property is subject to a restrictive covenant in favour of two predecessors in title whereby, in the event of any subsequent non-agricultural development being permitted, the charity will be required to pay 33% of any defined increase in value. The covenant extends to forty years from the date of grant;

Land situated a short distance to the north of Great Bowden village comprising 13.03 acres of grassland, which is let on seasonal grazing licences, and 6.45 acres which has been designated a Site of Special Scientific Interest ("SSSI"). The SSSI is subject to control by English Nature and the charity works closely with the Leicestershire and Rutland Wildlife Trust in ensuring that the ecological value of the site is protected and where possible enhanced. This land is subject to a similar restrictive covenant to that described above in relation to the farm land.

Two small permanent pasture paddocks situated close to the western fringe of Market Harborough town. One of these paddocks is subject to a fifty-year covenant in favour of the predecessor in title which commits the charity to pay away 33% of any uplift in value as a result of subsequent development beyond agricultural use; and

Various strips of land retained by the charity following previous significant land sales. Certain of these strips provide a possible means of access and services from adopted highways into potential development land which is not within the charity's ownership. In particular, a developer has recently expressed an interest in renewing a previous option (now expired) granting them the right to acquire the ransom strip in the event that the developer obtains planning permission for development on certain adjacent property, entry to which would be serviced over the ransom strip. However, at the present time in view of the uncertainties affecting their value, the Trustees have decided not to attribute any value to them in these financial statements.

16 INVESTMENT PORTFOLIO

	31-Dec-23	31-Dec-22
	£	£
Market value at the beginning of the year	15,236,396	17,216,856
Acquisitions at cost	18,015,755	1,955,214
Sales proceeds from disposals	(17,608,034)	(2,330,477)
Realised gains/(losses) on disposals	3,885	(15,351)
Unrealised gains/(losses) on revaluation	716,977	(1,589,846)
	<u>16,364,979</u>	<u>15,236,396</u>
Cash at bank on deposit/awaiting investment	-	352,838
Market value at the end of the year	<u>16,364,979</u>	<u>15,589,234</u>
Historical cost at the end of the year (excluding cash)	<u>15,648,002</u>	<u>12,845,647</u>

The realised gains/(losses) on disposals are shared between funds as follows:

General fund	8,183	-
Endowment fund	(4,298)	(15,351)
	<u>3,885</u>	<u>(15,351)</u>

The unrealised gains/(losses) on disposals are shared between funds as follows:

General fund	30,145	(83,858)
Endowment fund	686,832	(1,505,988)
	<u>716,977</u>	<u>(1,589,846)</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 INVESTMENT PORTFOLIO (continued)

		31-Dec-23		31-Dec-22
		£	%	£
Managed by Mercer	Class			
Mercer Absolute Return Fixed Income Fund	A17H5200DGBP	476,936	2.91%	-
Mercer China Equity Fund	A1504000DGBP	568,629	3.47%	-
Mercer Diversifying Alternatives Strategies	I-1GBP HEDGE	1,611,470	9.85%	-
Mercer Dynamic Asset Allocation Fund	A17H5200DGBP	3,136,165	19.16%	-
Mercer Emerging Market Debt Hard Ccy Fd	A1907000DGBP	562,694	3.44%	-
Mercer Fundamental Index Glob Equity CCF	A1806GBPGB6	398,449	2.43%	-
Mercer Global Small Cap Equity Fund	M-3 GBP DIS	494,769	3.02%	-
Mercer Low Volatility Equity Fund	M-3 GBP DIS	314,913	1.92%	-
Mercer Multi-Asset Credit Fund	A1504000DGBP	1,989,024	12.15%	-
Mercer Passive Global REITS UCITS CCF	A17H52DGBPG4	688,506	4.21%	-
Mercer Sustainable Global Equity Fund	A1705000DGBP	978,034	5.98%	-
Mercer Sustainable Global Equity Fund	M-1 GBP Hdg	494,642	3.02%	-
Mercer Sustainable Listed Infra UCITS CCF	A1705DGBPGB6	318,396	1.95%	-
Mercer Synthetic Eq-Linked Dynamic Bd Fd	CLASS M-3GBP	1,018,465	6.22%	-
Mercer UCITS Alternatives Strategies	M-1 GBP Hdgd	379,022	2.32%	-
MGI Emerging Market Debt Fund	M-2 GBP DIS	568,147	3.47%	-
MGI Emerging Markets Equity Fund	A1605000DGBP	1,235,255	7.55%	-
MGI Eurozone Equity Fund	CLASS M-1GBP	168,142	1.03%	-
MGI Eurozone Equity Fund	M-2 GBP HEDG	486,231	2.97%	-
MGI UK EQUITY	CLASS M-2GBP	477,090	2.93%	-
Managed by MHA Caves Wealth		-		3,514,706
Managed by Cazenove Capital Management		-		7,590,511
Managed by CCLA Investment Management		-		4,484,017
		<u>16,364,979</u>	0.00%	<u>15,589,234</u>

Of the investments held at 31 December 2022, the following represented more than 5% of the total portfolio:

		Value	
		£	%
Managed by Cazenove Capital Management			
Findlay Park American Fund Inc.		804,116	5.16%
Managed by CCLA Investment Management			
COIF Charities property fund		904,163	5.80%
COIF Investment fund	Income Units	2,972,288	19.07%

The investments in the portfolio are carried at their fair value which is the quoted market value in respect of equities and fixed interest securities and the bid price for units in common investment funds, unit trusts and open-ended investment companies. Investment sales and purchases are recognised at the date of trade at their transaction value, net of costs in the respect of sales and inclusive of costs in respect of purchases.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 INVESTMENT PORTFOLIO (continued)

All investments are basic financial instruments traded on quoted public markets, primarily the London Stock Exchange. The Charity does not make use of derivatives and similar complex financial instruments as the Trustees take the view that investments are held for their longer term yield and total return and that any short-term volatility in the markets will normally be corrected in any five year period.

Investment returns are exposed to various risks which include credit, liquidity and market risks. Both credit and liquidity risks are assessed as low as the Charity invests predominantly in blue-chip securities in which the failure rate is historically low and all investments are traded on markets in which central banks and other regulators have an interest in ensuring continuation of orderly trading.

Market risk is the principal risk faced by the Charity due to a combination of uncertainty in investment markets and volatility in yields. These factors are of particular relevance to the Charity as it is reliant, in part, on dividends and interest to finance its grant making activities. As many of its collective investment funds include significant holdings in international equities and bonds which are denominated in foreign currencies, the Charity also has exposure to exchange rate risk.

The Trustees manage these risks by retaining the expert services of a fund manager, as shown in the above analysis of the portfolio, and in operating an investment policy which provides for a high degree of diversification of holdings within investment asset classes providing for a balance of income and long-term capital growth.

17 DEBTORS	31-Dec-23	31-Dec-22
	£	£
Accrued income	7,425	21,940
Prepayments	7,830	6,750
Other Debtors	12,304	6,074
Income tax recoverable	3,544	2,943
	<u>31,103</u>	<u>37,707</u>

Accrued income includes £7,185 (2022: £21,878) and Income tax recoverable includes £3,544 (2022: £2,943), which is attributable to cash flows from investing activities.

18 CREDITORS PAYABLE WITHIN ONE YEAR

	31-Dec-23	31-Dec-22
	£	£
Accruals	40,134	69,612
Other creditors	11,854	24,059
Taxation & Social Security	915	523
	<u>52,903</u>	<u>94,194</u>

Included within the heading of accruals are grants payable with a total value of £6,055 (2022: £2,556)

Other creditors include £3,850 (2022: £4,027) which is attributable to cash flows from investing activities.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

19 STATEMENT OF FUNDS

	At 1 January 2023	Income	Expenditure	Realised and Unrealised Gains or (Losses)	Transfers from Designated Funds	Transfers to Designated Funds	At 31 December 2023
	£	£	£	£	£	£	£
Unrestricted funds:							
General funds							
Revenue	781,626	546,523	(613,493)	84,889	250,899	(215,960)	834,484
Designated funds							
For Grants:							
Charitable grants	131,064	-	-	-	(179,299)	141,710	93,475
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	44,125	-	-	-	(71,600)	74,250	46,775
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Restricted fund:							
Income fund	10,352	-	-	-	-	-	10,352
Endowment fund	19,558,877	-	(42,670)	885,368	-	-	20,401,575
	20,746,044	546,523	(656,163)	970,257	-	-	21,606,661

General Funds are unrestricted funds that the Trustees are free to use in accordance with the objects of the charity.

Designated Funds are unrestricted funds that have been earmarked by the Trustees for particular purposes. These purposes fall into two categories: the payment of grants; and future repairs and maintenance. Specifically they are as follows:

Charitable Grants:

The charitable grants relate to amounts pledged by the Trustees for charitable purposes where no binding commitment exists at the balance sheet date. Transfers are made to this fund from the general fund for amounts pledged in the year which have not been paid by the year end. A transfer is made from this fund to the general fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

Church of St. Peter & St. Paul, Great Bowden:

One of the Charity's objects is the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The income to be applied for this purpose must not exceed 20% of the Charity's income in any three year period. A designated reserve for the purpose of meeting this expenditure is maintained at a level to ensure that the charity has sufficient funds to meet its ongoing obligations based on advice from representatives of the P.C.C.

Relief in Need grants:

The charity makes donations to individuals to relieve need, hardship and distress, which are referred to as Relief in Need grants. In order to ensure that sufficient funds are available to continue to meet such needs, the Trustees have agreed to maintain a reserve approximately equivalent to the Relief in Need grants paid in the last three years.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

19 STATEMENT OF FUNDS (continued)

Educational grants and bursary funds:

The Trustees invite applications from individuals for assistance with tuition fees and expenses for a first degree at a British university and for equipment and costs associated with apprenticeships and vocational training. A fund is maintained at a value which will enable the charity to meet its obligations to pay the fees of the successful applicants over the remainder of their courses. In addition, a fund is maintained to enable the charity to award bursaries, over a three year period, of up to £180,000 per annum, to schools within the area of benefit. This equates to a maximum of £20,000 per school per annum and the bursaries may be used for a wide range of educational purposes.

Repair funds:

The Extraordinary Repair Funds are established to cover the cost of non routine maintenance of the charity's properties.

Separate repair funds are maintained in respect of: the Allotments & Commercial Properties; and the Almshouses.

Amounts are transferred to these funds and are released back to the General Fund as the Trustees consider appropriate to offset the cost of non routine maintenance on the properties. The aggregate funds are to be maintained between a minimum of £50,000 and a maximum of £100,000.

An extraordinary repair fund is maintained for the Old Grammar School. The Old Grammar School is an ancient building which is in regular need of maintenance and repair. Following a major restoration project which was completed during 2014, the current ongoing commitment for expenditure has been substantially reduced and this is reflected in the level of reserves maintained for this purpose.

Restricted income funds represent funds donated to the Charity by the Market Harborough Musical Theatre on the understanding that they are to be applied to support performing arts in the area of benefit.

The Endowment Fund represents the permanent capital of the Charity. These funds must be held indefinitely and the Trustees have no power to convert the capital into funds which may be spent.

The movements in funds in the previous financial year were as follows:

	At 1 January 2022 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2022 £
Unrestricted funds:							
General funds							
Revenue	687,590	696,704	(859,918)	(83,858)	555,912	(214,804)	781,626
Designated funds							
For Grants:							
Charitable grants	208,490	-	-	-	(223,330)	145,904	131,064
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	51,114	-	-	-	(75,889)	68,900	44,125
Educational bursary	256,693	-	-	-	(256,693)	-	-
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Carried forward	1,423,887	696,704	(859,918)	(83,858)	-	-	1,176,815

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

19 STATEMENT OF FUNDS (continued)

	At 1 January 2022 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2022 £
Unrestricted funds:							
Brought forward	1,423,887	696,704	(859,918)	(83,858)	-	-	1,176,815
Restricted fund:							
Income fund	10,352	-	-	-	-	-	10,352
Endowment fund	20,918,161	-	(97,445)	(1,261,839)	-	-	19,558,877
	<u>22,352,400</u>	<u>696,704</u>	<u>(957,363)</u>	<u>(1,345,697)</u>	<u>-</u>	<u>-</u>	<u>20,746,044</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2023	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	-	-	-	1,951,818	1,951,818
Intangible fixed assets	-	-	-	-	-
Investment properties	175,000	-	-	2,736,000	2,911,000
Investment portfolio	327,815	360,250	-	15,676,914	16,364,979
Cash held for investment	-	-	-	-	-
Sundry Debtors	31,103	-	-	-	31,103
Cash at Bank on Deposit	351,924	-	10,352	38,193	400,469
Cash in hand	195	-	-	-	195
Current Liabilities	(51,553)	-	-	(1,350)	(52,903)
Total Net Assets	<u>834,484</u>	<u>360,250</u>	<u>10,352</u>	<u>20,401,575</u>	<u>21,606,661</u>

As at 31 December 2022	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	130,091	-	-	1,763,647	1,893,738
Intangible fixed assets	-	-	-	1,650	1,650
Investment properties	-	-	-	2,767,000	2,767,000
Investment portfolio	230,668	395,189	-	14,610,539	15,236,396
Cash held for investment	-	-	-	352,838	352,838
Sundry Debtors	37,673	-	-	34	37,707
Cash at Bank on Deposit	456,036	-	10,352	84,275	550,663
Cash in hand	246	-	-	-	246
Current Liabilities	(73,088)	-	-	(21,106)	(94,194)
Total Net Assets	<u>781,626</u>	<u>395,189</u>	<u>10,352</u>	<u>19,558,877</u>	<u>20,746,044</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

21 OPERATING LEASE COMMITMENTS

The total minimum lease payments to which the Charity is committed under an operating lease for office equipment is shown below:

	31-Dec-23	31-Dec-22
	£	£
Payments due in respect of leases expiring:		
Within one Year	-	574
In two to five years	-	-
Total	<u>-</u>	<u>574</u>

Lease payments recognised as an expense in the Statement of Financial Activities amounted to £573 (2022: £573).

22 OTHER FINANCIAL COMMITMENTS

Commitments for the acquisition of tangible fixed assets, which were contracted for but not provided in the financial statements, amounted to £Nil (2022: £Nil).

23 RELATED PARTY TRANSACTIONS

At various times during the year the Charity has received applications for grants from other charitable organisations which have certain trustees in common with the Charity. In accordance with the Charity's procedures, the relevant trustees declared their interest and did not take part in any of the discussions relating to the grant application.

There were no other transactions with related parties during the year or the preceding financial year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

England & Wales - Charity number 1157787

Accounts

MARKET HARBOROUGH AND THE BOWDENS CHARITY
(A Charitable Incorporated Organisation)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

Charity Registered Number 1157787

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

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MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report along with the financial statements of Market Harborough and The Bowdens Charity, ("the Charity") for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and 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) issued in October 2019 ("SORP (FRS 102)").

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Market Harborough and The Bowdens Charity																														
Charity Registration Number	1157787																														
Status:	Charitable Incorporated Organisation																														
Principal Office Address	10, Fairfield Road, Market Harborough, Leicestershire, LE16 9QQ																														
Trustees	The members of the Board of Trustees who served during the year and at the date of this report are as follows: Appointed Trustees: <table><tr><td>Mrs J Adkins</td><td>Retired 28 March 2022</td></tr><tr><td>Mrs J Balme</td><td></td></tr><tr><td>Mr G Buxton</td><td></td></tr><tr><td>Mrs C Davies</td><td></td></tr><tr><td>Mr J Feavours QPM</td><td>Chair</td></tr><tr><td>Mr G R Hartopp</td><td>Retired 24 February 2022</td></tr><tr><td>Dr S Hill</td><td></td></tr><tr><td>Prof. W Jones</td><td></td></tr><tr><td>Mr G Kellie</td><td></td></tr><tr><td>Mrs L Kvatch</td><td></td></tr><tr><td>Mrs K Merryweather</td><td></td></tr><tr><td>Mrs L Rhodes</td><td>Retired 23 February 2023</td></tr><tr><td>Mrs J A Williams</td><td></td></tr></table> Nominated: <table><tr><td>Mr N Proudfoot</td><td>Retired 26 May 2022</td></tr><tr><td>Ms E Elliott</td><td>Appointed 26 May 2022</td></tr></table>	Mrs J Adkins	Retired 28 March 2022	Mrs J Balme		Mr G Buxton		Mrs C Davies		Mr J Feavours QPM	Chair	Mr G R Hartopp	Retired 24 February 2022	Dr S Hill		Prof. W Jones		Mr G Kellie		Mrs L Kvatch		Mrs K Merryweather		Mrs L Rhodes	Retired 23 February 2023	Mrs J A Williams		Mr N Proudfoot	Retired 26 May 2022	Ms E Elliott	Appointed 26 May 2022
Mrs J Adkins	Retired 28 March 2022																														
Mrs J Balme																															
Mr G Buxton																															
Mrs C Davies																															
Mr J Feavours QPM	Chair																														
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Dr S Hill																															
Prof. W Jones																															
Mr G Kellie																															
Mrs L Kvatch																															
Mrs K Merryweather																															
Mrs L Rhodes	Retired 23 February 2023																														
Mrs J A Williams																															
Mr N Proudfoot	Retired 26 May 2022																														
Ms E Elliott	Appointed 26 May 2022																														
Charity Secretary	Mrs W. Hempson It is with great sadness that the Trustees report the death of the previous Charity Secretary, Mrs L Headey, on 29 January 2022.																														
Accountants and Auditors	Edward Thomas Peirson & Sons, 21, The Point, Rockingham Road, Market Harborough, Leicestershire, LE16 7NU																														
Solicitors	BHW Solicitors, 1 Smith Way, Leicester LE19 1SX																														
Bank	HSBC plc, 15 High Street, Market Harborough, Leicestershire, LE16 7NN																														
Investment Managers	Up until April 2023: MHA Caves Wealth, Lockgates House, Rushmills, Northampton NN4 7YB Cazenove Capital Management Limited, 1, London Wall Place, London Wall, London, EC2Y 5AU CCLA Investment Management Limited, One Angel Lane, London, EC4R 3AB From April 2023: Mercer LLC, G1 Building, 5 George Square, Glasgow, G2 1AR																														
Land Agents	Fisher German LLP, Innovation House, Welland Business Park, Valley Way, Market Harborough, Leicestershire, LE16 7PS																														

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's area of benefit, as defined in its original constitution, was the Urban District of Market Harborough as it existed prior to the reform of local government on 1 April 1974. This area includes the town of Market Harborough and the villages of Great Bowden and Little Bowden.

During 2022, the area of benefit was changed by the trustees and with the approval of the Charity Commission, to reflect the organic growth of the built-up area whilst remaining consistent with the original constitution and is now defined as the 'Urban area of Leicestershire centred on Market Harborough, Great Bowden and Little Bowden'.

In summary, the objects of the Charity as set out in that constitution, are:

1. Such charitable purposes for the general benefit of the inhabitants of the area of benefit as the Trustees think fit for which provision is not made out of rates, taxes or other public funds;
2. The relief either generally or individually of residents in the area of benefit who are in conditions of need, hardship or distress, but not directly in relief of rates, taxes or other public funds. This is referred to in the objects as "Relief in Need". In exceptional circumstances the Trustees may grant relief to individuals otherwise eligible who are resident immediately outside the area of benefit;
3. Education – the provision of financial help to enable suitable applicants over the age of 16 and resident in the area of benefit to undertake programmes of study in further or higher education, or training towards a vocational qualification, which they would otherwise be less able to afford, and
4. The maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The amount applied in this respect is restricted to 20% of the Charity's income in any three-year period.

Before applying the income of the Charity in support of these objects the Trustees must first defray the costs of maintaining the Charity's property (including that held on trust by the Charity) and the costs, charges and expenses of administering the Charity.

Activities

The Charity's principal activity, which is undertaken in relation to these objects, is the payment of grants to institutions to be applied for the public benefit within the defined area, towards the improvement of: the community, social welfare and environment; the arts; education; amateur sports; and the maintenance of local heritage.

A small, but significant proportion of the Charity's resources is applied in meeting social welfare, "relief in need", claims from individuals largely referred to the Charity by Social Services and similar bodies. Additionally, the Charity has an educational grant making activity to support the further education of financially disadvantaged members of the community by assistance with the cost of apprenticeships, vocational training and fees and living expenses associated with a course of undergraduate study.

Grants are also awarded, in consultation with the Parochial Church Council, as and when required towards the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden.

Outside of direct grant provision, the Charity has fourteen fully serviced Almshouses, which are let at a below market rent. It also maintains two allotment sites in the town of Market Harborough in which plots are available to residents of the defined area for a modest charge and, in conjunction with the Leicestershire and Rutland Wildlife Trust, protects and enhances the ecological value of a Site of Special Scientific Interest on land that is held within its investment property portfolio.

Finally, the Charity has since 2005 owned a 17th Century building known as the Old Grammar School which is a listed landmark building in the town of Market Harborough of significant historical, cultural and architectural importance. The Charity completed a major programme of renovation and refurbishment of the building in 2014, which was its 400th anniversary. The undercroft and the upstairs function room were available for rent throughout 2022. However, at the beginning of 2023, the function room commenced use as the administrative office for the Charity on a temporary basis so that the principal office could be used as a drop-in venue (see later).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES (continued)

Grant Making Policy

The Charity has devised standard application forms for grant applications available through its website www.mhbcharity.co.uk with each application considered by a committee of trustees for probity, fit with the Charity's constitution and availability of budget.

Following a thorough review of the Charity's aims and priorities, the trustees approved a new Strategic Plan for the Charity in late 2022. From that point on all the grant giving committees' priority areas and decision making will follow the principles outlined in the plan, which will be reviewed annually.

The Charity's existing priorities remained unchanged:

- Vulnerable people of all ages
- Mental health wellbeing and ill-health prevention
- Incorporating environmental, social and governance (ESG) elements to all aspects of the business of the Charity

The trustees recognised the significant financial pressures caused by increasing heating costs and high inflation and were keen to award more small grants and to explore pathways to identify appropriate beneficiaries.

The trustees intended to improve their communications and partnership working through:

- Liaison with schools to survey and involve young people
- Better understanding of other local charities
- Developing a policy on core funding of services
- Working with the Howard Watson Symington Memorial Charity
- Learning from the Town Hub, Neighbourhood Forums, ward profiles etc.
- Greater PR including improved social media

The audit and reporting process for grants and projects was revisited during the year to ensure follow-up, accountability and learning and the number of trustees on each committee was reviewed, to prevent overload and to ensure that different skill sets and perspectives were represented.

Volunteers

In meeting these aims, each of the Trustees provides the Charity with many hours of service on a voluntary basis, but the Charity has no particular requirement for volunteers outside of the trustee body. No financial value is attributed to this voluntary work in the financial statements.

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance published by the Charity Commission on public benefit when reviewing the Charity's aims and objectives, in planning future activities and in setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

In 2022, the world gradually returned to normal following the 2019 Covid pandemic and staff were able to work in the office. However, in January 2022, Charity Secretary Lenore Headey tragically died, and she is very sorely missed. Trustees paid tribute to her significant and much appreciated contribution during her three years with the Charity.

Wendy Hempson was appointed as the new Charity Secretary and in addition to the grant giving aspects of the Charity, she was instrumental in updating and reorganising much of the corporate governance of the CIO including standard reports to committee meetings. She has also formed excellent working relationships with trustees and her small team of colleagues.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Institutional grants

Payments of grants to institutions in the financial year amounted to £218,330 (2021: £217,702). The largest grants were to support a local sports club and a dementia nurse as follows:

- £44,538 to the Rugby Club for help fund the additional floodlighting of training pitches to benefit players of all ages. Trustees appreciated the cross collaboration achieved with the football club and other groups.
- £40,000 to pump prime a Dementia UK Admiral Nurse position for 18 months. The nurse would develop a new service and provide support for local families living with the complexities of dementia.

Without listing every grant awarded, £18,000 went towards the cost of a disabled access and toilet facilities at The Bower House (which is the working name for Harborough Christian Counselling Service); £10,000 to help install accessible pathways to the padel courts at the Cricket and Squash Club; and smaller amounts were awarded to Arts Fresco, South Leicestershire Mobile Library, St Nicholas Church of the Transfiguration, Holiday At Home, Leicestershire Musical Memory Box, Market Harborough Historical Society and others.

Several multi-year projects continued to be supported as per the grants awarded;

- Voluntary Action South Leicestershire– running costs project
- Home-Start South Leicestershire – Family Know How project
- The Bower House – counselling service
- Market Harborough Anglican Team - Youth Worker

The tragic war in Ukraine became a catalyst for trustees to revisit their policy on the length of time a potential beneficiary had to live in the area of benefit to be declared a resident. This period had previously been set at six-months but after careful consideration and reflection on their constitution, trustees determined that an individual would only need to have spent one night in the area of benefit to qualify as resident.

The Trustees have endeavoured to offer support to refugees living in their area of benefit wherever possible within the limits of their constitution.

The defibrillators that the Charity had previously provided to the town were not being maintained and trustees agreed to fund a four-year support package to ensure they were in working order.

Late in the year, the Charity received an application from two other charities namely Falcon and Beacon Care, to fund the rental costs of a local drop-in venue. This would provide a safe place for the most vulnerable in society to come and receive support around health, welfare, housing, debt and employment. Trustees were very keen to support this application and, in the event, decided to make their principal office available as the venue and temporarily move their own office and meeting space to the Old Grammar School (OGS).

As mentioned earlier, in March 2023, the Charity did move to the OGS with the full support of staff. This move also provided an opportunity to ensure compliance with the GDPR and securely dispose of older administrative documents. The temporary accommodation has provided benefits in closer working and augers well for a new office as part of the Wellbeing Campus project described later.

Relief in Need

All applications for individual assistance are treated in complete confidence.

During 2022, 92 applications (2021: 87) were supported and the Charity was able to provide a variety of new household items, such as carpets, sofas, white goods, beds, school uniforms, nursery fees and a disabled bathroom. Argos gift cards were occasionally used to allow applicants to buy the items themselves. A number of gift cards were also distributed to vulnerable, less advantaged families to help them buy Christmas presents for their children.

A special grant provided a taxi on a short-term basis to transport some Ukrainian children to a primary school in the area of benefit. The children would otherwise have been unable to go to school.

A need for financial management advice, coaching and life skills was identified and Trustees decided to try to identify options for the provision of such advice and training alongside or in lieu of direct grants.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Education

In 2019, trustees launched a £5.4 million Education Bursary Fund, to give every school in the Charity's area of benefit £20,000 a year for three years. Trustees had decided to give the schools complete flexibility and allow them to spend the money whichever way they chose to improve their school for their pupils.

The scheme concluded at the end of 2022 and reports have been received from all nine schools. Many schools chose to upgrade their IT equipment, but many playground areas and the arts have also benefitted significantly.

Applications to the Education Committee increased post pandemic and having interviewed students during June and July, 61 students' applications were successful and almost £70,000 has been allocated for education grants in 2022.

Every primary school child in the area of benefit was given a china mug to commemorate the late Queen's Platinum Jubilee in 2022, and these were warmly received by the schools and the children.

Almshouses

The Charity has held in trust 14 almshouses (14 one-bedroom flats) for many years. Under the Charity's constitution, applications can only be considered from applicants who are resident in the Charity's area of benefit and who are poor. There has been considerable debate over the need for the continued provision of almshouses for the poor in a modern welfare state but nonetheless trustees are committed to properly considering the needs of the existing residents.

During 2022, a comprehensive review of the almshouses was initiated, and in order to assess the state of the flats a condition report was commissioned. The results of the condition report highlighted the need for repair work and this remedial work was tendered for and begun.

A fire risk report was also commissioned and similarly, the issues raised in the subsequent report were addressed. This included new fire doors but the contractor's work proved unsatisfactory and it was necessary to recommission the new fire doors. The supplier acknowledged that the work was unacceptable, and no cost was incurred by the Charity.

A facilities management company has been engaged to oversee the day-to-day management of the almshouses from early 2023.

As two of the almshouses were vacant, they were advertised towards the end of 2022, but no applications were received that matched the required criteria of being poor and resident in the area of benefit.

Given the review and the absence of qualified applicants, the beginning of 2023 also saw the trustees revisit the provision of almshouses at all. They concluded that members of the CIO should change the constitution and reconsider how to manage what would be the former almshouses accordingly.

Allotments

The Charity owns two separate allotment fields in the town, for which there has been healthy demand and enthusiasm. During 2022, the long waiting list was reduced and many overgrown plots were reallocated and improved.

A review of the allotments was initiated in 2022 and a survey shared with plot holders to gauge satisfaction levels. The survey results revealed that plot holders were overwhelmingly in favour of increased security at both sites. Over the years there have been repeated incidents of vandalism and some people did not feel safe on site. Trustees took the decision to install security fencing at both sites, which was scheduled to begin in early 2023.

Site of Special Scientific Interest

There is a Site of Special Scientific Interest ("SSSI") on part of the farmland, owned by the Charity for investment purposes, which is managed by the Leicestershire and Rutland Wildlife Trust. Direct costs of £55,786 (2021; £42,810) were incurred on this site during the year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Church of St. Peter & St. Paul Great Bowden

During the year, the Charity received applications from the Great Bowden PCC for assistance with the cost of repair and maintenance of the Church of St. Peter & St. Paul amounting to £10,695 (2021: £23,775). Grants were awarded in settlement of these applications in accordance with the Charity's objects.

FINANCIAL REVIEW

Review of major risks

The Board reflected on the loss of income during the volatility in the markets during the covid pandemic. As a result, they budgeted for less income and reinforced budget considerations at each of their grant giving committee meetings. The potential reduction in income did not however frustrate grant giving and trustees were able to meet appropriate applications presented to them.

The Estates committee has moved its focus to the strategic aspirations of the Charity namely the development of plans for a Wellbeing Campus and the opportunities to buy and sell local land assets. The day-to-day asset management has been incorporated into the role of the Charity Secretary to ensure a more timely and cost-effective function which did not need to rely on decisions of trustees.

The Wellbeing Campus idea has been held up due to the pandemic. However, 2022 saw the partnership of a social housing developer, contractors, and local authorities with the Charity to plan for a multi-charity campus and an extra-care residential complex. The trustees made a resolution under the Charities Act 2011 to dispose of land other than at a market rate in order to facilitate the accommodation and receive a 'turnkey' charity campus in return. It is hoped that the project will be submitted for planning application later in 2023.

The Charity was approached by a local business to purchase land laid to grass at the edge of Market Harborough and approval was given for the potential purchaser to apply for planning permission and obtain other relevant approvals. Agreement in principle for a sale was agreed but is now on hold following a refusal by the planning authorities for the development concerned.

The Board continues to engage a firm of Chartered Accountants to oversee all aspects of bookkeeping, provide quarterly management accounts and to draft the annual financial statements.

Financial and investment performance

Income from the investment portfolio (excluding investment properties) increased by approximately 6.4% compared with the previous year to £480,739. This exceeded the budget of £440,000 that was set at the beginning of the year following discussions with the Charity's investment managers.

Unfortunately, the capital value of the investment portfolio was impacted by the Russian invasion and ongoing war in Ukraine and ended the year at £15,589,234 compared with an opening value of £17,247,404, which represents a reduction of £1,658,170 or 9.61%.

This compares with a fall of 3.16% in the FTSE All Share index and an increase of 0.91% in the FTSE 100 index over the same period. However, due to the relatively cautious and balanced investment strategy, which is adopted by the Charity, a more suitable benchmark is the MSCI WMA Private Investor Balanced index which, fell by 8.1% over the year.

Notwithstanding the reduction in the year, the value of the investment portfolio (ignoring investment properties) at the end of the year reflects an unrealised surplus of £2,390,749 over its original cost.

Messrs Fisher German LLP, Chartered Surveyors undertook a full valuation of the Charity's property portfolio, both held for investment and operational use, as at 31 December 2020 and updated this valuation with a desktop review as at 31 December 2021 and 2022. This has resulted in a net increase of £259,500 in the carrying value of the investment properties during 2022.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW (continued)

Rental income from the investment properties (which include farmland, paddocks and shops) for the year was £98,172 compared with £105,548 in 2021. This represents an investment yield of approximately 3.55% based on the latest valuation

Income from the charitable activities including the almshouses, Old Grammar School and allotments was relatively stable at £115,725 compared with £118,000 in 2021.

Voluntary income and other incoming resources contributed a further £2,068 in the year.

The cost of generating funds was £84,462 (2021: £98,982) of which £27,295 has been met from the General Funds and £57,167 from the Endowment Fund.

The provision of grant funding (including support costs) totalled £633,995 (2021: £569,729) and expenditure on other charitable activities (excluding grants) was £238,906 (2021: £193,620), of which £40,278 related to the depreciation of the almshouses and was charged against the Endowment Fund.

Financial position at the end of the year

Unrestricted General and Designated Funds

As a result of the movement in resources referred to above the net outgoing resources from the General Fund for the year, before gains/losses on investments and transfers to/from designated reserves, amounted to £163,214 compared with £76,501 in the previous year.

Unrealised losses of £83,858 were reported on general fund investments, with the result that unrestricted reserves have fallen by £247,072 over the course of the year and stood at £1,176,815 as at 31 December 2022.

The net transfer from designated funds to general funds in the year amounted to £341,108 such that, of the total unrestricted reserves: £395,189 has been designated for specific purposes including grants pledged; and £781,626 represent general funds.

Restricted Income Fund

During the year there was no movement in the balance of the Restricted Income Fund which stands at £10,352. Of this sum, £6,087 is restricted for the payment of grants supporting musical activities and the balance of £4,265 is restricted for children with special needs.

Endowment Fund

In addition to the expenditure described above, net losses of £15,351 were realised on sales of stocks within the investment portfolio during the year and unrealised losses of £1,505,988 were recorded on the revaluation of the portfolio to its market value at the year end. However, as reported above, revaluation of the investment property portfolio resulted in a surplus of £259,500.

The net effect is that the value of the Endowment Fund assets fell by £1,359,284 over the year and stood at £19,558,877 as at 31 December 2022.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW (continued)

Investment policy

The Charity has adopted an investment strategy to provide for present and future beneficiaries with appropriate diversification to avoid unnecessary risks.

The finance committee led review of the investment permanent endowment resulted in a decision by the Board to move the whole of the portfolio from the existing managers to Mercer. The Board considered the overall returns, costs and alignment with the investment beliefs policy agreed during 2021. They recognised the potential transition costs of moving their investments which would be ameliorated by using a dedicated onboarding team at Mercer. The transition began in March 2023.

Reserves policy

Reserves represent unrestricted funds after appropriate provision has been made, through designated funds (as described above) for: meeting commitments for grants pledged; maintenance and repair of the Great Bowden church; making Relief in Need and educational grants; and repairs to all freehold properties.

The Trustees aim to find projects worthy of support, in accordance with the Charity's objects, such that the grants that they award are approximately equal to the Charity's income net of operational expenses and management and administration expenses. However, reserves are required:

- to allow for unforeseen reductions in annual income; and
- to enable the Charity to provide funds for specific projects so that these projects can be undertaken at short notice.

Taking these factors into account the Trustees consider that the reserves should ideally be within a range of twelve to eighteen months of the typical outgoing resources of the Charity (excluding amounts specifically covered by designated reserves) which approximately equates to between £500,000 and £750,000.

The reserves at 31 December 2022 amount to £781,626, however, tangible fixed assets which are in operational use by the Charity represent £130,091 of this total. Therefore, the net free reserves are £651,535. This level of reserves lies towards middle of the ideal range and is considered to be acceptable for the immediate needs of the Charity.

The Charity's Finance Committee continues to keep the level of reserves under review and in making its assessment it will refer to quarterly management accounts prepared by the Charity's accountants, income projections prepared by the Charity's fund managers and internally produced cash flow projections. Appropriate recommendations will then be made to the Board as to the level of grants to be awarded in 2023. If necessary, the level may need to be reduced from that of recent years but there is no material uncertainty that the Charity will be able to continue as a going concern for the foreseeable future.

PLANS FOR FUTURE PERIODS

The Charity has continued with a programme of work arising out of reviews of the almshouses, allotments, investments, and office administration. The Wellbeing Campus is intended for use by the Charity, alongside others, and the application by Falcon described earlier prompted the early vacation of the principal office and temporary use of the OGS for Charity administration and meetings.

2022 saw the development of a new strategic plan which has at its core a desire to better understand and help with addressing need in the community working with other local charities where possible.

The constitution was amended in 2022 to change the area of benefit to reflect local urban growth and to formally incorporate the education portfolio from an earlier amalgamation. Trustees in their capacity as members of the CIO are working in 2023 to further amend the constitution to withdraw from almshouse provision and to align more closely to the Charity Commission model constitution.

Trustee working groups have continued to be a source of development thinking with attention being given externally to longer term solutions to issues and internally to better IT support for administration, and improved website content.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was registered as a Charitable Incorporated Organisation on 9 July 2014 and is governed by a foundation constitution, which was last amended on 25 August 2022. The constitution states that the body of trustees ("the Board") shall consist of a minimum of eight trustees and a maximum of fifteen appointed trustees and one ex officio trustee. The first fifteen trustees of the Charity were appointed for terms ranging from between two and five years, whereupon they are eligible for re-appointment. All subsequent appointments/re-appointments are for a term of four years.

Organisational structure

The Board meets once a quarter to deal with all governance and policy matters and has appointed staff to attend to the day to day running of the Charity. Three grant-giving sub-committees have been established to reflect the constitution namely: General grants, Relief-in-need, and Education. Operational sub-committees have been established for Finance, Estates, Almshouses and Allotments. An HR sub-committee also meets as required. The Board receives a Charity Secretary's report to bring the decisions of the sub-committees to the attention of the trustees as a whole.

Remuneration structure for key management personnel

Trustees are entirely unremunerated. Staff salaries are index linked with cost-of-living increments applied each year based on a national index.

Trustee recruitment, induction and training

When a vacancy occurs for an appointed trustee, the vacancy is considered in the light of the skills required by the Board and advertised in the local media. If appropriate, a short list is then prepared of candidates, who through residence, occupation, employment, or otherwise have special knowledge of the area of benefit or have the necessary skills, knowledge and experience needed for the effective administration of the Charity. The potential candidates are invited to submit a brief CV and two personal references. Each candidate is then interviewed by at least three existing Trustees following which a recommendation is made for consideration by the Board. Appointment is confirmed on the basis of a majority vote.

Harborough District Council ("the Council") may appoint one individual to act as an ex-officio trustee of the Charity provided that individual is also a Senior Officer of the Council. The position of ex officio trustee shall remain vacant if none of the Council's Senior Officers are willing to act in this capacity.

New trustees are provided with an induction pack including information on their legal obligations under charity law, the content of the constitution, the committees and decision making processes, strategic review, and the recent financial performance of the Charity. All trustees will be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP FRS (102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS (continued)

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

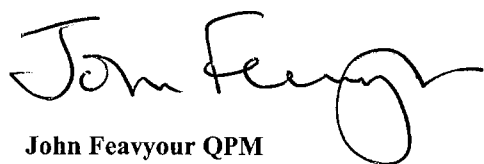
The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUND-RAISING STANDARDS INFORMATION

The Charity does not carry out any significant fundraising activities involving the general public.

DECLARATION

I declare, in my capacity of Charity Trustee, that the Trustees have approved the report above and have authorised me to sign it on their behalf.

A handwritten signature in black ink, appearing to read 'John Feavours', with a large, stylized loop at the end.

John Feavours QPM
Chair of Trustees
Dated 11th August 2023

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY

Opinion

We have audited the financial statements of Market Harborough and The Bowdens Charity (the "charity") for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of this other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 9), the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate experience, competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- through discussions with the trustees and other management, and from our commercial knowledge of the charity's activities and objectives, we identified the laws and regulations applicable to the charity and focused on specific laws and regulations which we considered may have a direct material effect on the financial statements and operations of the charity.
- we remained alert to instances of non-compliance throughout the audit and assessed the extent of compliance through discussions with management and examination of documentation.

We assessed the susceptibility of the charity's financial statements to material misstatement and obtained an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was a susceptibility to fraud and their knowledge of any actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate the risk of fraud and non-compliance with laws and regulations.

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify unusual or unexpected relationships;
- reviewed the nominal ledger and, specifically, journal entries to identify large or unusual transactions and investigated them; and
- we assessed the extent to which accounting entries relied on a high degree of judgement and/or estimation and when deemed necessary, such as for financial assets held at fair value, obtained external evidence to support said judgement and /or estimation.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included:

- agreeing financial statement disclosures to supporting documentation;
- reading minutes of trustee / management meetings, relevant regulators and the charity's professional advisers;
- performing substantive procedures on material balances and transactions; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures outlined 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 and/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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

E T Peirson & Son

Edward Thomas Peirson & Sons

Statutory Auditor
Chartered Accountants
21, The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7NU

Dated: 11 August 2023

Edward Thomas Peirson & Sons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	General Fund £	Designated Funds £	Restricted Income Funds £	Endowment Fund £	Total 2022 £	Total 2021 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	1,960	-	-	-	1,960	4,365
Charitable activities	3	115,725	-	-	-	115,725	118,000
Investments:							
From investment properties	4	98,172	-	-	-	98,172	105,548
From investment portfolio	4	480,739	-	-	-	480,739	451,762
Other	5	108	-	-	-	108	384,540
Total income and endowments		696,704	-	-	-	696,704	1,064,215
EXPENDITURE ON:							
Raising Funds	6	(27,295)	-	-	(57,167)	(84,462)	(98,982)
Charitable activities:							
Provision of grant funding	7	(633,995)	-	-	-	(633,995)	(569,729)
Other charitable activities	8	(198,628)	-	-	(40,278)	(238,906)	(193,620)
Total expenditure		(859,918)	-	-	(97,445)	(957,363)	(862,331)
Net income/(expenditure) before gains/(losses) on investments		(163,214)	-	-	(97,445)	(260,659)	201,884
GAINS/(LOSSES):							
On Investment properties:							
Realised		-	-	-	-	-	-
Unrealised	15	-	-	-	259,500	259,500	(12,500)
On Investments:							
Realised	16	-	-	-	(15,351)	(15,351)	215,463
Unrealised	16	(83,858)	-	-	(1,505,988)	(1,589,846)	1,605,123
Net income/(expenditure) before transfers		(247,072)	-	-	(1,359,284)	(1,606,356)	2,009,970
Net transfers between funds	19	341,108	(341,108)	-	-	-	-
Net income/(expenditure) for the period		94,036	(341,108)	-	(1,359,284)	(1,606,356)	2,009,970
OTHER RECOGNISED GAINS/(LOSSES):							
On revaluation of Tangible Fixed Assets	13	-	-	-	-	-	-
Net movements in funds		94,036	(341,108)	-	(1,359,284)	(1,606,356)	2,009,970
Total funds brought forward		687,590	736,297	10,352	20,918,161	22,352,400	20,342,430
Total funds carried forward		781,626	395,189	10,352	19,558,877	20,746,044	22,352,400

All activities relate to continuing operations.

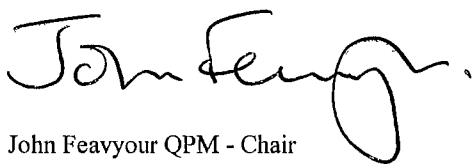
The notes on pages 17 to 34 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

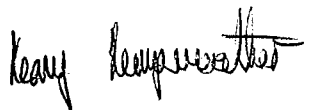
BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022	As At 31 December 2021
		£	£
Fixed Assets			
Tangible fixed assets	13		
Freehold land and buildings		1,892,259	1,938,615
Fixtures and fittings		1,223	3,055
Office equipment		256	2,803
		<u>1,893,738</u>	<u>1,944,473</u>
Intangible fixed assets	14		
Basic Payment Scheme entitlements		1,650	5,609
Investments			
Investment properties	15	2,767,000	2,507,500
Investment portfolio	16	15,589,234	17,247,404
		<u>18,356,234</u>	<u>19,754,904</u>
		<u>20,251,622</u>	<u>21,704,986</u>
Current Assets			
Debtors	17	37,707	41,008
Cash at bank and on deposit		550,663	682,432
Cash in hand		246	250
		<u>588,616</u>	<u>723,690</u>
Creditors payable within one year	18	(94,194)	(76,276)
Net Current Assets		<u>494,422</u>	<u>647,414</u>
Net Assets		<u>20,746,044</u>	<u>22,352,400</u>
Funds	19		
Unrestricted funds			
General funds		781,626	687,590
Designated funds		395,189	736,297
		<u>1,176,815</u>	<u>1,423,887</u>
Restricted funds			
Income funds		10,352	10,352
Endowment funds		19,558,877	20,918,161
Total Funds		<u>20,746,044</u>	<u>22,352,400</u>

The financial statements were approved by the trustees on 11 August 2023 and signed on their behalf by:



John Feavours QPM - Chair



Kerry Merryweather - Trustee

The notes on pages 17 to 34 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Total 2022 £	Total 2021 £
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net movements in funds per Statement of Financial Activities	(1,606,356)	2,009,970
Adjustments for:		
Depreciation & Amortisation Charges	54,694	51,619
(Gains)/Losses on investment properties:		
Realised	-	-
Unrealised	(259,500)	12,500
(Gains)/Losses on investments:		
Realised	15,351	(215,463)
Unrealised	1,589,846	(1,605,123)
Dividends, rents and interest receivable from:		
Investment properties	(98,172)	(105,548)
Investments	(480,739)	(451,762)
Overage payment arising from collaboration agreement	-	(384,540)
(Increase)/Decrease in Debtors	11,173	(4,057)
Increase/(Decrease) in Creditors	17,918	9,570
Net cash used in operating activities	<u>(755,785)</u>	<u>(682,834)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Rents received from investment properties	87,097	113,887
Dividends and interest received from investments	483,976	449,734
Overage payment received from collaboration agreement	-	384,540
Purchase of Intangible Fixed Assets	-	(811)
Proceeds of Sale of Investments	2,330,477	2,798,778
Purchase of Investments	(1,955,248)	(2,811,165)
Net cash provided by investing activities	<u>946,302</u>	<u>934,963</u>
NET CHANGE IN CASH IN THE REPORTING PERIOD	190,517	252,129
Cash brought forward	713,230	461,101
CASH CARRIED FORWARD	<u>903,747</u>	<u>713,230</u>
Cash Carried Forward represents:		
Cash held in investment portfolio awaiting investment	352,838	30,548
Cash at bank and in hand held on instant access and short term deposits	550,663	682,432
Cash in Hand	246	250
	<u>903,747</u>	<u>713,230</u>

The notes on pages 17 to 34 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

1 PRINCIPAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 ("SORP (FRS 102)");
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) ("FRS 102");
- The Charities Act 2011; and
- UK Generally Accepted Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The going concern basis and historical cost convention, as modified by the inclusion of freehold land and investments at fair value, have been used in preparing the financial statements.

(b) GOING CONCERN ASSESSMENT

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The most significant area of uncertainty, which affects the continuing income of the Charity, are the levels of investment return and performance of investment markets. Note 16 to the financial statements provides detail of the action taken by the Trustees to mitigate the risks involved. Designated reserves have been established to ensure that adequate funds are available to meet pledges made by the Charity at the balance sheet date in the event that the associated conditions are met by the intended beneficiaries.

The Covid-19 pandemic and the subsequent war in Ukraine have created turmoil in the financial markets with the result that the value of the investment portfolio at 31 December 2022 was almost £125,000 below its pre-pandemic level.

Investment receipts also fell in response to these two events and for 2022 were almost £80,000 lower than in 2019. Lower investment returns are expected to continue for the foreseeable future and the Charity has set realistic projections of its investment income receivable in 2023, in accordance with advice from its investment managers. Furthermore, more than £53,000 of the designated reserve for grants is not expected to require payment within twelve months of the balance sheet date and typically only between 30% and 40% of annual income is required to cover the Charity expenditure other than the payment of grants. Therefore, whilst the Trustees accept that grant making may have to be restricted to a level below that of recent pre-pandemic years they confidently expect that the Charity will have the cash flows to be able to satisfy existing pledges and to continue to make meaningful grant awards for the foreseeable future.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(c) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Charitable activities income comprises contributions due from the tenants of the almshouses and rents and similar amounts receivable from the Cricket Club, SSSI, Old Grammar School and the allotments. These properties are held for charitable purposes and the income arising represents less than a market rent.

Investment income represents rental income from commercial properties and farm land, which are held by the Charity for their investment potential, together with interest and dividends on stocks, shares and bank deposits held on the endowment and unrestricted funds. Such income is recognised on a receivable basis and where appropriate, this includes the income tax recoverable.

Incoming resources from investments (including investment properties) held as part of the endowment fund are unrestricted.

Wherever possible, income is reported gross of any related expenditure. However, in the case of investment management costs within managed funds it is not always practicable to identify such costs with reasonable accuracy and, therefore, the investment income is reported net of these costs.

In accordance with SORP (FRS 102) no amount is included in the financial statements for volunteer time.

(d) EXPENDITURE RECOGNITION

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to make payment to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. As the Charity is not registered for VAT, all expenditure is shown gross of irrecoverable VAT.

Expenditure is categorised under the following headings:

Raising funds This represents: costs of managing and maintaining the Charity's investment properties; investment portfolio management fees; and promotional and website costs aimed at potential donors.

Charitable activities Costs under this heading fall into two distinct categories:

- Grants paid to individuals and organisations as approved by the Trustees in accordance with the Charity's Constitution; and
- The costs incurred in providing and maintaining the almshouses, the Old Grammar School; the allotments and the Site of Special Scientific Interest.

Where unconditional grants are offered the expenditure is accrued as soon as the recipient is notified of the grant and there is a reasonable expectation that it will be paid. Where grants are pledged, but payment is conditional on the performance of the recipient, the amount is not recognised as an expense until the conditions have been fulfilled. However, an amount equivalent to that pledged is transferred to a designated reserve.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(e) ALLOCATION OF COSTS

Costs which are directly attributable to a single activity are allocated directly to that activity. Shared costs which contribute directly to more than one activity are apportioned between those activities on the basis of usage by each activity.

Support costs represent the remaining costs that are not capable of direct attribution. They have been allocated between the categories of raising funds and charitable activities in accordance with the basis specified in Note 7.

Governance costs, which represent the expenses of Trustees' meetings and legal and professional fees related to the running and management of the Charity (including external audit fees), are included within the heading of support costs.

The allocation process involves a significant element of judgement as the charity has to consider the cost of detailed calculations and record keeping with the resultant benefit.

(f) OPERATING LEASES

Rentals payable and receivable under operating leases are charged/credited in the Statement of Financial Activities on a straight line basis over the period of the lease.

(g) TANGIBLE FIXED ASSETS INCLUDING HERITAGE ASSETS

Freehold land, comprising the allotments and cricket club land, are included at their estimated open market value based on a professional valuation which is usually undertaken every three years. The most recent revaluation was undertaken as at 31 December 2020. Any unrealised gains or losses are credited or charged to the SOFA as they arise. No depreciation is provided on such assets.

The Old Grammar School, as more fully explained in Note 12, is a Heritage Asset which forms part of the Charity's Permanent Endowment. There is no record of the original cost of the building and the Trustees consider that there are no suitable or cost-effective techniques available to ascertain a reliable valuation for the property. Accordingly, no cost or valuation is attributed to the property in these financial statements.

All other assets are recorded at cost/valuation less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £2,000 each, are expensed in the year in which they are incurred.

Depreciation is provided at rates calculated to write off the cost/valuation, less estimated residual value, of each asset on a straight line basis over its estimated useful life as follows:

Freehold property for operational use	- over 50 years
Improvements to cricket club buildings	- over the period of the lease to the cricket club
Almshouse buildings	- over 50 years
Almshouse fixtures	- over 7 years
Office equipment	- 25% per annum

The depreciation charge of assets held with Endowment Fund is charged to that fund. All other depreciation is charged to the General Fund.

(h) INTANGIBLE FIXED ASSETS

Intangible fixed assets represent Basic Payment Scheme entitlements purchased by the Charity, which are initially recognised at cost. The assets were being amortised on a straight line basis so as to fully write off their cost by the end of 2027, in accordance with UK Government policy to phase out Direct Payments under the scheme over this period. However, the Government have subsequently announced that financial support payments for the years 2024 to 2027 will be delinked from the entitlements and that they will not be tradeable after May 2023. Accordingly, the remaining net book value of the assets at 31 December 2021 is being written off on a straight line basis through to the end of May 2023. This change of accounting estimate has increased the amortisation charge for 2022 by £3,024. The assets form part of the Endowment Fund and the amortisation is charged to that fund.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(i) INVESTMENTS

Investments comprise investment properties and securities held within an investment portfolio and are initially recorded at their transaction price (including costs).

Investment properties are subsequently recorded at their estimated open market value at the end of each financial year. This estimate is based on an independent formal valuation, which is usually undertaken every three years, and by the Trustees in the intervening years based on independent advice from a desktop review of the most recent formal valuation. The last formal valuation was undertaken as at 31 December 2020. Investment properties are not depreciated.

Investments within the portfolio are revalued annually at their market value on the last day of the financial year. All investments are a form of basic financial instrument which are traded in quoted public markets. The Charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses on investments are calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost. Unrealised gains and losses represent the movement in market values between valuations. Both types of gains and losses are credited or charged to the Statement of Financial Activities in the year of gain or loss.

(j) DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are included within expenditure.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

Whilst cash held by investment managers awaiting investment is in this category, such balances are included in the balance sheet within the value of the investment portfolio.

(l) FUND ACCOUNTING

The Charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the Charity's objectives.

Designated funds are unrestricted funds which the Trustees have earmarked for particular purposes. Details of the nature and purpose of each designated fund is set out in Note 17. Transfers from general funds to designated funds are stated at amounts that the Trustees deem necessary to meet their known and anticipated future obligations.

Restricted income funds are funds which have restrictions placed on them by the donor that require them to be spent only for specified purposes.

Endowment Funds are capital funds which the Trustees cannot spend. The income arising from the endowment funds is unrestricted.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

2 DONATIONS AND LEGACIES	2022	2021
	£	£
General fund:		
Miscellaneous donations & Gift Aid tax recovery	1,960	100
Restricted income fund:		
Market Harborough Special Needs Playscheme	-	4,265
	<u>1,960</u>	<u>4,365</u>
3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2022	General Fund 2021
	£	£
Contributions from almshouse tenants	73,629	74,491
Old Grammar School rent	1,975	425
Allotment rents	4,000	5,546
Market Harborough Cricket Club rental income	6,490	6,490
Countryside Stewardship & other SSSI grants	29,631	31,048
	<u>115,725</u>	<u>118,000</u>
4 INVESTMENT INCOME	2022	General Fund 2021
	£	£
From investment properties:		
Rental income from commercial High Street properties	90,000	90,000
Farm Land	6,172	6,448
Miscellaneous	2,000	9,100
	<u>98,172</u>	<u>105,548</u>
From investment portfolio:		
Interest on UK fixed interest securities and Treasury stock	7,108	6,254
Dividends receivable from equity shares	96,555	85,137
Dividends receivable from collective investment funds	228,412	219,389
Dividends receivable from COIF Units	143,967	140,968
Interest on cash deposits	4,697	14
	<u>480,739</u>	<u>451,762</u>
5 OTHER INCOME	2022	2021
	£	£
General fund:		
Wayleaves	26	-
Interest on tax repayments & sundry income	82	-
Endowment fund:		
Overage payment arising from collaboration agreement	-	384,540
	<u>108</u>	<u>384,540</u>

The Charity was party to a collaboration agreement with the owner of land neighbouring that of the Charity, under which both parties sold land for development over twenty years ago. Under the terms of that agreement, the Charity was entitled to receive an overage payment in the event that the other party sold additional land for development during a specified period. Such a sale occurred during the year ended 31 December 2021 and the Charity's entitlement was £384,540.

Professional fees of £11,536 were incurred in connection with receipt of the funds and these are included as part of the expenditure on raising funds, within Endowment Fund expenses (see Note 6).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

6 EXPENDITURE ON RAISING FUNDS		2022	2021
GENERAL FUND		£	£
Commercial property management			
Secretarial salaries & on-costs		1,796	1,946
Insurance		1,721	1,763
Repairs and maintenance		1,186	869
Legal & professional fees		2,660	3,110
Support costs (Note 9)		7,328	7,555
Investment management			
Investment manager's fees		7,079	7,183
Support costs (Note 9)		5,335	4,634
Website & other promotional costs		190	1,780
		<u>27,295</u>	<u>28,840</u>
ENDOWMENT FUND			
Investment management			
Investment manager's fees		44,688	45,818
Investment property management fees		3,136	2,700
Support costs (Note 9)		-	-
Professional fees		-	15,356
Cricket Club - Depreciation of changing rooms		5,384	5,384
Amortisation of Intangible Assets		3,959	884
		<u>57,167</u>	<u>70,142</u>
TOTAL EXPENDITURE ON RAISING FUNDS		<u>84,462</u>	<u>98,982</u>
7 EXPENDITURE ON PROVISION OF GRANT FUNDING		2022	2021
GENERAL FUND		£	£
Grants to institutions or for specific purposes			
Institution	Purpose of grant		
Market Harborough Rugby Football Club	Lighting project	44,538	
Dementia UK	Funding of a local Admiral Dementia Nurse	40,000	
Voluntary Action South Leicestershire	Core Running Costs for a five year period	34,664	
Home-Start South Leicestershire	Family Know-How Project	20,000	
Harborough Christian Counselling Service	Ramped access & disabled toilet facilities	18,000	
Harborough Christian Counselling Service	Operating costs over a five year period	12,500	
Market Harborough Cricket & Squash Club	Level & accessible paths between courts & club	10,000	
South Leicestershire Toy Library	Contribution to running costs	8,551	
Harborough Anglican Team	Training of one Youth Worker	5,654	
Arts Fresco	Running costs of street theatre event	5,000	
Others, each £3,000 and under		19,423	
		<u>218,330</u>	217,702
Part repayment of grants made in previous periods:			
Market Harborough & District Scouts	Costs of attending World Scout Jamboree	-	(1,603)
		<u>218,330</u>	<u>216,099</u>
Education Bursary Fund Grants		233,038	107,461
Carried forward		<u>451,368</u>	<u>323,560</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

7 EXPENDITURE ON PROVISION OF GRANT FUNDING (continued)	2022	2021
	£	£
Brought forward	451,368	323,560
Grants to Church of St. Peter & St. Paul, Great Bowden - Repairs & maintenance	10,695	23,775
Grants to individuals		
Educational fund (108, 2021: 119)	74,889	123,016
Relief in Need £1,000 and over (16, 2021: 13)	22,271	18,031
Relief in Need less than £1,000 (76, 2021: 74)	12,151	17,361
Other grants and awards		
Commemorative Queen Elizabeth II Platinum Jubilee mugs for local school children	10,433	-
Transport for Ukrainian refugees	493	-
Total grants paid	582,300	505,743
Secretarial salary & on-costs	18,489	19,606
Caseworker's costs	88	-
Communications strategy, advertising and website development costs	381	3,559
Support costs (Note 9)	32,737	40,821
Total	633,995	569,729

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES	2022	2021
	£	£
GENERAL FUND		
Almshouses:		
Secretarial salary & on-costs	9,115	10,789
Insurance	1,036	1,062
Utilities (including lifeline)	15,400	13,965
Repairs and maintenance	48,324	18,016
Council Tax in void period & other miscellaneous costs	1,761	1,064
Website & promotional costs	191	1,780
Legal & professional fees	2,720	1,140
Depreciation of fixtures & fittings	1,832	1,832
Support costs (Note 9)	15,159	17,812
	95,538	67,460
Old Grammar School:		
Secretarial salary & on-costs	2,885	3,211
Insurance	1,471	1,508
Repairs, maintenance & utilities	11,697	5,786
Legal & professional fees	380	380
Support costs (Note 9)	3,857	5,039
	20,290	15,924
Allotments:		
Secretarial salary & on-costs	7,319	8,843
Repairs and maintenance	7,299	3,693
Website & promotional costs	190	1,780
Legal & professional fees	760	760
Water & miscellaneous expenses	2,325	809
Support costs (Note 9)	9,121	11,263
	27,014	27,148
Carried forward	142,842	110,532

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES (continued)

		2022	2021
	£	£	£
Brought forward		142,842	110,532
Site of Special			
Scientific Interest:			
Secretarial salary & on-costs	633	805	
Insurance	33	-	
Repairs and maintenance	50,412	40,220	
Legal & professional fees	3,809	830	
Other miscellaneous costs	79		
Support costs (Note 9)	820	955	
		<u>55,786</u>	<u>42,810</u>
		<u>198,628</u>	<u>153,342</u>
ENDOWMENT FUND			
Depreciation of Almshouses		40,278	40,278
		<u>40,278</u>	<u>40,278</u>
TOTAL ALL FUNDS		<u>238,906</u>	<u>193,620</u>

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS

Support costs, as detailed below, have been allocated to resources expended as follows:

	Support Costs				
	Governance Costs £	Office Costs £	Accounts & Finance £	Total £	2021 Total £
RESOURCES EXPENDED:					
General Fund:					
Expenditure on raising funds :					
Commercial property management	989	1,004	5,335	7,328	7,555
Investment management	-	-	5,335	5,335	4,634
Expenditure on Charitable Activities:					
Grants payable	10,954	11,114	10,669	32,737	40,821
Almshouses	5,406	5,485	4,268	15,159	17,812
Old Grammar School	1,650	1,674	533	3,857	5,039
Allotments	4,263	4,325	533	9,121	11,263
SSSI	407	413	-	820	955
	<u>23,669</u>	<u>24,015</u>	<u>26,673</u>	<u>74,357</u>	<u>88,079</u>

Bases for support cost allocation:

Support costs are allocated between the various activities representing resources expended on the following bases:

Governance costs	Estimated time spent on each activity by the charity secretaries
Secretarial support and office costs	Estimated time spent on each activity by the charity secretaries
Accounts & finance	Estimated time spent on each activity by the charity accountants

The cost allocation includes an element of judgement as the charity has to consider the cost of detailed calculations and record keeping compared with the resultant benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS (continued)

Governance costs included within support costs comprise:	2022	2021
	£	£
Secretarial salary & on-costs	17,454	19,016
Legal and professional fees	380	4,010
Auditors remuneration	3,840	3,270
General insurance	1,485	1,522
Trustee indemnity insurance	660	676
General expenses (including training of trustees)	(150)	150
	<u>23,669</u>	<u>28,644</u>

10 AUDITORS' REMUNERATION

The amounts payable to the Auditors', Edward Thomas Peirson & Sons, were as follows:

	2022	2021
	£	£
For audit services	3,840	3,270
For other assurance services	22,566	23,171
Total	<u>26,406</u>	<u>26,441</u>

The other assurance services provided by Edward Thomas Peirson & Sons included: preparation of the financial statements for the year; assistance to the Trustees in the financial management of the charity's affairs by the preparation of quarterly management accounts; and payroll services. No member of the firm's audit team was involved in the provision of these other services.

11 TRUSTEES' REMUNERATION AND REIMBURSED EXPENDITURE

The Trustees, who are considered to be the key management personnel, were not remunerated for their services in the year or the preceding year.

Aggregate expenses of £1,105 were reimbursed during the year to one trustee (2021: £1,040 to two trustees). The reimbursed expenses in the both years related to sundry goods/services paid for on behalf of the charity.

Trustee indemnity insurance is included as part of the charity's overall insurance and the amount charged in these financial statements in this respect is £660 (2021: £676).

12 STAFF NUMBERS AND COSTS

The number of employees of the charity were as follows:

Activity	Involvement	2022	2021
Secretarial	Full time	1	1
	Part time - Approx. 2.5 days per week	2	2

The aggregate payroll cost in respect of these employees was as follows:

	2022	2021
	£	£
Salaries	52,199	62,225
Social security costs	3,908	4,675
Pension contributions	1,436	1,991
	<u>57,543</u>	<u>68,891</u>
Employment Allowance	(3,032)	(4,675)
	<u>54,511</u>	<u>64,216</u>

No employee had employment benefits in excess of £60,000 (2021: None).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS

	Freehold Property for Operational Use £	Freehold Allotments Cricket Club & Other Land £	Almshouses Freehold Land & Buildings £	Fixtures & Fittings £	Office Equipment £	Total £
Cost or Valuation						
Brought forward	130,000	443,000	1,450,000	28,165	22,550	2,073,715
Revaluation	-	-	-	-	-	-
At 31 December 2022	130,000	443,000	1,450,000	28,165	22,550	2,073,715
Cumulative Depreciation						
Brought forward	694	43,413	40,278	25,110	19,747	129,242
Charge for the year	694	5,384	40,278	1,832	2,547	50,735
Revaluation	-	-	-	-	-	-
At 31 December 2022	1,388	48,797	80,556	26,942	22,294	179,977
Net Book Value						
At 31 December 2022	128,612	394,203	1,369,444	1,223	256	1,893,738
At 31 December 2021	129,306	399,587	1,409,722	3,055	2,803	1,944,473

Cost or valuation at 31 December 2021 is represented by:

Valuation						
31 December 2020	130,000	383,000	1,450,000	-	-	1,963,000
Cost						
	-	60,000	-	28,165	22,550	110,715
	130,000	443,000	1,450,000	28,165	22,550	2,073,715

Basis for inclusion in the accounts

Freehold property for operational use is the premises at 10, Fairfield Road, Market Harborough which the charity purchased and subsequently redeveloped and refurbished as the charity's office. Depreciation commenced when the premises were first brought into use. No depreciation was provided on the estimated land value of £100,000, which is included in the total cost/valuation at the start of the year.

All of the freehold properties were revalued, with effect from 31 December 2020, at their open market value by Fisher German LLP, Chartered Surveyors. In addition, included within the cost or valuation of Allotments, Cricket Club & Other land, is £60,000 representing the cost to the charity of its contribution, as landlord, to the construction of new changing rooms for the Cricket Club and an extension of the courts to its Squash section. Depreciation of these costs commenced on the completion of the relevant works using a straight line basis over the remaining period of the lease.

Had the properties not been revalued they would have been included at the following historical cost:

	As At 31 December 2022			As At 31 December 2021		
	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £
Cost	257,470	68,962	231,697	257,470	68,962	231,697
Aggregate depreciation	27,546	48,798	143,239	24,396	43,413	140,374
Net Book Value	229,924	20,164	88,458	233,074	25,549	91,323

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS (continued)

Heritage Assets

In addition to the assets shown above, the Charity owns a 17th Century building known as the Old Grammar School, Market Harborough, which was vested in the Charity during 2005 together with the other assets of the Market Harborough Exhibition Foundation Charity. The Old Grammar School is a local landmark and a listed building of significant historical and architectural importance, which the Trustees intend will form part of the Charity's permanent endowment to be maintained and preserved for its cultural significance to the town. Prior to the outbreak of the Covid-19 pandemic, the Charity made the building available for hire by the public, on a daily basis, in exchange for a specified contribution towards the annual running costs.

There is no information readily available as to the original cost of the building and the Trustees consider that there are no suitable techniques available to ascertain a reliable valuation for the property, certainly not without involving the Charity in significant costs which would outweigh any benefit.

As a result, in accordance with the permitted treatment for heritage assets in SORP (FRS 102) the Old Grammar School is not recognised as an asset in the Charity's balance sheet.

14 INTANGIBLE FIXED ASSETS

	31-Dec-22 £	31-Dec-21 £
Cost		
Brought forward	6,932	6,121
Additions	-	811
At 31 December 2022	<u>6,932</u>	<u>6,932</u>
Cumulative Amortisation		
Brought forward	1,323	439
Charge for the year	3,959	884
At 31 December 2022	<u>5,282</u>	<u>1,323</u>
Net Book Value		
At 31 December 2022	<u>1,650</u>	<u>5,609</u>
At 31 December 2021	<u>5,609</u>	<u>5,682</u>

Intangible assets represent Basic Payment Scheme entitlements.

15 INVESTMENT PROPERTIES

	31-Dec-22 £	31-Dec-21 £
Valuation at the beginning of the year	2,507,500	2,520,000
Additions at cost	-	-
Unrealised gains/(losses) on revaluation	259,500	(12,500)
Valuation at the end of the year	<u>2,767,000</u>	<u>2,507,500</u>
Historical cost at the end of the year	<u>562,312</u>	<u>562,312</u>

The investment properties comprise various parcels of land and four retail shops, of which three have been converted into one, situated in High Street, Market Harborough. A formal open market valuation of these assets was undertaken by Fisher German LLP, Chartered Surveyors as at 31 December 2022 and is incorporated in these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

15 INVESTMENT PROPERTIES (continued)

The Land in the charity's ownership includes:

Approximately 116.65 acres of farm land which is let in the year on a seasonal grazing licence. The property is subject to a restrictive covenant in favour of two predecessors in title whereby, in the event of any subsequent non-agricultural development being permitted, the charity will be required to pay 33% of any defined increase in value. The covenant extends to forty years from the date of grant;

Land situated a short distance to the north of Great Bowden village comprising 13.03 acres of grassland, which is let on seasonal grazing licences, and 6.45 acres which has been designated a Site of Special Scientific Interest ("SSSI"). The SSSI is subject to control by English Nature and the charity works closely with the Leicestershire and Rutland Wildlife Trust in ensuring that the ecological value of the site is protected and where possible enhanced. This land is subject to a similar restrictive covenant to that described above in relation to the farm land.

Two small permanent pasture paddocks situated close to the western fringe of Market Harborough town. One of these paddocks is subject to a fifty-year covenant in favour of the predecessor in title which commits the charity to pay away 33% of any uplift in value as a result of subsequent development beyond agricultural use; and

Various strips of land retained by the charity following previous significant land sales. Certain of these strips provide a possible means of access and services from adopted highways into potential development land which is not within the charity's ownership. In particular, a developer has recently expressed an interest in renewing a previous option (now expired) granting them the right to acquire the ransom strip in the event that the developer obtains planning permission for development on certain adjacent property, entry to which would be serviced over the ransom strip. However, at the present time in view of the uncertainties affecting their value, the Trustees have decided not to attribute any value to them in these financial statements.

16 INVESTMENT PORTFOLIO

	31-Dec-22	31-Dec-21
	£	£
Market value at the beginning of the year	17,216,856	15,383,883
Acquisitions at cost	1,955,214	2,811,165
Sales proceeds from disposals	(2,330,477)	(2,798,778)
Realised gains/(losses) on disposals	(15,351)	215,463
Unrealised gains/(losses) on revaluation	(1,589,846)	1,605,123
	<u>15,236,396</u>	<u>17,216,856</u>
Cash at bank on deposit/awaiting investment	352,838	30,548
Market value at the end of the year	<u>15,589,234</u>	<u>17,247,404</u>
Historical cost at the end of the year (excluding cash)	<u>12,845,647</u>	<u>12,902,545</u>

The realised gains/(losses) on disposals are shared between funds as follows:

General fund	-	50,137
Endowment fund	(15,351)	165,326
	<u>(15,351)</u>	<u>215,463</u>

The unrealised gains/(losses) on disposals are shared between funds as follows:

General fund	(83,858)	95,550
Endowment fund	(1,505,988)	1,509,573
	<u>(1,589,846)</u>	<u>1,605,123</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

		31-Dec-22		31-Dec-21	
		£	%	£	%
Managed by MHA Caves Wealth					
(no individual holding exceeds 5% of the total portfolio)					
UK Fixed interest securities and Treasury stock		163,672	1.05%	186,463	1.08%
UK Equity shares		572,841	3.67%	981,346	5.69%
UK investment trusts, unit trusts and OEIC's		2,630,712	16.88%	2,517,640	14.60%
Overseas equities		132,840	0.85%	114,975	0.67%
Cash on deposit		14,641	0.09%	14,916	0.09%
Managed by Cazenove Capital Management					
UK Bond funds	Schroder Sterling Corporate Bond	192,160	1.23%	255,200	1.48%
	Schroder ISF Strategic Credit C	305,111	1.96%	346,154	2.01%
	Treasury Stock Index-Linked 1.25% 2027	175,523	1.13%	-	-
International Bond funds	MU Lyxor Core US TIPS	-	-	247,938	1.44%
	Federated Homes Unconst. Credit Fund	101,722	0.65%	121,396	0.70%
UK Equity funds:	Charity Equity Income Fund	502,873	3.23%	569,825	3.30%
	Trojan Income Fund (Class S)	538,841	3.46%	630,791	3.66%
Overseas Equity funds	Findlay Park American Fund Inc.	804,116	5.16%	1,189,511	6.90%
	M&G Global Dividend Inc.	688,041	4.41%	676,874	3.92%
	Fidelity Global Dividend Fund (Class W)	662,217	4.25%	677,387	3.93%
	Schroder Asia Alpha Plus	428,063	2.75%	481,713	2.79%
	Blackrock European Dynamic Fund	-	-	224,595	1.30%
	Atlas Global Infrastructure Fund	124,926	0.80%	120,036	0.70%
	Wellington Global Health Care	113,473	0.73%	113,590	0.66%
	Polar Global Insurance Fund	158,824	1.02%	129,534	0.75%
	Robecco BP Global Premium Equities	291,845	1.87%	270,940	1.57%
	Spyglass US Growth Fund (UCITS)	65,547	0.42%	153,830	0.89%
	RWC Global Emerging Markets Fund S	118,897	0.76%	141,887	0.82%
	Schroder Global Equity Income Class L	-	-	242,675	1.41%
	Ninety One III Global Environment Fund	220,444	1.41%	253,204	1.47%
	William Blair U.S. Small Mid Cap Growth	142,110	0.91%	164,136	0.95%
	T. Rowe Global Technology Equity Fund	-	-	155,753	0.90%
	Neuberger Berman US Large Value Fd I4	305,760	1.96%	-	-
Alternative Investments	The Charities Property Fund	561,005	3.60%	608,941	3.53%
	Brevan Howard Abs. Return Gov. Bond	118,498	0.76%	111,575	0.65%
	iShares Physical Metals - ETC on Gold	161,424	1.04%	-	-
	L&G Multi-Strategy Enhanced Commod.	199,115	1.28%	-	-
Portfolio Funds	Troy Asset Mgt Trojan Fund S Inc.	271,779	1.74%	449,302	2.61%
Cash on deposit		338,197	2.17%	15,632	0.09%
Managed by CCLA Investment Management					
COIF Charities property fund		904,163	5.80%	1,026,370	5.95%
COIF UK Fixed interest fund		40,886	0.26%	46,738	0.27%
COIF Investment fund	Income Units	2,972,288	19.07%	3,363,390	19.50%
COIF Investment fund	Accumulation Units	258,913	1.66%	284,515	1.65%
COIF Global equity fund		307,767	1.97%	358,632	2.07%
		<u>15,589,234</u>	100.00%	<u>17,247,404</u>	100.00%

The investments in the portfolio are carried at their fair value which is the quoted market value in respect of equities and fixed interest securities and the bid price for units in common investment funds, unit trusts and open-ended investment companies. Investment sales and purchases are recognised at the date of trade at their transaction value, net of costs in the respect of sales and inclusive of costs in respect of purchases.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

All investments are basic financial instruments traded on quoted public markets, primarily the London Stock Exchange. The Charity does not make use of derivatives and similar complex financial instruments as the Trustees take the view that investments are held for their longer term yield and total return and that any short-term volatility in the markets will normally be corrected in any five year period.

Investment returns are exposed to various risks which include credit, liquidity and market risks. Both credit and liquidity risks are assessed as low as the Charity invests predominantly in blue-chip securities in which the failure rate is historically low and all investments are traded on markets in which central banks and other regulators have an interest in ensuring continuation of orderly trading.

Market risk is the principal risk faced by the Charity due to a combination of uncertainty in investment markets and volatility in yields. This was highlighted recently by the effect of the global Covid-19 pandemic on the financial markets which resulted in sharp reductions in both prices and dividends, as further discussed in Note 1(b). In addition, despite some recent upward movement, interest rates remain at an all time low. These factors are of particular relevance to the Charity as it is reliant, in part, on dividends and interest to finance its grant making activities. As many of its collective investment funds include significant holdings in international equities and bonds which are denominated in foreign currencies, the Charity also has exposure to exchange rate risk.

The Trustees manage these risks by retaining the expert services of three separate fund managers, as shown in the above analysis of the portfolio, and in operating an investment policy which provides for a high degree of diversification of holdings within investment asset classes providing for a balance of income and long-term capital growth.

17 DEBTORS	31-Dec-22	31-Dec-21
	£	£
Accrued income	21,940	23,552
Prepayments	6,750	5,839
Other Debtors	6,074	3,600
Income tax recoverable	2,943	8,017
	<u>37,707</u>	<u>41,008</u>

Accrued income includes £21,878 (2021: £9,369) and Income tax recoverable includes £2,943 (2021: £7,580), which is attributable to cash flows from investing activities.

18 CREDITORS PAYABLE WITHIN ONE YEAR

	31-Dec-22	31-Dec-21
	£	£
Accruals	69,612	40,263
Other creditors	24,059	35,964
Taxation & Social Security	523	49
	<u>94,194</u>	<u>76,276</u>

Included within the heading of accruals are grants payable with a total value of £2,556 (2021: £1,965)

Other creditors include £4,027 (2021: £4,027) which is attributable to cash flows from investing activities.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS

	At 1 January 2022 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2022 £
Unrestricted funds:							
General funds							
Revenue	687,590	696,704	(859,918)	(83,858)	555,912	(214,804)	781,626
Designated funds							
For Grants:							
Charitable grants	208,490	-	-	-	(223,330)	145,904	131,064
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	51,114	-	-	-	(75,889)	68,900	44,125
Educational bursary	256,693	-	-	-	(256,693)	-	-
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Restricted fund:							
Income fund	10,352	-	-	-	-	-	10,352
Endowment fund	20,918,161	-	(97,445)	(1,261,839)	-	-	19,558,877
	<u>22,352,400</u>	<u>696,704</u>	<u>(957,363)</u>	<u>(1,345,697)</u>	<u>-</u>	<u>-</u>	<u>20,746,044</u>

General Funds are unrestricted funds that the Trustees are free to use in accordance with the objects of the charity.

Designated Funds are unrestricted funds that have been earmarked by the Trustees for particular purposes. These purposes fall into two categories: the payment of grants; and future repairs and maintenance. Specifically they are as follows:

Charitable Grants:

The charitable grants relate to amounts pledged by the Trustees for charitable purposes where no binding commitment exists at the balance sheet date. Transfers are made to this fund from the general fund for amounts pledged in the year which have not been paid by the year end. A transfer is made from this fund to the general fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

Church of St. Peter & St. Paul, Great Bowden:

One of the Charity's objects is the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The income to be applied for this purpose must not exceed 20% of the Charity's income in any three year period. A designated reserve for the purpose of meeting this expenditure is maintained at a level to ensure that the charity has sufficient funds to meet its ongoing obligations based on advice from representatives of the P.C.C.

Relief in Need grants:

The charity makes donations to individuals to relieve need, hardship and distress, which are referred to as Relief in Need grants. In order to ensure that sufficient funds are available to continue to meet such needs, the Trustees have agreed to maintain a reserve approximately equivalent to the Relief in Need grants paid in the last three years.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

Educational grants and bursary funds:

The Trustees invite applications from individuals for assistance with tuition fees and expenses for a first degree at a British university and for equipment and costs associated with apprenticeships and vocational training. A fund is maintained at a value which will enable the charity to meet its obligations to pay the fees of the successful applicants over the remainder of their courses. In addition, a fund is maintained to enable the charity to award bursaries, over a three year period, of up to £180,000 per annum, to schools within the area of benefit. This equates to a maximum of £20,000 per school per annum and the bursaries may be used for a wide range of educational purposes.

Repair funds:

The Extraordinary Repair Funds are established to cover the cost of non routine maintenance of the charity's properties.

Separate repair funds are maintained in respect of: the Allotments & Commercial Properties; and the Almshouses.

Amounts are transferred to these funds and are released back to the General Fund as the Trustees consider appropriate to offset the cost of non routine maintenance on the properties. The aggregate funds are to be maintained between a minimum of £50,000 and a maximum of £100,000.

An extraordinary repair fund is maintained for the Old Grammar School. The Old Grammar School is an ancient building which is in regular need of maintenance and repair. Following a major restoration project which was completed during 2014, the current ongoing commitment for expenditure has been substantially reduced and this is reflected in the level of reserves maintained for this purpose.

Restricted income funds represent funds donated to the Charity by the Market Harborough Musical Theatre on the understanding that they are to be applied to support performing arts in the area of benefit.

The Endowment Fund represents the permanent capital of the Charity. These funds must be held indefinitely and the Trustees have no power to convert the capital into funds which may be spent.

The movements in funds in the previous financial year were as follows:

	At 1 January 2021 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2021 £
Unrestricted funds:							
General funds							
Revenue	554,911	675,410	(751,911)	145,687	430,948	(367,455)	687,590
Designated funds							
For Grants:							
Charitable grants	345,817	-	-	-	(224,718)	87,391	208,490
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	139,819	-	-	-	(98,769)	10,064	51,114
Educational bursary	94,154	-	-	-	(107,461)	270,000	256,693
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Carried forward	1,354,701	675,410	(751,911)	145,687	-	-	1,423,887

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

	At 1 January 2021 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2021 £
Unrestricted funds:							
Brought forward	1,354,701	675,410	(751,911)	145,687	-	-	1,423,887
Restricted fund:							
Income fund	6,087	4,265	-	-	-	-	10,352
Endowment fund	18,981,642	384,540	(110,420)	1,662,399	-	-	20,918,161
	<u>20,342,430</u>	<u>1,064,215</u>	<u>(862,331)</u>	<u>1,808,086</u>	<u>-</u>	<u>-</u>	<u>22,352,400</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2022

	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	130,091	-	-	1,763,647	1,893,738
Intangible fixed assets	-	-	-	1,650	1,650
Investment properties	-	-	-	2,767,000	2,767,000
Investment portfolio	230,668	395,189	-	14,610,539	15,236,396
Cash held for investment	-	-	-	352,838	352,838
Sundry Debtors	37,673	-	-	34	37,707
Cash at Bank on Deposit	456,036	-	10,352	84,275	550,663
Cash in hand	246	-	-	-	246
Current Liabilities	(73,088)	-	-	(21,106)	(94,194)
Total Net Assets	<u>781,626</u>	<u>395,189</u>	<u>10,352</u>	<u>19,558,877</u>	<u>20,746,044</u>

As at 31 December 2021

	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	135,164	-	-	1,809,309	1,944,473
Intangible fixed assets	-	-	-	5,609	5,609
Investment properties	-	-	-	2,507,500	2,507,500
Investment portfolio	-	709,714	-	16,507,142	17,216,856
Cash held for investment	-	-	-	30,548	30,548
Sundry Debtors	41,008	-	-	-	41,008
Cash at Bank on Deposit	565,526	26,583	10,352	79,971	682,432
Cash in hand	250	-	-	-	250
Current Liabilities	(54,358)	-	-	(21,918)	(76,276)
Total Net Assets	<u>687,590</u>	<u>736,297</u>	<u>10,352</u>	<u>20,918,161</u>	<u>22,352,400</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

21 OPERATING LEASE COMMITMENTS

The total minimum lease payments to which the Charity is committed under an operating lease for office equipment is shown below:

	31-Dec-22	31-Dec-21
	£	£
Payments due in respect of leases expiring:		
Within one Year	574	-
In two to five years	-	1,147
Total	<u>574</u>	<u>1,147</u>

Lease payments recognised as an expense in the Statement of Financial Activities amounted to £573 (2021: £574).

22 OTHER FINANCIAL COMMITMENTS

Commitments for the acquisition of tangible fixed assets, which were contracted for but not provided in the financial statements, amounted to £Nil (2021: £Nil).

23 RELATED PARTY TRANSACTIONS

At various times during the year the Charity has received applications for grants from other charitable organisations which have certain trustees in common with the Charity. In accordance with the Charity's procedures, the relevant trustees declared their interest and did not take part in any of the discussions relating to the grant application.

There were no other transactions with related parties during the year or the preceding financial year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

England & Wales - Charity number 1157787

Accounts

MARKET HARBOROUGH AND THE BOWDENS CHARITY
(A Charitable Incorporated Organisation)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

Charity Registered Number 1157787

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

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MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report along with the financial statements of Market Harborough and The Bowdens Charity, ("the Charity") for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and 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) issued in October 2019 ("SORP (FRS 102)").

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Market Harborough and The Bowdens Charity																																				
Charity Registration Number	1157787																																				
Status:	Charitable Incorporated Organisation																																				
Principal Office Address	10, Fairfield Road, Market Harborough, Leicestershire, LE16 9QQ																																				
Trustees	The members of the Board of Trustees who served during the year and at the date of this report are as follows: Appointed Trustees: <table><tr><td>Mrs J Adkins</td><td>Retired 28 March 2022</td></tr><tr><td>Mrs J Balme</td><td></td></tr><tr><td>Mr G Buxton</td><td></td></tr><tr><td>Mrs C Davies</td><td>Appointed 25 February 2021</td></tr><tr><td>Mr J Feavours QPM</td><td>Chair from 25 February 2021</td></tr><tr><td>Mr G R Hartopp</td><td>Retired 24 February 2022</td></tr><tr><td>Dr S Hill</td><td></td></tr><tr><td>Mrs J Hefford</td><td>Retired 5 August 2021</td></tr><tr><td>Dr J Jones</td><td>Retired 27 May 2021</td></tr><tr><td>Prof. W Jones</td><td></td></tr><tr><td>Mr G Kellie</td><td></td></tr><tr><td>Mrs L Kvatch</td><td></td></tr><tr><td>Mrs K Merryweather</td><td></td></tr><tr><td>Mrs L Rhodes</td><td></td></tr><tr><td>Mr A F Trotter</td><td>Retired 25 February 2021</td></tr><tr><td>Mrs J A Williams</td><td></td></tr></table> Nominated: <table><tr><td>Mr N Proudfoot</td><td>Retired 26 May 2022</td></tr><tr><td>Ms E Elliott</td><td>Appointed 26 May 2022</td></tr></table>	Mrs J Adkins	Retired 28 March 2022	Mrs J Balme		Mr G Buxton		Mrs C Davies	Appointed 25 February 2021	Mr J Feavours QPM	Chair from 25 February 2021	Mr G R Hartopp	Retired 24 February 2022	Dr S Hill		Mrs J Hefford	Retired 5 August 2021	Dr J Jones	Retired 27 May 2021	Prof. W Jones		Mr G Kellie		Mrs L Kvatch		Mrs K Merryweather		Mrs L Rhodes		Mr A F Trotter	Retired 25 February 2021	Mrs J A Williams		Mr N Proudfoot	Retired 26 May 2022	Ms E Elliott	Appointed 26 May 2022
Mrs J Adkins	Retired 28 March 2022																																				
Mrs J Balme																																					
Mr G Buxton																																					
Mrs C Davies	Appointed 25 February 2021																																				
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Mrs L Rhodes																																					
Mr A F Trotter	Retired 25 February 2021																																				
Mrs J A Williams																																					
Mr N Proudfoot	Retired 26 May 2022																																				
Ms E Elliott	Appointed 26 May 2022																																				
Charity Secretary	Mrs W. Hempson It is with great sadness that the Trustees report the death of the previous Charity Secretary, Mrs L Headey, on 29 January 2022.																																				
Accountants and Auditors	Edward Thomas Peirson & Sons, 21, The Point, Rockingham Road, Market Harborough, Leicestershire, LE16 7NU																																				
Solicitors	BHW Solicitors, 1 Smith Way, Leicester LE19 1SX																																				
Bank	HSBC plc, 15 High Street, Market Harborough, Leicestershire, LE16 7NN																																				
Investment Managers	MHA Caves Wealth, Lockgates House, Rushmills, Northampton NN4 7YB Cazenove Capital Management Limited, 1, London Wall Place, London Wall, London, EC2Y 5AU CCLA Investment Management Limited, One Angel Lane, London, EC4R 3AB																																				
Land Agents	Fisher German LLP, 40 High Street, Market Harborough, Leicestershire, LE16 7NX																																				

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's area of benefit, as defined in its original constitution, is the Urban District of Market Harborough as it existed prior to the reform of local government on 1 April 1974. This area includes the town of Market Harborough and the villages of Great Bowden and Little Bowden.

In summary, the objects of the Charity as set out in that constitution, are:

1. Such charitable purposes for the general benefit of the inhabitants of the area of benefit as the Trustees think fit for which provision is not made out of rates, taxes or other public funds;
2. The relief either generally or individually of residents in the area of benefit who are in conditions of need, hardship or distress, but not directly in relief of rates, taxes or other public funds. This is referred to in the objects as "Relief in Need". In exceptional circumstances the Trustees may grant relief to individuals otherwise eligible who are resident immediately outside the area of benefit; and
3. The maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The amount applied in this respect is restricted to 20% of the Charity's income in any three-year period.

Before applying the income of the Charity in support of these objects the Trustees must first defray the costs of maintaining the Charity's property (including that held on trust by the Charity) and the costs, charges and expenses of administering the Charity.

Activities

The Charity's principal activity, which is undertaken in relation to these objects, is the payment of grants to institutions to be applied for the public benefit within the defined area, towards the improvement of: the community, social welfare and environment; the arts; education; amateur sports; and the maintenance of local heritage.

A small, but significant proportion of the Charity's resources is applied in meeting social welfare, "relief in need", claims from individuals largely referred to the Charity by Social Services and similar bodies. Additionally, the Charity has an educational grant making activity to support the further education of financially disadvantaged members of the community by assistance with the cost of apprenticeships, vocational training and fees and living expenses associated with a course of undergraduate study.

Grants are also awarded, in consultation with the Parochial Church Council, as and when required towards the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden.

Outside of direct grant provision, the Charity has fourteen fully serviced Almshouses, which are let at a below market rent. It also maintains two allotment sites in the town of Market Harborough in which plots are available to residents of the defined area for a modest charge and, in conjunction with the Leicestershire and Rutland Wildlife Trust, protects and enhances the ecological value of a Site of Special Scientific Interest on land that is held within its investment property portfolio.

Finally, the Charity has since 2005 owned a 17th Century building known as the Old Grammar School which is a listed landmark building in the town of Market Harborough of significant historical, cultural and architectural importance. The Charity completed a major programme of renovation and refurbishment of the building in 2014, which was its 400th anniversary. Following the easing of restrictions imposed as a result of the Covid-19 pandemic, the Charity has resumed limited letting of the building for public hire, by local groups and inhabitants of the area of benefit, on an hourly basis at agreed rates which contribute towards the annual running costs.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES (continued)

Grant Making Policy

The Charity has devised standard application forms for funding which, together with guidance notes, can be downloaded from the Charity's website www.mhbcharity.co.uk. All applications are subjected to a validation process undertaken by the Charity staff. This process will, amongst other things: ensure compliance with the Charity Scheme, including geographical limitations; confirm that all necessary and relevant supporting information is available; and check the probity of the applicants and their history of previous applications.

The process will also identify the benefit or benefits that the applicants intend to achieve and ensure that the recipients of such benefits are the public or an appropriate section of the public.

Valid applications are placed on the agenda for the next meeting of either the Relief in Need or the Appeals committee, as appropriate. The committees are entitled to make grants of up to £5,000 and £20,000, respectively, without the need to seek the approval of the Board and providing resources permit. There is also a fast track procedure for applications in need of early consideration on the grounds of urgency.

Where large or complex applications for funding are received (referred to as "projects") and are considered to be potentially worthy of support, a contact group of no less than three Trustees is formed to review the proposed project. The contact group will meet with the applicants, before the application is considered, and undertake a detailed appraisal of the project, following which a recommendation will be made to the Appeals committee. Such projects accepted by the Appeals committee are presented to a full meeting of Trustees for final approval. Under normal circumstance the Charity will not fund over 50% of the total cost of the project.

As an ongoing process, the Charity receives applications from the Great Bowden PCC for funding of projects to maintain and repair the fabric of the Church. The applications are reviewed in accordance with the procedures outlined above.

Where a project receives support from the Charity then the contact group will monitor its progress on a continuous basis and will, sometime after completion, undertake an audit of the project. The objective of the audit is, amongst other things, to check that the level of public benefit claimed in the original application has been provided. Where it is perceived that the public benefit criteria have not been adequately met, the auditing Trustees will discuss details of the shortfall with the applicant and agree the appropriate action that should be taken.

Volunteers

In meeting these aims, each of the Trustees provides the Charity with many hours of service on a voluntary basis, but the Charity has no particular requirement for volunteers outside of the trustee body. No financial value is attributed to this voluntary work in the financial statements.

Public benefit

The Trustees are mindful that it is of paramount importance that the Charity's activities are carried out for the public benefit. They have a rigorous grant making policy, which is more fully described above, to ensure that the Charity only awards grants to projects whose objects satisfy the public benefit criteria. The Trustees monitor carefully the supported projects to ensure that the stated public benefits are delivered.

The Trustees confirm that they have complied with their duty to have due regard to the guidance published by the Charity Commission on public benefit when reviewing the Charity's aims and objectives, in planning future activities and in setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

The Covid-19 outbreak was widely detected in the UK from February 2020 and soon after was declared a global pandemic by the World Health Organisation. In common with all organisations, the Charity was affected by the resultant lockdown and was forced to close its office with Trustees and staff having to work from home and use video conferencing to hold meetings.

As restrictions eased during the year, staff were able to return and the office reopened to the public. In spite of the pandemic and all its consequences, the Charity has continued its work throughout 2021 and the Trustees would like to place on record their appreciation to the staff for their dedication and hard work throughout another difficult year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Payments of grants to institutions in the financial year amounted to £217,702 compared with £402,208 in 2020. During the year the Trustees have continued to support a number of projects, partly with other organisations, to improve community amenities (including social welfare), education, arts, and amateur sporting facilities of the town, which are accessible to all sections of the community.

Although several of the projects that have been supported cover more than one activity the broad breakdown of the grants paid by activity is as follows:

Activity	Grants Paid	Number
Community and social welfare	£155,345	12
Heritage	-	-
Education	1,297	1
Arts	1,750	2
Amateur sports	59,310	3
Total	<u>£217,702</u>	<u>18</u>

Community and Social Welfare

From a Community and Social Welfare perspective the organisations that have benefited from the Charity's support in the year include the following:

Voluntary Action South Leicestershire ("VASL") is a charity, based in Market Harborough, which the Charity has supported over many years. It provides an integrated voluntary action centre to co-ordinate and support the activities of volunteers for the benefit of the town and surrounding district.

During 2021, the Charity paid grants totalling £27,000 towards VASL's car scheme which provides transport for elderly, disabled or rurally isolated people who can't use, or have no access to public transport. In a typical year the service provides between 5,000 and 6,000 passenger journeys to help its users get to places such as the health centre, dentist, hairdressers, hospital appointments and the leisure centre. The annual cost of running the scheme is in the region of £90,000 and the Charity pledged to support the scheme with quarterly grants of £6,750 payable over a three-year period. The payments made in the year represent the final amounts due in respect of this pledge.

In addition to its transport scheme, VASL also supports voluntary carers in the community and befriending services for people who are socially isolated. Whilst funds are raised specifically towards these activities from local government and The Big Lottery, VASL has significant core running costs which have to be met, largely by voluntary donations. In order to secure a stable financial future for VASL, the Charity has agreed, subject to appropriate conditions being met, a five-year funding package of £173,320 to be paid in quarterly instalments. The instalments paid in the year total £25,998 and the balance of the pledge outstanding at 31 December 2021 was £112,658.

Market Harborough Medical Centre received a grant payment in the year of £30,000, representing the final payment of a total pledge of £120,000 payable over two years. The grants were awarded towards projects aimed at supporting those with mental health issues and eating disorders. This mental health initiative arose from the Charity's active involvement in the Harborough Locality Integrated Leadership Team, a group which is responsible for joining up and coordinating the care provided by multiple professionals to patients within the locality.

The grant has been used to partly fund a Mental Health Facilitator, based in the Medical Centre, who in the first five months of operation saw over 350 patients across all age groups suffering with a range of symptoms but most notably anxiety and depression. The Facilitator provides advice, guidance and signposting and can refer patients for specialist services as appropriate and, now that the Charity's grant has concluded, the service is being funded from within the Medical Centre's budget.

Mental health is seen as a key priority for the Charity following the lockdowns imposed as a result of the Covid-19 pandemic and the Charity was pleased to support an initiative by **Leicestershire Action for Mental Health Project** ("LAMP") to extend their activities into the Charity's geographical area of benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

LAMP is an independent mental health charity which offers free access to mental health advocacy which is confidential and non-judgemental. It aims to support sufferers and their carers by providing information, assisting them in accessing the services that they require and giving a voice to their concerns. The Charity pledged a grant of £20,000 to LAMP, covering a two-year period, of which the final £10,000 was paid in the year.

Home-Start South Leicestershire ("Home-Start"), is a registered charity based in Market Harborough which offers assistance to parents in the many challenges that they face in bringing up their children particularly where these are exacerbated by issues such as: illness/disability; mental health problems; loneliness and isolation; family/relationship breakdowns; bereavement; and financial hardship.

Home-Start assists such families through four Projects involving a combination of home-visiting support, groups and courses. Home-visiting support usually consists of two to three hours a week by a volunteer, normally a parent themselves, who is matched with a family on the basis of the level of need. Their aim is to support parents to grow in confidence, strengthen their relationship with their children and widen their links within the local community.

During the year, the Charity pledged support of £60,000 to be paid over a three-year period, subject to appropriate conditions being met, to the costs of the Family Know-How project and made the first payment of £10,000. The funding is the continuation of the Charity's support for the project which was provided in the previous three years. This project, which has been successfully delivered for five years, focuses on the needs of some of the most complex families that they support, particularly those struggling to cope with their young children because of: lack of confidence/self-esteem; lack of understanding as to how to lead a healthy lifestyle; and chaotic home and financial circumstances.

In addition, during the year the Charity also paid the final £20,000 instalment of a three-year pledge of £60,000 in support of the Post-Natal Illness Project, which provides practical support, help and advice for families with a child under 5 years of age who are affected by post-natal illness. The continuing project is aimed at aiding recovery, reducing isolation and improving parent and child relationships.

Harborough Christian Counselling Service was the recipient of £12,500 from the Charity, being the third instalment of a pledge made in 2018, subject to fulfilment of the relevant criteria, to assist with operating costs over a five-year period. Payment of the outstanding pledge of £25,000 is expected to be made in equal instalments in 2022 and 2023.

The service is located at the Bower House in Coventry Road, and provides help, support and encouragement in the form of Christian counselling to the local people of Market Harborough and District at times of crises in their lives. Its aim is to empower and help people make their own decisions in appropriate ways to enable them to satisfactorily come through these crises. Whilst the counsellors are Christians, the service is available to people of all faiths or none. Counsellors are trained within the organisation and it provides a service which is responsive to local demand and, importantly, free to users. In addition to the trained counsellors the service also has a number of support workers who offer a listening and befriending service to users who do not want to make a commitment to counselling.

Leicestershire & Rutland Organisation for the Relief of Suffering Limited ("LOROS") is a charity based in Leicester, which every year provides free, high-quality, compassionate care and support to over 2,500 terminally ill adult patients, their family and carers across Leicester, Leicestershire and Rutland. The care package offered includes: short-stay inpatient ward for symptom management and/or end of life care; outreach support in the patient's home; day therapy; complementary therapy; and counselling.

The Charity is working with LOROS to assess the feasibility of establishing a Wellbeing Centre in Market Harborough which would be built on the Charity's land adjacent to its Northampton Road allotment site without impacting on the allotments themselves. As part of this work LOROS has established an End of Life Support Patient Unit in the town, which is initially to be run as a two-year pilot project. During 2019, the Charity pledged support of £35,920 for this project over the two-year period payable in six-monthly instalments of which the final instalment of £8,980 was paid in 2021.

As part of this project the Charity is collaborating with LOROS to build on the community spirit seen in the town throughout the COVID-19 pandemic, by setting up a 'Compassionate Community' in the area. A Compassionate Community recognises the role people have each in supporting one another, and complements the work of professional healthcare services to provide support to those who are seriously ill, ageing, acting as caregivers or experiencing loss. They have been successfully set up in a number of other areas across the country.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Market Harborough Anglican Team received grants totalling £8,273 from the Charity to assist in the recruitment and employment of youth workers to support young people and youth initiatives within their congregations and the wider community.

The grants paid are part of a larger pledge of which £11,642 was outstanding at 31 December 2021 and which is expected to be paid in 2022 and 2023.

In addition, the Charity awarded smaller grants in support of: road closure costs for the town's late night shopping and Christmas festival; maintenance of the town's network of defibrillators; and the establishment of a Christmas crochet craft group.

Heritage

In recent years the Charity has supported a large number of heritage related projects, however, very few applications for assistance were received in this area during 2021 and no awards were made.

Education

Similarly, there were a limited number of applications for education related grants and the only award made in the year was £1,297 towards the cost of craft materials for children with learning difficulties.

However, during the year the Charity supported seven local schools with aggregate grants of £107,461 through its Education Bursary Fund, which was launched in 2019. Through this fund the Charity will award bursaries, over a three-year period, up to £180,000 a year for all the schools in the area of benefit, which equates to a maximum of £20,000 per school per annum. The Bursary Fund has relatively few rules to give the Trustees flexibility in accessing applications for assistance.

A designated reserve of £256,693, representing a net increase of £162,539 over the year, is carried forward at 31 December 2021 to cover potential unclaimed bursaries. Such bursaries must be claimed by the relevant schools during 2022 or they will lapse.

Furthermore, in addition to these grants to educational organisations, the Charity once again placed advertisements in the local press and media promoting its schemes designed to assist individuals with the payment of course fees for undergraduate and vocational study (including apprenticeships). In response to requests from applicants the scheme has been extended in recent years to include assistance with accommodation costs for those involved in a course of full-time study away from their home. During the year grants totalling £123,016 (2020: £135,750) were paid from the Educational Fund to 119 individuals (2020: 129).

At 31 December 2021 the outstanding commitment to students who have been awarded grants covering the remainder of their course, assuming that they meet the necessary qualifying conditions, was £51,114. This represents a reduction of £88,705 from the start of the year and is reflected in the movement in the designated reserve established to meet such commitments. Of this sum approximately £46,500 is expected to be paid in 2022, £4,000 in 2023 and the balance in 2024.

Arts

Only two arts related grants were paid in the year: one of £750 was to the Great Bowden Recital Trust in respect of a junior X-Factor competition; and £1,000 was paid towards the running costs of the Great Bowden Music Fest, which was held in July 2021. A further £3,000 is included in designated reserves towards the cost of a planned outreach concert for local children. It is intended that this latter grant will be paid from the restricted fund which was created upon receipt of a grant in 2019, following the closure of The Market Harborough Musical Theatre.

Amateur Sports

Harborough Town Football Club was the recipient of the largest grant awarded by the Charity in the year of £48,000. It was in fulfilment of a conditional pledge made in 2020 and was applied towards the replacement of the all-weather football pitch at the Club's Northampton Road facility, at an overall cost of approximately £200,000.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

The club has in excess of 900 members from the area of benefit and runs male and female youth, academy and senior teams with ages ranging from Under 5s to veterans. It is a fully inclusive club and operates a men's walking football section for the elderly. The previous all-weather facility, which was well used for all year round matches and training purposes, needed updating to meet the requirements of the F.A. The new pitch will benefit all sections of the club including the first team, which won three trophies in the 2021/22 season.

The other significant amateur sports related grant in the year was £11,000 to the **Market Harborough Hockey Club** towards a shortfall in funding of almost £15,000 for the provision of storage containers, pitch dividers a trolley and a noticeboard.

The Club trains and plays home matches on an all-weather pitch at Robert Smyth Academy in Market Harborough and offers competitive and social hockey for all ages and abilities. It is accredited with the England Hockey ClubMark.

As a condition of awarding the grant, the Charity also sought and obtained assurances from the Club about community use of the facility by outside groups at an affordable cost.

A further small grant of £310 was awarded to the Market Harborough Swim Club towards training fees for a coach.

Other commitments

In addition to the grants paid in the year, the Charity has also made non-binding commitments, many of which are detailed above, for payments, amounting to £208,490, in respect of projects which were subject to unfulfilled conditions as at 31 December 2021. If the conditions are fulfilled, it is expected that the Charity will pay approximately: £98,000 in 2022; £71,000 in 2023; and the balance of £39,490 in 2024 in settlement of these pledges.

In total, during the year, £87,391 was transferred to the appropriate designated reserve to meet grant expenditure pledged in the year and a corresponding transfer of £224,718 was made from this designated reserve to the General Fund once the expenditure had been incurred or it was agreed that the amount pledged would no longer be the subject of a grant.

Church of St. Peter & St. Paul Great Bowden

During the year, the Charity received applications from the Great Bowden PCC for assistance with the cost of repair and maintenance of the Church of St. Peter & St. Paul amounting to £23,775. Grants were awarded in settlement of these applications in accordance with the Charity's objects.

Relief in Need

The Charity prefers prevention to palliatives. It wishes to foster self-help and the participation of those intended to benefit. It also aims to enable less advantaged people to be independent, gain useful skills and overcome handicaps and encourage volunteer involvement. Through its Relief in Need scheme the Charity supports practical initiatives embodying some or all of these characteristics. During the year grants of £35,392 (2020: £42,999) were distributed under this scheme to a total of 87 individuals/families (2020: 67). Of these grants, 13 (2020: 12) amounted to more than £1,000 and the remainder were less than £1,000 each. The Charity maintains a designated reserve which is intended to ensure that there are adequate funds to pay relief in need grants in the event of a downturn in income. Based on grants awarded in recent years the level of this reserve has been maintained at £90,000 as at 31 December 2021.

During the year the Charity has used the services of a caseworker to assess certain relief in need claims.

Other grant related costs

Other direct costs (including Caseworker's and Secretarial time, advertising and database development) amounting to £23,165 (2020: £25,376) and apportioned support costs of £40,821 (2020: £39,139) were associated with the grant making activity and paid from the General Fund in the year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Almshouses

The Charity has fourteen fully serviced Almshouses, which are let to residents and subject to a modest contribution. One of the Almshouses has been vacant throughout the year but they were otherwise fully occupied during 2021. Contributions from residents (£74,491) were £7,031 in excess of outgoings in the year (£67,460), however, repair and maintenance expenditure in the year was much lower than normal as, due to the pandemic, only essential work was undertaken.

Other than in exceptional circumstances, major refurbishment work is generally only possible when there is a change of resident and a designated reserve of £40,000 is maintained to ensure that sufficient funds are available to undertake such works when the need and opportunity arises.

During the year the Trustees embarked on a comprehensive review of the Almshouse activities in consultation with the residents. This review is ongoing with an Almshouse Committee having been formed to take forward a new resident's handbook and further consider how best to support the residents directly or through professional facilities management, as appropriate.

Allotments

The Charity owns two separate allotment fields in the town and in recent years has undertaken considerable work to bring additional plots into cultivation and to upgrade and enhance the facilities, which include good access and mains water supplies. Demand for the allotments remains strong and gross income was £5,546 during the year compared with £4,813 in 2020. However, this was insufficient to cover the expenditure of £27,148 and there was a deficit of £21,602 for the year.

A designated reserve of £30,000 is maintained to cover future costs associated with non-routine maintenance of the allotments and the commercial properties.

Following the end of the year a sub-committee of Trustees has been established to carry out a detailed review of the allotment activity.

Old Grammar School

Following completion in 2014 of a major programme of work to its Heritage Asset, the Old Grammar School, a 17th Century town landmark that celebrated its 400th anniversary in 2014, expenditure on the building was a more modest £15,924 (2020: £13,931). Towards the end of the year, following the lifting of Covid restrictions, the Charity resumed the letting and community use of the facility and such letting contributed £425 towards running costs. Despite the major work in 2014, because of its age, the building is in constant need of maintenance and a designated reserve of £10,000 is maintained to cover such work as is likely to be required in the short-term.

Site of Special Scientific Interest

There is a Site of Special Scientific Interest ("SSSI") on part of the farmland, owned by the Charity for investment purposes, which is managed by the Leicestershire and Rutland Wildlife Trust. Direct costs of £42,810 (2020: £17,423) were incurred on this site during the year.

FINANCIAL REVIEW

Review of major risks

The Board has given consideration to the major risks to which the Charity is exposed and engaged the services of professional advisers to ensure these risks are controlled and minimised. Appropriate management systems and assurances are also in place to support these controls. The conversion to a Charitable Incorporated Organisation ("CIO") in June 2017 provided the Trustees with a catalyst to revisit their approach to risk management. Of particular note has been the investment in regulatory audit including preparation for the new General Data Protection Regulation; fire risk management, and asset registration.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (continued)

Over the last twenty years, the Charity has been able to generate substantial income and support some major projects. Several years ago the Trustees completed a strategic review, resulting in more liaison with project organisers, the provision of dedicated offices, increased funds and conversion to a CIO. In 2018 the Trustees of the Charity developed this strategic plan further to set their future direction, to make clear what its priorities are and what its resources should be concentrating on delivering. The Trustees recognise that they will need to revisit the plan bi-annually and it was re-adopted as an ongoing strategy in February 2020.

A sub-committee of Trustees, known as the Estates Committee, has been established under the chair of an experienced property professional to oversee the management of the property portfolio. The committee is advised in this respect by the local office of a national firm of land agents. In addition, three separate firms of Investment Managers manage the investment portfolio. Investments are spread over a portfolio of equities, bonds and cash to reduce the impact of volatility in the equity market and Trustees meet with investment managers on a regular basis to review the portfolio and consider their recommendations.

The Charity staff and Trustees work closely, through contact groups, with organisations that apply for major grants to ensure that their projects are legitimate, feasible and satisfy the criteria for public benefit. If a grant is awarded, the contact group continues to ensure that the project is properly planned and managed. Twelve months after completion of the project, the Trustees undertake an audit to ensure that the project continues to meet the public benefit objectives as set out in the application.

The Board has appointed a firm of Chartered Accountants to oversee all aspects of bookkeeping and the preparation of quarterly management accounts to enhance the accuracy and timeliness of financial information. A finance committee has been established from amongst the Trustees. This committee meets on a regular basis to review quarterly financial information and investment performance.

The appointment of a new Chair of Trustees in February 2021 coincided with the first signs that Covid restrictions were being eased and staff began to return to the office. The opportunity has been taken to take a fresh look at Human Resource issues for the Charity's staff and governance generally and, in particular, investment performance.

An independent wealth management consultancy (Mercer) was appointed to carry out the investment review and, in conjunction with the Finance Committee, they have developed an "Investments Beliefs" document which includes, amongst other things, a set of standards for Environmental, Social and Governance ("ESG"). This document has been discussed with the Charity's three fund managers to see how each would interpret and implement the ESG in the portfolios under their management. Following the conclusion of these discussions, the Trustees will make a decision on future investment management and revise the Charity's investment policy, as appropriate.

Unrestricted General and Designated Funds

The net outgoing resources from the General Fund for the year, before gains/losses on investments and transfers to/from designated reserves, amounted to £76,501 compared with £264,090 in the previous year.

Income from the investment portfolio (excluding investment properties) fell by approximately 1.5% compared with the previous year to £451,762. This reflects the moratorium placed on dividends by many companies in response to the Covid-19 pandemic at the end of the first quarter of 2020. The situation is expected to continue to some extent during 2022 and, following discussions with the Charity's investment managers, the Trustees are budgeting for investment income of only £440,000 in the current year.

During the year, the capital value of the investment portfolio continued to recover from the large fall, precipitated by the outbreak of the pandemic, and ended the year at £17,247,404 compared with an opening value of £15,478,477, which represents an increase of £1,768,927 or 11.43%.

This compares with an increase of 14.55% in the FTSE All Share index and 14.3% in the FTSE 100 index over the same period. Historically, the movements in valuation of the Charity's portfolio have always been less dramatic than the movements in these two FTSE indices. This reflects the fact that the Charity adopts a relatively cautious and balanced investment strategy, which has, to some extent, protected it from some of the worst effects of the pandemic. A more suitable benchmark is the MSCI WMA Private Investor Balanced index which, grew by 12.54% over the year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (continued)

The value of the investment portfolio (ignoring investment properties) at the end of the year reflects an unrealised surplus of £4,314,311 over its original cost. Unfortunately, the Russian invasion of Ukraine early in 2022 and the resultant war precipitated a new fall in global stock markets and, in the first six months of 2022, the value of the investment portfolio has fallen to £15,801,398 and the unrealised surplus at 30 June 2022 had fallen to £2,755,723.

Messrs Fisher German LLP, Chartered Surveyors undertook a full valuation of the Charity's property portfolio, both held for investment and operational use, as at 31 December 2020 and updated this valuation with a desktop review as at 31 December 2021. This has resulted in a net reduction of £12,500 in the carrying value of the investment properties. It also indicated a similar reduction in the value the properties held for operational use but, as this is not considered to be significant, the carrying value of these properties has not been adjusted. They will be formally revalued at 31 December 2023 unless there is evidence of a material change in their value in the intervening period.

Rental income from the investment properties (which include farmland, paddocks and shops) for the year was £105,548 compared with £95,438 in 2020. This represents an investment yield of approximately 4.21% based on the latest valuation

All of the properties remained fully let in the year but, to assist tenants during the pandemic, the Trustees agreed to deferred payment terms for some of the shops. This had an impact on cash flow in 2020 but a payment schedule was agreed with the tenants and the shortfall has been recovered on a straight-line basis over the twelve months to 31 March 2022.

Income from the charitable activities including the almshouses, Old Grammar School and allotments increased to £118,000 compared with £102,106 in 2020.

The cost of generating funds fell to £28,840 compared with £34,727 in 2020 but expenditure on charitable activities (excluding grants) was higher at £153,342, compared with £124,322.

Voluntary income and other incoming resources contributed a further £100.

As a result of the movement in resources referred to above, and realised and unrealised gains of £145,687 on general fund investments, unrestricted reserves have increased by £69,186 over the course of the year and stood at £1,423,887 as at 31 December 2021.

The net transfer from designated funds to general funds in the year amounted to £63,493 such that, of the total unrestricted reserves: £736,297 has been designated for the purposes discussed in the Achievement and Performance section; and £687,590 represent general funds.

Restricted Income Fund

During the year, the Charity received a grant of £4,265 following the closure of the Market Harborough Special Needs Playscheme, on the understanding that it would be applied only in payment of grants consistent with the objects of that scheme. The grant has, consequently, been accounted for as a Restricted Fund along with a similar restricted grant of £6,087 received in 2019 from the Market Harborough Musical Theatre. Largely due to the pandemic, no grants were paid in 2021 from these restricted funds but it is anticipated that they will be applied for the specified purposes in 2022 and/or 2023.

Endowment Fund

During the year, £384,540 was added to the endowment fund following the receipt of an overage payment arising from a collaboration agreement with the owner of land neighbouring that of the Charity, under which both parties sold land for development over twenty years ago.

The cost of managing the investments and depreciation of certain Endowment Fund assets, totalling £110,420, was charged against the Endowment Fund.

Net gains of £165,326 were realised on sales of stocks within the investment portfolio during the year and additional unrealised gains of £1,509,573 were recorded on the revaluation of the portfolio to its market value at the year end. As reported above, revaluation of the investment property portfolio resulted in a deficit of £12,500.

The net effect is that the value of the Endowment Fund assets increased by £1,936,519 over the year and stood at £20,918,161 as at 31 December 2021.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (continued)

Investment policy

The Charity has adopted an investment strategy to provide for present and future benefits. It aims to avoid unnecessary risks through diversification and as far as possible to generate a stable level of investment income in the region of £500,000 per annum, under normal circumstances, and a balance of income and capital growth. There are no restrictions on the Charity's power to invest. The Charity uses the services of three different fund managers who invest the funds under their control as follows:

MHA Caves Wealth	Directly held UK equity and fixed interest stocks UK equity and fixed interest unitised investments Overseas equity unitised investments With a target split of: 55% UK Equities; 25% UK Fixed Interest; and 20% Overseas Equities
Cazenove Capital Management Limited	Unitised investments comprising: UK Equities (50% to 60%) Overseas Equities (10% to 15%) UK Fixed Interest and Cash (20% to 30%) Property (5% to 15%) Other Alternatives (0% to 10%)
CCLA Investment Management Limited	COIF unitised investments specifically for charities in: Charities Investment Fund Charities Property Fund Charities Fixed Interest Fund Charities Global Equity Fund

Approximately 25% of these funds are in overseas equities.

The Trustees review investment performance with the Fund Managers. In addition, the Trustees remain ready to take advantage of any longer term investment opportunity that may arise such as the acquisition of appropriate land and buildings.

As explained in the review of major risks section above, the investment policy is the in the process of being reviewed following the recent independent investment review.

Reserves policy

Reserves represent unrestricted funds after appropriate provision has been made, through designated funds (as described above) for: meeting commitments for grants pledged; maintenance and repair of the Great Bowden church; making Relief in Need and educational grants; and repairs to all freehold properties.

The Trustees aim to find projects worthy of support, in accordance with the Charity's objects, such that the grants that they award are approximately equal to the Charity's income net of operational expenses and management and administration expenses. However, reserves are required:

- to allow for unforeseen reductions in annual income; and
- to enable the Charity to provide funds for specific projects so that these projects can be undertaken at short notice.

Taking these factors into account the Trustees consider that the reserves should ideally be within a range of twelve to eighteen months of the typical outgoing resources of the Charity (excluding amounts specifically covered by designated reserves) which approximately equates to between £500,000 and £750,000.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (continued)

The reserves at 31 December 2021 amount to £687,590, however, tangible fixed assets which are in operational use by the Charity represent £135,164 of this total. Therefore, the net free reserves are £552,426. This level of reserves lies towards the lower end of the ideal range, but is considered to be acceptable for the immediate needs of the Charity.

The Charity's Finance Committee continues to keep the level of reserves under review and in making its assessment it will refer to quarterly management accounts prepared by the Charity's accountants, income projections prepared by the Charity's fund managers and internally produced cash flow projections. Appropriate recommendations will then be made to the Board as to the level of grants to be awarded in 2022. If necessary, the level may need to be reduced from that of recent years but there is no material uncertainty that the Charity will be able to continue as a going concern for the foreseeable future.

PLANS FOR FUTURE PERIODS

The Charity continues to make substantial contributions to organisations and individuals in the area of benefit. However, the Covid-19 pandemic has impacted on its operations including staff working arrangements, investment returns and communications with the Charity. There has also been a turnover in trustees and some staff welfare issues to support. The Trustees are therefore keen to continue, during 2022, with the review of all aspects of the operation of the Charity which commenced in 2021 with a view to improving efficiency, and, where supported by appropriate evidence of need, to seek to make changes to the constitution.

In place of the Governance and Administration Committee, Trustees are now routinely invited to trustee working groups (TWGs) to explore a range of topics including decision making policy and definitions in the constitution. The objective is to include all Trustees in policy development and to create an environment for more discussion amongst the Board.

TWG reviews have commenced on: staff employment including contracts and a policy handbook; appointments to the almshouses and support to residents; office policy and procedures; the allocation, usage and maintenance of the allotments; and the investment review referred to above. In addition, discussions have begun to set out the Trustees' priorities for grant giving.

The findings of these reviews will form the basis of a revised strategic plan with the objective that this will be widely published to inform potential applicants and others about the Charity's work.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was registered as a Charitable Incorporated Organisation on 9 July 2014 and is governed by a foundation constitution, which was last amended on 25 May 2017. The constitution states that the body of trustees ("the Board") shall consist of a minimum of eight trustees and a maximum of fifteen appointed trustees and one ex officio trustee. The first fifteen trustees of the Charity were appointed for terms ranging from between two and five years, whereupon they are eligible for re-appointment. All subsequent appointments/re-appointments are for a term of four years.

Merger

Pursuant to a pre-merger vesting declaration signed on 31 May 2017, the Charity merged with an unincorporated charity, also known as Market Harborough and The Bowdens Charity ("the Unincorporated Charity"), with effect from 1 June 2017. Whereas, the Charity had not engaged in any activities prior to the merger, the Unincorporated Charity had been active for many years and was registered with the Charity Commission with number 1041958. The two charities had a board of trustees and objects which were identical in all material respects.

Following the merger the Charity holds all of the unrestricted property of the Unincorporated Charity as its corporate property and the specified trust property of the Unincorporated Charity on the same trusts, so far as reasonably practicable, on which the property was held before the merger. The Charity also assumed responsibility for the Unincorporated Charity's liabilities and undertook to pay all expenses accruing or to be incurred in respect of the assets and liabilities transferred to it.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The Board meets once a quarter to deal with all governance and policy matters and has appointed staff to attend to the day to day running of the Charity. Sub-Committees of the Trustees have been established in the areas of: Finance; Relief in Need; Appeals; Estates Management and Education. The Board has approved detailed terms of reference for each of these sub-committees and receives a formal report at each quarterly meeting.

Remuneration structure for key management personnel

The Trustees give of their time freely and receive no remuneration from the Charity. Additional emphasis on conflicts of interest and loyalty was effected during 2017 so that, in addition to the Trustees completing an annual declaration of interests, every Board and sub-committee meeting commences with a standing agenda item to mandate any new potential conflicts to be declared and recorded.

During 2018, the Trustees engaged an independent firm of HR consultants to bench-mark staff remuneration packages with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

The report concluded that the salaries that were being paid by the Charity were not out of line, and indeed were slightly higher than those in similar organisations. In addition, they recommended that the basic holiday entitlement should be increased and that a cost of living increase should be awarded annually in line with the Retail Price Index and these recommendations have been adopted in full.

During 2021, an HR group of trustees was formed under the leadership of a trustee with HR experience. This led to a review of HR policy, the updating of all staff contracts and the adoption of a staff handbook in accordance with industry standards.

Trustee recruitment, induction and training

When a vacancy occurs for an appointed trustee, the vacancy is considered in the light of the skills required by the Board and advertised in the local media. If appropriate, a short list is then prepared of candidates, who through residence, occupation, employment, or otherwise have special knowledge of the area of benefit or have the necessary skills, knowledge and experience needed for the effective administration of the Charity. The potential candidates are invited to submit a brief CV and two personal references. Each candidate is then interviewed by at least three existing Trustees following which a recommendation is made for consideration by the Board. Appointment is confirmed on the basis of a majority vote.

Harborough District Council ("the Council") may appoint one individual to act as an ex-officio trustee of the Charity provided that individual is also a Senior Officer of the Council. The position of ex officio trustee shall remain vacant if none of the Council's Senior Officers are willing to act in this capacity.

New trustees are provided with an induction pack including information on their legal obligations under charity law, the content of the constitution, the committees and decision making processes, strategic review, and the recent financial performance of the Charity. All trustees will be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP FRS (102);
- make judgements and estimates that are reasonable and prudent;

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS (continued)

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

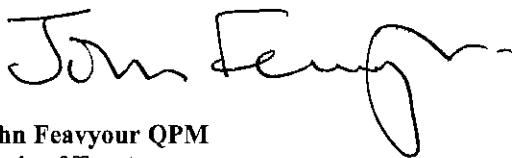
The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUND-RAISING STANDARDS INFORMATION

The Charity does not carry out any significant fundraising activities involving the general public.

DECLARATION

I declare, in my capacity of Charity Trustee, that the Trustees have approved the report above and have authorised me to sign it on their behalf.



John Feavours QPM
Chair of Trustees
Dated 25 August 2022

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY

Opinion

We have audited the financial statements of Market Harborough and The Bowdens Charity (the "charity") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 13), the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate experience, competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- through discussions with the trustees and other management, and from our commercial knowledge of the charity's activities and objectives, we identified the laws and regulations applicable to the charity and focused on specific laws and regulations which we considered may have a direct material effect on the financial statements and operations of the charity.
- we remained alert to instances of non-compliance throughout the audit and assessed the extent of compliance through discussions with management and examination of documentation.

We assessed the susceptibility of the charity's financial statements to material misstatement and obtained an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was a susceptibility to fraud and their knowledge of any actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate the risk of fraud and non compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

- performed analytical procedures to identify unusual or unexpected relationships;
- reviewed the nominal ledger and, specifically, journal entries to identify large or unusual transactions and investigated them; and
- we assessed the extent to which accounting entries relied on a high degree of judgement and/or estimation and when deemed necessary, such as for financial assets held at fair value, obtained external evidence to support said judgement and/or estimation.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included:

- agreeing financial statement disclosures to supporting documentation;
- reading minutes of trustee / management meetings, relevant regulators and the charity's professional advisers;
- performing substantive procedures on material balances and transactions; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures outlined 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 and/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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Thomas Peirson & Sons

Statutory Auditor
Chartered Accountants
21, The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7NU

Dated: 14.09.2022

Edward Thomas Peirson & Sons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	General Fund £	Designated Funds £	Restricted Income Funds £	Endowment Fund £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	100	-	4,265	-	4,365	90
Charitable activities	3	118,000	-	-	-	118,000	102,106
Investments:							
From investment properties	4	105,548	-	-	-	105,548	95,438
From investment portfolio	4	451,762	-	-	-	451,762	458,630
Other	5	-	-	-	384,540	384,540	13
Total income and endowments		675,410	-	4,265	384,540	1,064,215	656,277
EXPENDITURE ON:							
Raising Funds	6	(28,840)	-	-	(70,142)	(98,982)	(82,743)
Charitable activities:							
Provision of grant funding	7	(569,729)	-	-	-	(569,729)	(761,318)
Other charitable activities	8	(153,342)	-	-	(40,278)	(193,620)	(140,580)
Total expenditure		(751,911)	-	-	(110,420)	(862,331)	(984,641)
Net income/(expenditure) before gains/(losses) on investments		(76,501)	-	4,265	274,120	201,884	(328,364)
GAINS/(LOSSES):							
On Investment properties:							
Realised		-	-	-	-	-	-
Unrealised	15	-	-	-	(12,500)	(12,500)	(53,675)
On Investments:							
Realised	16	50,137	-	-	165,326	215,463	(83,147)
Unrealised	16	95,550	-	-	1,509,573	1,605,123	145,568
Net income/(expenditure) before transfers		69,186	-	4,265	1,936,519	2,009,970	(319,618)
Net transfers between funds	19	63,493	(63,493)	-	-	-	-
Net income/(expenditure) for the period		132,679	(63,493)	4,265	1,936,519	2,009,970	(319,618)
OTHER RECOGNISED GAINS/(LOSSES):							
On revaluation of Tangible Fixed Assets	13	-	-	-	-	-	(675,693)
Net movements in funds		132,679	(63,493)	4,265	1,936,519	2,009,970	(995,311)
Total funds brought forward		554,911	799,790	6,087	18,981,642	20,342,430	21,337,741
Total funds carried forward		687,590	736,297	10,352	20,918,161	22,352,400	20,342,430

All activities relate to continuing operations.

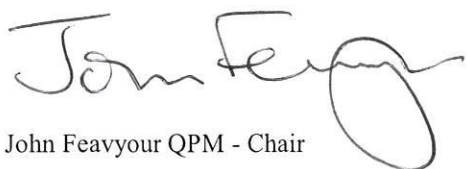
The notes on pages 21 to 38 form part of these financial statements.

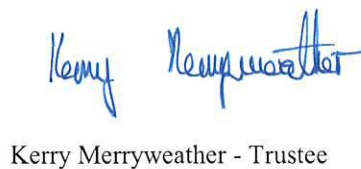
MARKET HARBOROUGH AND THE BOWDENS CHARITY

BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021		As At 31 December 2020	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	13				
Freehold land and buildings			1,938,615		1,984,971
Fixtures and fittings			3,055		4,887
Office equipment			2,803		5,350
			<u>1,944,473</u>		<u>1,995,208</u>
Intangible fixed assets	14				
Basic Payment Scheme entitlements			5,609		5,682
Investments					
Investment properties	15	2,507,500		2,520,000	
Investment portfolio	16	17,247,404		15,478,477	
			<u>19,754,904</u>		<u>17,998,477</u>
			<u>21,704,986</u>		<u>19,999,367</u>
Current Assets					
Debtors	17		41,008		43,262
Cash at bank and on deposit			682,432		365,850
Cash in hand			250		657
			<u>723,690</u>		<u>409,769</u>
Creditors payable within one year	18		(76,276)		(66,706)
Net Current Assets			<u>647,414</u>		<u>343,063</u>
Net Assets			<u>22,352,400</u>		<u>20,342,430</u>
Funds	19				
Unrestricted funds					
General funds			687,590		554,911
Designated funds			736,297		799,790
			<u>1,423,887</u>		<u>1,354,701</u>
Restricted funds					
Income funds			10,352		6,087
Endowment funds			20,918,161		18,981,642
Total Funds			<u>22,352,400</u>		<u>20,342,430</u>

The financial statements were approved by the trustees on 25 August 2022 and signed on their behalf by:


John Feavours QPM - Chair


Kerry Merryweather - Trustee

The notes on pages 21 to 38 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Total 2021 £	Total 2020 £
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net movements in funds per Statement of Financial Activities	2,009,970	(995,311)
Adjustments for:		
Depreciation & Amortisation Charges	51,619	29,529
(Gains)/Losses on investment properties:		
Realised	-	-
Unrealised	12,500	53,675
(Gains)/Losses on investments:		
Realised	(215,463)	83,147
Unrealised	(1,605,123)	(145,568)
Dividends, rents and interest receivable from:		
Investment properties	(105,548)	(95,438)
Investments	(451,762)	(458,630)
Overage payment arising from collaboration agreement	(384,540)	-
(Gains)/Losses on revaluation of Tangible Fixed Assets	-	675,693
(Increase)/Decrease in Debtors	(4,057)	3,126
Increase/(Decrease) in Creditors	9,570	747
Net cash used in operating activities	<u>(682,834)</u>	<u>(849,030)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Rents received from investment properties	113,887	47,438
Dividends and interest received from investments	449,734	456,539
Overage payment received from collaboration agreement	384,540	-
Purchase of Tangible Fixed Assets	-	-
Purchase of Intangible Fixed Assets	(811)	(6,121)
Proceeds of Sale of Investments	2,798,778	2,586,457
Purchase of Investments	(2,811,165)	(2,342,206)
Net cash provided by investing activities	<u>934,963</u>	<u>742,107</u>
NET CHANGE IN CASH IN THE REPORTING PERIOD	252,129	(106,923)
Cash brought forward	461,101	568,024
CASH CARRIED FORWARD	<u>713,230</u>	<u>461,101</u>
Cash Carried Forward represents:		
Cash held in investment portfolio awaiting investment	30,548	94,594
Cash at bank and in hand held on instant access and short term deposits	682,432	365,850
Cash in Hand	250	657
	<u>713,230</u>	<u>461,101</u>

The notes on pages 21 to 38 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

1 PRINCIPAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 (“SORP (FRS 102)”);
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (“FRS 102”);
- The Charities Act 2011; and
- UK Generally Accepted Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The going concern basis and historical cost convention, as modified by the inclusion of freehold land and investments at fair value, have been used in preparing the financial statements.

(b) GOING CONCERN ASSESSMENT AND THE EFFECTS OF COVID-19

The Trustees consider that there are no material uncertainties about the Charity’s ability to continue as a going concern.

The most significant area of uncertainty, which affects the continuing income of the Charity, are the levels of investment return and performance of investment markets. Note 16 to the financial statements provides detail of the action taken by the Trustees to mitigate the risks involved. Designated reserves have been established to ensure that adequate funds are available to meet pledges made by the Charity at the balance sheet date in the event that the associated conditions are met by the intended beneficiaries.

The Covid-19 outbreak was widely detected in the UK from February 2020 and soon after was declared a global pandemic by the World Health Organisation. Initially, the pandemic created turmoil in the financial markets with the result that the investment portfolio fell in value by more than £2.5 million in the first quarter of the year. Fortunately, the markets largely recovered over the remainder of 2020 and the recovery continued throughout 2021, such that the value of the investment portfolio at 31 December 2021 exceeded its pre-pandemic levels by more than £1.5 million. Subsequently, the war in Ukraine has created renewed uncertainty in the financial markets and aggregate realised and unrealised losses of approximately £1,420,000 were recorded in the six months of 2022.

Investment receipts fell by more £112,000 during 2020 and the investment income in 2021 was slightly lower still. Lower investment returns are expected to continue for the foreseeable future and the Charity has set realistic projections of its investment income receivable in 2022, in accordance with advice from its investment managers. Immediately following the outbreak of the pandemic, cash flows were also adversely impacted by agreements reached with certain tenants of investment properties to defer rent receipts, however, the deferred amounts have been almost fully recovered during 2021. Furthermore, more than £110,000 of the designated reserve for grants is not expected to require payment within twelve months of the balance sheet date and typically only between 30% and 40% of annual income is required to cover the Charity expenditure other than the payment of grants. Therefore, whilst the Trustees accept that grant making may have to be restricted to a level below that of recent pre-pandemic years they confidently expect that the Charity will have the cash flows to be able to satisfy existing pledges and to continue to make meaningful grant awards for the foreseeable future.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(b) GOING CONCERN ASSESSMENT AND THE EFFECTS OF COVID-19 (continued)

Although the Charity was required to close its offices during lockdown, staff have subsequently returned to the office. Throughout lockdown the Charity continued to operate, with staff and Trustees working remotely, and engaged with a number of organisations which have a critical role to play in the community. Following the end of lockdown and the gradual return to work, we are aware that there will be many needs, both for individuals and for organisations and the Trustees see this as an opportunity for the Charity to play vital role in the bounce back within the local community.

(c) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Charitable activities income comprises contributions due from the tenants of the almshouses and rents and similar amounts receivable from the Cricket Club, SSSI, Old Grammar School and the allotments. These properties are held for charitable purposes and the income arising represents less than a market rent.

Investment income represents rental income from commercial properties and farm land, which are held by the Charity for their investment potential, together with interest and dividends on stocks, shares and bank deposits held on the endowment and unrestricted funds. Such income is recognised on a receivable basis and where appropriate, this includes the income tax recoverable.

Incoming resources from investments (including investment properties) held as part of the endowment fund are unrestricted.

Wherever possible, income is reported gross of any related expenditure. However, in the case of investment management costs within managed funds it is not always practicable to identify such costs with reasonable accuracy and, therefore, the investment income is reported net of these costs.

In accordance with SORP (FRS 102) no amount is included in the financial statements for volunteer time.

(d) EXPENDITURE RECOGNITION

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to make payment to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. As the Charity is not registered for VAT, all expenditure is shown gross of irrecoverable VAT.

Expenditure is categorised under the following headings:

Raising funds This represents: costs of managing and maintaining the Charity's investment properties; investment portfolio management fees; promotional and website costs aimed at potential donors; and production costs of the Old Grammar School booklets.

Charitable activities Costs under this heading fall into two distinct categories:

- Grants paid to individuals and organisations as approved by the Trustees in accordance with the Charity's Constitution; and
- The costs incurred in providing and maintaining the almshouses, the Old Grammar School; the allotments and the Site of Special Scientific Interest.

Where unconditional grants are offered the expenditure is accrued as soon as the recipient is notified of the grant and there is a reasonable expectation that it will be paid. Where grants are pledged, but payment is conditional on the performance of the recipient, the amount is not recognised as an expense until the conditions have been fulfilled. However, an amount equivalent to that pledged is transferred to a designated reserve.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(e) ALLOCATION OF COSTS

Costs which are directly attributable to a single activity are allocated directly to that activity. Shared costs which contribute directly to more than one activity are apportioned between those activities on the basis of usage by each activity.

Support costs represent the remaining costs that are not capable of direct attribution. They have been allocated between the categories of raising funds and charitable activities in accordance with the basis specified in Note 7.

Governance costs, which represent the expenses of Trustees' meetings and legal and professional fees related to the running and management of the Charity (including external audit fees), are included within the heading of support costs.

The allocation process involves a significant element of judgement as the charity has to consider the cost of detailed calculations and record keeping with the resultant benefit.

(f) OPERATING LEASES

Rentals payable and receivable under operating leases are charged/credited in the Statement of Financial Activities on a straight line basis over the period of the lease.

(g) TANGIBLE FIXED ASSETS INCLUDING HERITAGE ASSETS

Freehold land, comprising the allotments and cricket club land, are included at their estimated open market value based on a professional valuation which is usually undertaken every three years. The most recent revaluation was undertaken as at 31 December 2020. Any unrealised gains or losses are credited or charged to the SOFA as they arise. No depreciation is provided on such assets.

The Old Grammar School, as more fully explained in Note 12, is a Heritage Asset which forms part of the Charity's Permanent Endowment. There is no record of the original cost of the building and the Trustees consider that there are no suitable or cost-effective techniques available to ascertain a reliable valuation for the property. Accordingly, no cost or valuation is attributed to the property in these financial statements.

All other assets are recorded at cost/valuation less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £2,000 each, are expensed in the year in which they are incurred.

Depreciation is provided at rates calculated to write off the cost/valuation, less estimated residual value, of each asset on a straight line basis over its estimated useful life as follows:

Freehold property for operational use	- over 50 years
Improvements to cricket club buildings	- over the period of the lease to the cricket club
Almshouse buildings	- over 50 years
Almshouse fixtures	- over 7 years
Office equipment	- 25% per annum

The depreciation charge of assets held with Endowment Fund is charged to that fund. All other depreciation is charged to the General Fund.

(h) INTANGIBLE FIXED ASSETS

Intangible fixed assets represent Basic Payment Scheme entitlements purchased by the Charity, which are initially recognised at cost. Subject to an annual impairment review, they are being amortised on a straight line basis so as to fully write off their cost by the end of 2027, in accordance with UK Government policy to phase out Direct Payments under the scheme over this period. The assets form part of the Endowment Fund and the amortization is charged to that fund.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(i) INVESTMENTS

Investments comprise investment properties and securities held within an investment portfolio and are initially recorded at their transaction price (including costs).

Investment properties are subsequently recorded at their estimated open market value at the end of each financial year. This estimate is based on an independent formal valuation, which is usually undertaken every three years, and by the Trustees in the intervening years based on independent advice from a desktop review of the most recent formal valuation. The last formal valuation was undertaken as at 31 December 2020. Investment properties are not depreciated.

Investments within the portfolio are revalued annually at their market value on the last day of the financial year. All investments are a form of basic financial instrument which are traded in quoted public markets. The Charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses on investments are calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost. Unrealised gains and losses represent the movement in market values between valuations. Both types of gains and losses are credited or charged to the Statement of Financial Activities in the year of gain or loss.

(j) DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are included within expenditure.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

Whilst cash held by investment managers awaiting investment is in this category, such balances are included in the balance sheet within the value of the investment portfolio.

(l) FUND ACCOUNTING

The Charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the Charity's objectives.

Designated funds are unrestricted funds which the Trustees have earmarked for particular purposes. Details of the nature and purpose of each designated fund is set out in Note 17. Transfers from general funds to designated funds are stated at amounts that the Trustees deem necessary to meet their known and anticipated future obligations.

Restricted income funds are funds which have restrictions placed on them by the donor that require them to be spent only for specified purposes.

Endowment Funds are capital funds which the Trustees cannot spend. The income arising from the endowment funds is unrestricted.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

2 DONATIONS AND LEGACIES	2021	2020
	£	£
General fund:		
Miscellaneous donations & Gift Aid tax recovery	100	90
Restricted income fund:		
Market Harborough Special Needs Playscheme	4,265	-
	<u>4,365</u>	<u>90</u>
3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2021	<i>General Fund</i> 2020
	£	£
Contributions from almshouse tenants	74,491	78,478
Old Grammar School rent	425	780
Allotment rents	5,546	4,813
Market Harborough Cricket Club rental income	6,490	6,490
Countryside Stewardship & other SSSI grants	31,048	11,545
	<u>118,000</u>	<u>102,106</u>
4 INVESTMENT INCOME	2021	<i>General Fund</i> 2020
	£	£
From investment properties:		
Rental income from commercial High Street properties	90,000	90,000
Farm Land	6,448	5,438
Miscellaneous	9,100	-
	<u>105,548</u>	<u>95,438</u>
From investment portfolio:		
Interest on UK fixed interest securities and Treasury stock	6,254	7,219
Dividends receivable from equity shares	85,137	85,165
Dividends receivable from collective investment funds	219,389	224,463
Dividends receivable from COIF Units	140,968	141,008
Interest on cash deposits	14	775
	<u>451,762</u>	<u>458,630</u>
5 OTHER INCOME	2021	2020
	£	£
General fund:		
Wayleave	-	13
Endowment fund:		
Overage payment arising from collaboration agreement	384,540	-
	<u>384,540</u>	<u>13</u>

The Charity was party to a collaboration agreement with the owner of land neighbouring that of the Charity, under which both parties sold land for development over twenty years ago. Under the terms of that agreement, the Charity was entitled to receive an overage payment in the event that the other party sold additional land for development during a specified period. Such a sale occurred during the year ended 31 December 2021 and the Charity's entitlement was £384,540.

Professional fees of £11,536 were incurred in connection with receipt of the funds and these are included as part of the expenditure on raising funds, within Endowment Fund expenses (see Note 6).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

6 EXPENDITURE ON RAISING FUNDS		2021	2020
GENERAL FUND		£	£
Commercial property management			
Secretarial salaries & on-costs		1,946	1,614
Insurance		1,763	1,698
Repairs and maintenance		869	3,875
Legal & professional fees		3,110	7,661
Support costs (Note 9)		7,555	6,408
Investment management			
Investment manager's fees		7,183	6,338
Support costs (Note 9)		4,634	3,792
Website & other promotional costs		1,780	3,341
		<u>28,840</u>	<u>34,727</u>
ENDOWMENT FUND			
Investment management			
Investment manager's fees		45,818	40,092
Investment property management fees		2,700	2,100
Support costs (Note 9)		-	-
Professional fees		15,356	-
Cricket Club - Depreciation of changing rooms		5,384	5,385
Amortisation of Intangible Assets		884	439
		<u>70,142</u>	<u>48,016</u>
TOTAL EXPENDITURE ON RAISING FUNDS		<u>98,982</u>	<u>82,743</u>
7 EXPENDITURE ON PROVISION OF GRANT FUNDING		2021	2020
GENERAL FUND		£	£
Grants to institutions or for specific purposes			
Institution	Purpose of grant		
Harborough Town Football Club	Renewal of All Weather Football Pitch	48,000	
Market Harborough Medical Centre	Mental Health Initiative	30,000	
Voluntary Action South Leicestershire	Funding of drivers for transport scheme	27,000	
Voluntary Action South Leicestershire	Core Running Costs for a five year period	25,998	
Home-Start South Leicestershire	Post Natal Illness Project	20,000	
Harborough Christian Counselling Service	Operating costs over a five year period	12,500	
Market Harborough Hockey Club	Storage containers, pitch dividers, trolley etc.	11,000	
Leicestershire Action for Mental Health	Mental health advocacy project	10,000	
Home-Start South Leicestershire	Family Know-How Project	10,000	
LOROS	End of Life Support Patient Unit	8,980	
Harborough Anglican Team	Training of one Youth Worker	8,273	
Others, each £3,000 and under		5,951	
		<u>217,702</u>	402,208
Part repayment of grants made in previous periods:			
Market Harborough & District Scouts	Costs of attending World Scout Jamboree	(1,603)	-
		<u>216,099</u>	402,208
Education Bursary Fund Grants		107,461	115,846
Carried forward		<u>323,560</u>	<u>518,054</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

7 EXPENDITURE ON PROVISION OF GRANT FUNDING (continued)	2021 £	2020 £
Brought forward	323,560	518,054
Grants to Church of St. Peter & St. Paul, Great Bowden - Repairs & maintenance	23,775	-
Grants to individuals		
Educational fund (119, 2020: 129)	123,016	135,750
Relief in Need £1,000 and over (13, 2020: 12)	18,031	25,589
Relief in Need less than £1,000 (74, 2020: 55)	17,361	17,410
Total grants paid	505,743	696,803
Secretarial salary & on-costs	19,606	18,623
Caseworker's costs	-	70
Communications strategy, advertising and website development costs	3,559	6,683
Support costs (Note 9)	40,821	39,139
Total	569,729	761,318

Further analysis of grants paid in the year by nature of activity being supported is contained within the Report of the Trustees.

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES	2021	2020
	£	£
GENERAL FUND		
Almshouses:		
Secretarial salary & on-costs	10,789	7,705
Insurance	1,062	1,023
Utilities (including lifeline)	13,965	15,318
Repairs and maintenance	18,016	16,646
Council Tax in void period & other miscellaneous costs	1,064	754
Website & promotional costs	1,780	3,341
Legal & professional fees	1,140	2,262
Depreciation of fixtures & fittings	1,832	1,832
Support costs (Note 9)	17,812	16,895
	67,460	65,776
Old Grammar School:		
Secretarial salary & on-costs	3,211	2,667
Insurance	1,508	1,452
Repairs, maintenance & utilities	5,786	4,169
Legal & professional fees	380	754
Support costs (Note 9)	5,039	4,889
	15,924	13,931
Allotments:		
Secretarial salary & on-costs	8,843	6,091
Repairs and maintenance	3,693	2,995
Website & promotional costs	1,780	3,341
Legal & professional fees	760	1,508
Water & miscellaneous expenses	809	1,963
Support costs (Note 9)	11,263	11,294
	27,148	27,192
Carried forward	110,532	106,899

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES (continued)

		2021	2020
	£	£	£
Brought forward		110,532	106,899
Site of Special			
Scientific Interest:			
Secretarial salary & on-costs	805	489	
Repairs and maintenance	40,220	13,622	
Legal & professional fees	830	2,333	
Support costs (Note 9)	955	979	
		<u>42,810</u>	<u>17,423</u>
		<u>153,342</u>	<u>124,322</u>
ENDOWMENT FUND			
Depreciation of Almshouses		40,278	16,258
		<u>40,278</u>	<u>16,258</u>
TOTAL ALL FUNDS		<u>193,620</u>	<u>140,580</u>

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS

Support costs, as detailed below, have been allocated to resources expended as follows:

	Support Costs				
	Governance Costs £	Office Costs £	Accounts & Finance £	Total £	2020 Total £
RESOURCES EXPENDED:					
General Fund:					
Expenditure on raising funds :					
Commercial property management	1,289	1,632	4,634	7,555	6,408
Investment management	-	-	4,634	4,634	3,792
Expenditure on Charitable Activities:					
Grants payable	13,924	17,628	9,269	40,821	39,139
Almshouses	6,224	7,880	3,708	17,812	16,895
Old Grammar School	2,019	2,557	463	5,039	4,889
Allotments	4,766	6,034	463	11,263	11,294
SSSI	422	533	-	955	979
	<u>28,644</u>	<u>36,264</u>	<u>23,171</u>	<u>88,079</u>	<u>83,396</u>

Bases for support cost allocation:

Support costs are allocated between the various activities representing resources expended on the following bases:

Governance costs	Estimated time spent on each activity by the charity secretaries
Secretarial support and office costs	Estimated time spent on each activity by the charity secretaries
Accounts & finance	Estimated time spent on each activity by the charity accountants

The cost allocation includes an element of judgement as the charity has to consider the cost of detailed calculations and record keeping compared with the resultant benefit.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS (continued)

Governance costs included within support costs comprise:	2021	2020
	£	£
Secretarial salary & on-costs	19,016	16,142
Legal and professional fees	4,010	1,570
Auditors remuneration	3,270	3,000
General insurance	1,522	1,466
Trustee indemnity insurance	676	652
General expenses (including training of trustees)	150	-
	<u>28,644</u>	<u>22,830</u>

10 AUDITORS' REMUNERATION

The amounts payable to the Auditors', Edward Thomas Peirson & Sons, were as follows:

	2021	2020
	£	£
For audit services	3,270	3,000
For other assurance services	23,171	18,960
Total	<u>26,441</u>	<u>21,960</u>

The other assurance services provided by Edward Thomas Peirson & Sons included: preparation of the financial statements for the year; assistance to the Trustees in the financial management of the charity's affairs by the preparation of quarterly management accounts; and payroll services. No member of the firm's audit team was involved in the provision of these other services.

11 TRUSTEES' REMUNERATION AND REIMBURSED EXPENDITURE

The Trustees, who are considered to be the key management personnel, were not remunerated for their services in the year or the preceding year.

Aggregate expenses of £1,040 were reimbursed during the year to two trustees (2020: £931 to two trustees). The reimbursed expenses in the both years related to sundry goods/services paid for on behalf of the charity.

Trustee indemnity insurance is included as part of the charity's overall insurance and the amount charged in these financial statements in this respect is £676 (2020: £652).

12 STAFF NUMBERS AND COSTS

The number of employees of the charity were as follows:

Activity	Involvement	2021	2020
Secretarial	Full time	1	1
	Part time - Approx. 2.5 days per week	2	2

The aggregate payroll cost in respect of these employees was as follows:

	2021	2020
	£	£
Salaries	62,225	51,506
Social security costs	4,675	3,492
Pension contributions	1,991	1,387
	<u>68,891</u>	<u>56,385</u>
Employment Allowance	(4,675)	(3,054)
	<u>64,216</u>	<u>53,331</u>

No employee had employment benefits in excess of £60,000 (2020: None).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS

	Freehold Property for Operational Use £	Freehold Allotments Cricket Club & Other Land £	Almshouses Freehold Land & Buildings £	Fixtures & Fittings £	Office Equipment £	Total £
Cost or Valuation						
Brought forward	130,000	443,000	1,450,000	28,165	22,550	2,073,715
Revaluation	-	-	-	-	-	-
At 31 December 2021	130,000	443,000	1,450,000	28,165	22,550	2,073,715
Cumulative Depreciation						
Brought forward	-	38,029	-	23,278	17,200	78,507
Charge for the year	694	5,384	40,278	1,832	2,547	50,735
Revaluation	-	-	-	-	-	-
At 31 December 2021	694	43,413	40,278	25,110	19,747	129,242
Net Book Value						
At 31 December 2021	129,306	399,587	1,409,722	3,055	2,803	1,944,473
At 31 December 2020	130,000	404,971	1,450,000	4,887	5,350	1,995,208

Cost or valuation at 31 December 2021 is represented by:

Valuation

31 December 2020	130,000	383,000	1,450,000	-	-	1,963,000
Cost	-	60,000	-	28,165	22,550	110,715
	130,000	443,000	1,450,000	28,165	22,550	2,073,715

Basis for inclusion in the accounts

Freehold property for operational use is the premises at 10, Fairfield Road, Market Harborough which the charity purchased and subsequently redeveloped and refurbished as the charity's office. Depreciation commenced when the premises were first brought into use. No depreciation was provided on the estimated land value of £100,000, which is included in the total cost/valuation at the start of the year.

All of the freehold properties were revalued, with effect from 31 December 2020, at their open market value by Fisher German LLP, Chartered Surveyors. In addition, included within the cost or valuation of Allotments, Cricket Club & Other land, is £60,000 representing the cost to the charity of its contribution, as landlord, to the construction of new changing rooms for the Cricket Club and an extension of the courts to its Squash section. Depreciation of these costs commenced on the completion of the relevant works using a straight line basis over the remaining period of the lease.

The Trustees understand, based on advice received from Fisher German LLP, that there has not been a material change in the valuation of the properties since 31 December 2020

Had the properties not been revalued they would have been included at the following historical cost:

	As At 31 December 2021			As At 31 December 2020		
	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £
Cost	257,470	68,962	231,697	257,470	68,962	231,697
Aggregate depreciation	24,396	43,413	140,374	21,246	38,029	137,509
Net Book Value	233,074	25,549	91,323	236,224	30,933	94,188

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS (continued)

Heritage Assets

In addition to the assets shown above, the Charity owns a 17th Century building known as the Old Grammar School, Market Harborough, which was vested in the Charity during 2005 together with the other assets of the Market Harborough Exhibition Foundation Charity. The Old Grammar School is a local landmark and a listed building of significant historical and architectural importance, which the Trustees intend will form part of the Charity's permanent endowment to be maintained and preserved for its cultural significance to the town. Prior to the outbreak of the Covid-19 pandemic, the Charity made the building available for hire by the public, on a daily basis, in exchange for a specified contribution towards the annual running costs.

There is no information readily available as to the original cost of the building and the Trustees consider that there are no suitable techniques available to ascertain a reliable valuation for the property, certainly not without involving the Charity in significant costs which would outweigh any benefit.

As a result, in accordance with the permitted treatment for heritage assets in SORP (FRS 102) the Old Grammar School is not recognised as an asset in the Charity's balance sheet.

14 INTANGIBLE FIXED ASSETS

	31-Dec-21	31-Dec-20
	£	£
Cost		
Brought forward	6,121	-
Additions	811	6,121
At 31 December 2021	<u>6,932</u>	<u>6,121</u>
Cumulative Amortisation		
Brought forward	439	-
Charge for the year	884	439
At 31 December 2021	<u>1,323</u>	<u>439</u>
Net Book Value		
At 31 December 2021	<u>5,609</u>	<u>5,682</u>
At 31 December 2020	<u>5,682</u>	<u>-</u>

Intangible assets represent Basic Payment Scheme entitlements.

15 INVESTMENT PROPERTIES

	31-Dec-21	31-Dec-20
	£	£
Valuation at the beginning of the year	2,520,000	2,573,675
Additions at cost	-	-
Unrealised gains/(losses) on revaluation	(12,500)	(53,675)
Valuation at the end of the year	<u>2,507,500</u>	<u>2,520,000</u>
Historical cost at the end of the year	<u>562,312</u>	<u>562,312</u>

The investment properties comprise various parcels of land and four retail shops, of which three have been converted into one, situated in High Street, Market Harborough. A formal open market valuation of these assets was undertaken by Fisher German LLP, Chartered Surveyors as at 31 December 2021 and is incorporated in these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

15 INVESTMENT PROPERTIES (continued)

The Land in the charity's ownership includes:

Approximately 116.65 acres of farm land which is let in the year on a seasonal grazing licence. The property is subject to a restrictive covenant in favour of two predecessors in title whereby, in the event of any subsequent non-agricultural development being permitted, the charity will be required to pay 33% of any defined increase in value. The covenant extends to forty years from the date of grant;

Land situated a short distance to the north of Great Bowden village comprising 13.03 acres of grassland, which is let on seasonal grazing licences, and 6.45 acres which has been designated a Site of Special Scientific Interest ("SSSI"). The SSSI is subject to control by English Nature and the charity works closely with the Leicestershire and Rutland Wildlife Trust in ensuring that the ecological value of the site is protected and where possible enhanced. This land is subject to a similar restrictive covenant to that described above in relation to the farm land.

Two small permanent pasture paddocks situated close to the western fringe of Market Harborough town. One of these paddocks is subject to a fifty-year covenant in favour of the predecessor in title which commits the charity to pay away 33% of any uplift in value as a result of subsequent development beyond agricultural use; and

Various strips of land retained by the charity following previous significant land sales. Certain of these strips provide a possible means of access and services from adopted highways into potential development land which is not within the charity's ownership. In particular, a developer has recently expressed an interest in renewing a previous option (now expired) granting them the right to acquire the ransom strip in the event that the developer obtains planning permission for development on certain adjacent property, entry to which would be serviced over the ransom strip. However, at the present time in view of the uncertainties affecting their value, the Trustees have decided not to attribute any value to them in these financial statements.

16 INVESTMENT PORTFOLIO

	31-Dec-21	31-Dec-20
	£	£
Market value at the beginning of the year	15,383,883	15,565,713
Acquisitions at cost	2,811,165	2,342,206
Sales proceeds from disposals	(2,798,778)	(2,586,457)
Realised gains/(losses) on disposals	215,463	(83,147)
Unrealised gains/(losses) on revaluation	1,605,123	145,568
	<u>17,216,856</u>	<u>15,383,883</u>
Cash at bank on deposit/awaiting investment	30,548	94,594
Market value at the end of the year	<u>17,247,404</u>	<u>15,478,477</u>
Historical cost at the end of the year (excluding cash)	<u>12,902,545</u>	<u>12,171,284</u>

The realised gains/(losses) on disposals are shared between funds as follows:

General fund	50,137	(97,979)
Endowment fund	165,326	14,832
	<u>215,463</u>	<u>(83,147)</u>

The unrealised gains/(losses) on disposals are shared between funds as follows:

General fund	95,550	63,561
Endowment fund	1,509,573	82,007
	<u>1,605,123</u>	<u>145,568</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

		31-Dec-21		31-Dec-20	
		£	%	£	%
Managed by MHA Caves Wealth					
(no individual holding exceeds 5% of the total portfolio)					
UK Fixed interest securities and Treasury stock		186,463	1.08%	240,341	1.55%
UK Equity shares		981,346	5.69%	649,797	4.20%
UK investment trusts, unit trusts and OEIC's		2,517,640	14.60%	2,329,208	15.05%
Overseas equities		114,975	0.67%	192,612	1.24%
Cash on deposit		14,916	0.09%	24,317	0.16%
Managed by Cazenove Capital Management					
UK Bond funds	Schroder Sterling Corporate Bond	255,200	1.48%	453,950	2.93%
	Schroder ISF Strategic Credit C	346,154	2.01%	346,933	2.24%
International Bond funds	MU Lyxor Core US TIPS	247,938	1.44%	-	-
	Federated Homes Unconst. Credit Fund	121,396	0.70%	-	-
UK Equity funds:	Charity Equity Income Fund	569,825	3.30%	628,048	4.06%
	Trojan Income Fund (Class S)	630,791	3.66%	638,574	4.13%
Overseas Equity funds	Findlay Park American Fund Inc.	1,189,511	6.90%	1,087,691	7.03%
	M&G Global Dividend Inc.	676,874	3.92%	932,989	6.03%
	Fidelity Global Dividend Fund (Class W)	677,387	3.93%	616,869	3.99%
	Schroder Asia Alpha Plus	481,713	2.79%	622,968	4.02%
	Blackrock Asian Dragon Fund	-	-	176,085	1.14%
	Blackrock European Dynamic Fund	224,595	1.30%	189,488	1.22%
	Atlas Global Infrastructure Fund	120,036	0.70%	111,590	0.72%
	Wellington Global Health Care	113,590	0.66%	109,735	0.71%
	Polar Global Insurance Fund	129,534	0.75%	112,967	0.73%
	Robecco BP Global Premium Equities	270,940	1.57%	225,820	1.46%
	Spyglass US Growth Fund (UCITS)	153,830	0.89%	163,370	1.06%
	RWC Global Emerging Markets Fund S	141,887	0.82%	-	-
	Schroder Global Equity Income Class L	242,675	1.41%	-	-
	Ninety One III Global Environment Fund	253,204	1.47%	-	-
	William Blair U.S. Small Mid Cap Growth	164,136	0.95%	-	-
	T. Rowe Global Technology Equity Fund	155,753	0.90%	-	-
Alternative Investments	The Charities Property Fund	608,941	3.53%	551,177	3.56%
	Brevan Howard Abs. Return Gov. Bond	111,575	0.65%	-	0.00%
Portfolio Funds	Troy Asset Mgt Trojan Fund S Inc.	449,302	2.61%	557,642	3.60%
Cash on deposit		15,632	0.09%	70,276	0.45%
Managed by CCLA Investment Management					
COIF Charities property fund		1,026,370	5.95%	898,398	5.80%
COIF UK Fixed interest fund		46,738	0.27%	50,032	0.32%
COIF Investment fund Income Units		3,363,390	19.50%	2,945,550	19.03%
COIF Investment fund Accumulation Units		284,515	1.65%	242,376	1.57%
COIF Global equity fund		358,632	2.07%	309,674	2.00%
		<u>17,247,404</u>	100.00%	<u>15,478,477</u>	100.00%

The investments in the portfolio are carried at their fair value which is the quoted market value in respect of equities and fixed interest securities and the bid price for units in common investment funds, unit trusts and open-ended investment companies. Investment sales and purchases are recognised at the date of trade at their transaction value, net of costs in the respect of sales and inclusive of costs in respect of purchases.

All investments are basic financial instruments traded on quoted public markets, primarily the London Stock Exchange. The Charity does not make use of derivatives and similar complex financial instruments as the Trustees take the view that investments are held for their longer term yield and total return and that any short-term volatility in the markets will normally be corrected in any five year period.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

Investment returns are exposed to various risks which include credit, liquidity and market risks. Both credit and liquidity risks are assessed as low as the Charity invests predominantly in blue-chip securities in which the failure rate is historically low and all investments are traded on markets in which central banks and other regulators have an interest in ensuring continuation of orderly trading.

Market risk is the principal risk faced by the Charity due to a combination of uncertainty in investment markets and volatility in yields. This was highlighted recently by the effect of the global Covid-19 pandemic on the financial markets which resulted in sharp reductions in both prices and dividends, as further discussed in Note 1(b). In addition, despite some recent upward movement, interest rates remain at an all time low. These factors are of particular relevance to the Charity as it is reliant, in part, on dividends and interest to finance its grant making activities. As many of its collective investment funds include significant holdings in international equities and bonds which are denominated in foreign currencies, the Charity also has exposure to exchange rate risk.

The Trustees manage these risks by retaining the expert services of three separate fund managers, as shown in the above analysis of the portfolio, and in operating an investment policy which provides for a high degree of diversification of holdings within investment asset classes providing for a balance of income and long-term capital growth.

17 DEBTORS

	31-Dec-21	31-Dec-20
	£	£
Accrued income	23,552	31,593
Prepayments	5,839	5,382
Other Debtors	3,600	-
Income tax recoverable	8,017	6,287
	<u>41,008</u>	<u>43,262</u>

Accrued income includes £23,530 (2020: £31,571) and Income tax recoverable includes £7,580 (2020: £5,850), which is attributable to cash flows from investing activities.

18 CREDITORS PAYABLE WITHIN ONE YEAR

	31-Dec-21	31-Dec-20
	£	£
Accruals	40,263	59,885
Other creditors	35,964	6,820
Taxation & Social Security	49	1
	<u>76,276</u>	<u>66,706</u>

Included within the heading of accruals are grants payable with a total value of £1,965 (2020: £3,767)

Other creditors include £4,027 (2020: £4,027) which is attributable to cash flows from investing activities.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS

	At 1 January 2021 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2021 £
Unrestricted funds:							
General funds							
Revenue	554,911	675,410	(751,911)	145,687	430,948	(367,455)	687,590
Designated funds							
For Grants:							
Charitable grants	345,817	-	-	-	(224,718)	87,391	208,490
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	139,819	-	-	-	(98,769)	10,064	51,114
Educational bursary	94,154	-	-	-	(107,461)	270,000	256,693
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Restricted fund:							
Income fund	6,087	4,265	-	-	-	-	10,352
Endowment fund	18,981,642	384,540	(110,420)	1,662,399	-	-	20,918,161
	<u>20,342,430</u>	<u>1,064,215</u>	<u>(862,331)</u>	<u>1,808,086</u>	<u>-</u>	<u>-</u>	<u>22,352,400</u>

General Funds are unrestricted funds that the Trustees are free to use in accordance with the objects of the charity.

Designated Funds are unrestricted funds that have been earmarked by the Trustees for particular purposes. These purposes fall into two categories: the payment of grants; and future repairs and maintenance. Specifically they are as follows:

Charitable Grants:

The charitable grants relate to amounts pledged by the Trustees for charitable purposes where no binding commitment exists at the balance sheet date. Transfers are made to this fund from the general fund for amounts pledged in the year which have not been paid by the year end. A transfer is made from this fund to the general fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

Church of St. Peter & St. Paul, Great Bowden:

One of the Charity's objects is the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The income to be applied for this purpose must not exceed 20% of the Charity's income in any three year period. A designated reserve for the purpose of meeting this expenditure is maintained at a level to ensure that the charity has sufficient funds to meet its ongoing obligations based on advice from representatives of the P.C.C.

Relief in Need grants:

The charity makes donations to individuals to relieve need, hardship and distress, which are referred to as Relief in Need grants. In order to ensure that sufficient funds are available to continue to meet such needs, the Trustees have agreed to maintain a reserve approximately equivalent to the Relief in Need grants paid in the last three years.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

Educational grants and bursary funds:

The Trustees invite applications from individuals for assistance with tuition fees and expenses for a first degree at a British university and for equipment and costs associated with apprenticeships and vocational training. A fund is maintained at a value which will enable the charity to meet its obligations to pay the fees of the successful applicants over the remainder of their courses. In addition, a fund is maintained to enable the charity to award bursaries, over a three year period, of up to £180,000 per annum, to schools within the area of benefit. This equates to a maximum of £20,000 per school per annum and the bursaries may be used for a wide range of educational purposes.

Repair funds:

The Extraordinary Repair Funds are established to cover the cost of non routine maintenance of the charity's properties.

Separate repair funds are maintained in respect of: the Allotments & Commercial Properties; and the Almshouses.

Amounts are transferred to these funds and are released back to the General Fund as the Trustees consider appropriate to offset the cost of non routine maintenance on the properties. The aggregate funds are to be maintained between a minimum of £50,000 and a maximum of £100,000.

An extraordinary repair fund is maintained for the Old Grammar School. The Old Grammar School is an ancient building which is in regular need of maintenance and repair. Following a major restoration project which was completed during 2014, the current ongoing commitment for expenditure has been substantially reduced and this is reflected in the level of reserves maintained for this purpose.

Restricted income funds represent funds donated to the Charity by the Market Harborough Musical Theatre on the understanding that they are to be applied to support performing arts in the area of benefit.

The Endowment Fund represents the permanent capital of the Charity. These funds must be held indefinitely and the Trustees have no power to convert the capital into funds which may be spent.

The movements in funds in the previous financial year were as follows:

	At 1 January 2020 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2020 £
Unrestricted funds:							
General funds							
Revenue	520,965	656,277	(920,367)	(5,886)	(306,709)	610,631	554,911
Designated funds							
For Grants:							
Charitable grants	621,212	-	-	-	126,709	(402,104)	345,817
Church of. St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	232,500	-	-	-	-	(92,681)	139,819
Educational bursary	30,000	-	-	-	180,000	(115,846)	94,154
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Carried forward	1,624,677	656,277	(920,367)	(5,886)	-	-	1,354,701

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

	At 1 January 2020 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2020 £
Unrestricted funds:							
Brought forward	1,624,677	656,277	(920,367)	(5,886)	-	-	1,354,701
Restricted fund:							
Income fund	6,087	-	-	-	-	-	6,087
Endowment fund	19,706,977	-	(64,274)	(661,061)	-	-	18,981,642
	<u>21,337,741</u>	<u>656,277</u>	<u>(984,641)</u>	<u>(666,947)</u>	<u>-</u>	<u>-</u>	<u>20,342,430</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2021	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	135,164	-	-	1,809,309	1,944,473
Intangible fixed assets	-	-	-	5,609	5,609
Investment properties	-	-	-	2,507,500	2,507,500
Investment portfolio	-	709,714	-	16,507,142	17,216,856
Cash held for investment	-	-	-	30,548	30,548
Sundry Debtors	41,008	-	-	-	41,008
Cash at Bank on Deposit	565,526	26,583	10,352	79,971	682,432
Cash in hand	250	-	-	-	250
Current Liabilities	(54,358)	-	-	(21,918)	(76,276)
Total Net Assets	<u>687,590</u>	<u>736,297</u>	<u>10,352</u>	<u>20,918,161</u>	<u>22,352,400</u>

As at 31 December 2020	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	140,237	-	-	1,854,971	1,995,208
Intangible fixed assets	-	-	-	5,682	5,682
Investment properties	-	-	-	2,520,000	2,520,000
Investment portfolio	136,640	799,790	-	14,447,453	15,383,883
Cash held for investment	-	-	-	94,594	94,594
Sundry Debtors	43,262	-	-	-	43,262
Cash at Bank on Deposit	290,388	-	6,087	69,375	365,850
Cash in hand	657	-	-	-	657
Current Liabilities	(56,273)	-	-	(10,433)	(66,706)
Total Net Assets	<u>554,911</u>	<u>799,790</u>	<u>6,087</u>	<u>18,981,642</u>	<u>20,342,430</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

21 OPERATING LEASE COMMITMENTS

The total minimum lease payments to which the Charity is committed under an operating lease for office equipment is shown below:

	31-Dec-21	31-Dec-20
	£	£
Payments due in respect of leases expiring:		
Within one Year	-	-
In two to five years	1,147	1,721
Total	<u>1,147</u>	<u>1,721</u>

Lease payments recognised as an expense in the Statement of Financial Activities amounted to £574 (2020: £574).

22 OTHER FINANCIAL COMMITMENTS

Commitments for the acquisition of tangible fixed assets, which were contracted for but not provided in the financial statements, amounted to £Nil (2020: £Nil).

23 RELATED PARTY TRANSACTIONS

At various times during the year the Charity has received applications for grants from other charitable organisations which have certain trustees in common with the Charity. In accordance with the Charity's procedures, the relevant trustees declared their interest and did not take part in any of the discussions relating to the grant application.

There were no other transactions with related parties during the year or the preceding financial year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

England & Wales - Charity number 1157787

Accounts

MARKET HARBOROUGH AND THE BOWDENS CHARITY
(A Charitable Incorporated Organisation)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

Charity Registered Number 1157787

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2020

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MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report along with the financial statements of Market Harborough and The Bowdens Charity, ("the Charity") for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and 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) issued in October 2019 ("SORP (FRS 102)").

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Market Harborough and The Bowdens Charity																																		
Charity Registration Number	1157787																																		
Status:	Charitable Incorporated Organisation																																		
Principal Office Address	10, Fairfield Road, Market Harborough, Leicestershire, LE16 9QQ																																		
Trustees	The members of the Board of Trustees who served during the year and at the date of this report are as follows: Appointed Trustees: <table><tr><td>Mrs J Adkins</td><td></td></tr><tr><td>Mrs J Balme</td><td></td></tr><tr><td>Mrs C Davies</td><td>Appointed 25 February 2021</td></tr><tr><td>Mr J Feavyour QPM</td><td>Chair from 25 February 2021</td></tr><tr><td>Mr S Harris</td><td>Retired 29 August 2019</td></tr><tr><td>Mr G R Hartopp</td><td></td></tr><tr><td>Dr S Hill</td><td></td></tr><tr><td>Mrs J Hefford</td><td>Retired 5 August 2021</td></tr><tr><td>Dr J Jones</td><td>Retired 27 May 2021</td></tr><tr><td>Prof. W Jones</td><td></td></tr><tr><td>Mrs L Kvatch</td><td></td></tr><tr><td>Mr G Kellie</td><td></td></tr><tr><td>Mrs K Merryweather</td><td></td></tr><tr><td>Mrs L Rhodes</td><td></td></tr><tr><td>Mr A F Trotter (Chair)</td><td>Retired 25 February 2021</td></tr><tr><td>Mrs J A Williams</td><td></td></tr></table> Nominated: <table><tr><td>Mr N Proudfoot</td><td></td></tr></table>	Mrs J Adkins		Mrs J Balme		Mrs C Davies	Appointed 25 February 2021	Mr J Feavyour QPM	Chair from 25 February 2021	Mr S Harris	Retired 29 August 2019	Mr G R Hartopp		Dr S Hill		Mrs J Hefford	Retired 5 August 2021	Dr J Jones	Retired 27 May 2021	Prof. W Jones		Mrs L Kvatch		Mr G Kellie		Mrs K Merryweather		Mrs L Rhodes		Mr A F Trotter (Chair)	Retired 25 February 2021	Mrs J A Williams		Mr N Proudfoot	
Mrs J Adkins																																			
Mrs J Balme																																			
Mrs C Davies	Appointed 25 February 2021																																		
Mr J Feavyour QPM	Chair from 25 February 2021																																		
Mr S Harris	Retired 29 August 2019																																		
Mr G R Hartopp																																			
Dr S Hill																																			
Mrs J Hefford	Retired 5 August 2021																																		
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Mrs K Merryweather																																			
Mrs L Rhodes																																			
Mr A F Trotter (Chair)	Retired 25 February 2021																																		
Mrs J A Williams																																			
Mr N Proudfoot																																			
Charity Secretary	Mrs L Headey																																		
Accountants and Auditors	Edward Thomas Peirson & Sons, 21, The Point, Rockingham Road, Market Harborough, Leicestershire, LE16 7NU																																		
Solicitors	BHW Solicitors, 1 Smith Way, Leicester LE19 1SX																																		
Bank	HSBC plc, 15 High Street, Market Harborough, Leicestershire, LE16 7NN																																		
Investment Managers	Cave & Sons Limited, Lockgates House, Rushmills, Northampton NN4 7YB Cazenove Capital Management Limited, 12 Moorgate, London, EC2R 6DA CCLA Investment Management Limited, 80 Cheapside, London, EC2V 6DZ																																		
Land Agents	Fisher German LLP, 40 High Street, Market Harborough, Leicestershire, LE16 7NX																																		

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Objectives

The Charity's area of benefit is the Urban District of Market Harborough as it existed prior to the reform of local government on 1 April 1974. This area includes the town of Market Harborough and the villages of Great Bowden and Little Bowden.

In summary, the objects of the Charity are:

1. Such charitable purposes for the general benefit of the inhabitants of the area of benefit as the Trustees think fit for which provision is not made out of rates, taxes or other public funds;
2. The relief either generally or individually of residents in the area of benefit who are in conditions of need, hardship or distress, but not directly in relief of rates, taxes or other public funds. This is referred to in the objects as "Relief in Need". In exceptional circumstances the Trustees may grant relief to individuals otherwise eligible who are resident immediately outside the area of benefit; and
3. The maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The amount applied in this respect is restricted to 20% of the Charity's income in any three-year period.

Before applying the income of the Charity in support of these objects the Trustees must first defray the costs of maintaining the Charity's property (including that held on trust by the Charity) and the costs, charges and expenses of administering the Charity.

Activities

The Charity's principal activity, which is undertaken in relation to these objects, is the payment of grants to institutions to be applied for the public benefit within the defined area, towards the improvement of: the community, social welfare and environment; the arts; education; amateur sports; and the maintenance of local heritage.

A small, but significant proportion of the Charity's resources is applied in meeting social welfare, "relief in need", claims from individuals largely referred to the Charity by Social Services and similar bodies. Additionally, the Charity has an educational grant making activity to support the further education of financially disadvantaged members of the community by assistance with the cost of apprenticeships, vocational training and fees and living expenses associated with a course of undergraduate study.

Grants are also awarded, in consultation with the Parochial Church Council, as and when required towards the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden.

Outside of direct grant provision, the Charity has fourteen fully serviced Almshouses, which are let at a below market rent. It also maintains two allotment sites in the town of Market Harborough in which plots are available to residents of the defined area for a modest charge and, in conjunction with the Leicestershire and Rutland Wildlife Trust, protects and enhances the ecological value of a Site of Special Scientific Interest on land that is held within its investment property portfolio.

Finally, the Charity has since 2005 owned a 17th Century building known as the Old Grammar School which is a listed landmark building in the town of Market Harborough of significant historical, cultural and architectural importance. The Charity completed a major programme of renovation and refurbishment of the building in 2014, which was its 400th anniversary. Prior to the lockdown arising as a result of the Covid-19 pandemic, the building was available for public hire, by local groups and inhabitants of the area of benefit, on an hourly basis at agreed rates which contributed towards the annual running costs.

Grant Making Policy

The Charity has devised standard application forms for funding which, together with guidance notes, can be downloaded from the Charity's website www.mhbcharity.co.uk. All applications are subjected to a validation process undertaken by the Charity staff. This process will, amongst other things: ensure compliance with the Charity Scheme, including geographical limitations; confirm that all necessary and relevant supporting information is available; and check the probity of the applicants and their history of previous applications.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES (continued)

The process will also identify the benefit or benefits that the applicants intend to achieve and ensure that the recipients of such benefits are the public or an appropriate section of the public.

Valid applications are placed on the agenda for the next meeting of either the Relief in Need or the Appeals committee, as appropriate. The committees are entitled to make grants of up to £5,000 and £20,000, respectively, without the need to seek the approval of the Board and providing resources permit. There is also a fast track procedure for applications in need of early consideration on the grounds of urgency.

Where large or complex applications for funding are received (referred to as “projects”) and are considered to be potentially worthy of support, a contact group of no less than three Trustees is formed to review the proposed project. The contact group will meet with the applicants, before the application is considered, and undertake a detailed appraisal of the project, following which a recommendation will be made to the Appeals committee. Such projects as are accepted by the Appeals committee are presented to a full meeting of Trustees for final approval. Under normal circumstance the Charity will not fund over 50% of the total cost of the project.

As an ongoing process, the Charity receives applications from the Great Bowden PCC for funding of projects to maintain and repair the fabric of the Church. The applications are reviewed in accordance with the procedures outlined above.

Where a project receives support from the Charity then the contact group will monitor its progress on a continuous basis and will, some time after completion, undertake an audit of the project. The objective of the audit is, amongst other things, to check that the level of public benefit claimed in the original application has been provided. Where it is perceived that the public benefit criteria have not been adequately met, the auditing Trustees will discuss details of the shortfall with the applicant and agree the appropriate action that should be taken.

Volunteers

In meeting these aims, each of the Trustees provides the Charity with many hours of service on a voluntary basis, but the Charity has no particular requirement for volunteers outside of the trustee body. No financial value is attributed to this voluntary work in the financial statements.

Public benefit

The Trustees are mindful that it is of paramount importance that the Charity’s activities are carried out for the public benefit. They have a rigorous grant making policy, which is more fully described above, to ensure that the Charity only awards grants to projects whose objects satisfy the public benefit criteria. The Trustees monitor carefully the supported projects to ensure that the stated public benefits are delivered.

The Trustees confirm that they have complied with their duty to have due regard to the guidance published by the Charity Commission on public benefit when reviewing the Charity’s aims and objectives, in planning future activities and in setting the grant making policy for the year.

ACHIEVEMENTS AND PERFORMANCE

The Covid-19 outbreak was widely detected in the UK from February 2020 and soon after was declared a global pandemic by the World Health Organisation. In common with all organisations, the Charity was affected by the resultant lockdown and was forced to close its office with Trustees and staff having to work from home and use video conferencing to hold meetings.

At the present time, the office remains closed to the public, other than by appointment but, in spite of the pandemic and all its consequences, the Charity has continued its work throughout 2020, which marked the 450th anniversary of the first recorded mention of one of the charities that, through mergers and amalgamations, make up the modern day Charity.

The Trustees would like to place on record their appreciation to the staff for their dedication and hard work throughout this difficult year.

Payments of grants to institutions in the financial year amounted to £402,208 compared with £327,637 in 2019. During the year the Trustees have continued to support a number of projects, partly with other organisations, to improve community amenities (including social welfare), heritage, education, arts, and amateur sporting facilities of the town, which are accessible to all sections of the community.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Although several of the projects that have been supported cover more than one activity the broad breakdown of the grants paid by activity is as follows:

Activity	Grants Paid	Number
Community and social welfare	£229,578	19
Heritage	-	-
Education	2,000	1
Arts	750	1
Amateur sports	169,880	5
	-----	-----
Total	£402,208	26
	=====	=====

Community and Social Welfare

From a Community and Social Welfare perspective the organisations that have benefited from the Charity's support in the year include the following:

Voluntary Action South Leicestershire ("VASL") is a charity, based in Market Harborough, which the Charity has supported over many years. It provides an integrated voluntary action centre to co-ordinate and support the activities of volunteers for the benefit of the town and surrounding district.

During 2020, the Charity paid grants totalling £20,250 towards VASL's car scheme which provides transport for elderly, disabled or rurally isolated people who can't use, or have no access to public transport. In a typical year the service provides between 5,000 and 6,000 passenger journeys to help its users get to places such as the health centre, dentist, hairdressers, hospital appointments and the leisure centre. The annual cost of running the scheme is in the region of £90,000 and the Charity has pledged to support the scheme with quarterly grants of £6,750 payable over a three-year period. The total amount pledged which is outstanding at 31 December 2020 is £27,000.

In addition to its transport scheme, VASL also supports voluntary carers in the community and befriending services for people who are socially isolated. Whilst funds are raised specifically towards these activities from local government and The Big Lottery, VASL has significant core running costs which have to be met, largely by voluntary donations. In order to secure a stable financial future for VASL, the Charity has agreed, subject to appropriate conditions being met, a five-year funding package of £173,320 to be paid in quarterly instalments. The first four instalments totalling £34,664 were paid in the year.

In addition, the Charity also paid a final grant of £2,880 as part of a series of payments towards funding VASL's projects supporting mental health issues of both patients and their carers and a one-off grant of £600 towards an information directory produced in conjunction with the Harborough Locality Integrated Leadership Team.

Market Harborough Medical Centre received grants totalling £60,000, representing part payment of a total pledge of £120,000 payable over two years of which £30,000 remained outstanding at 31 December 2020. The grants were awarded towards projects aimed at supporting those with mental health issues and eating disorders. This mental health initiative arose from the Charity's active involvement in the Harborough Locality Integrated Leadership Team, a group which is responsible for joining up and coordinating the care provided by multiple professionals to patients within the locality.

The grant has been used to partly fund a Mental Health Facilitator, based in the Medical Centre, who in the first five months of operation saw over 350 patients across all age groups suffering with a range of symptoms but most notably anxiety and depression. The Facilitator provides advice, guidance and signposting and can refer patients for specialist services as appropriate.

Mental health is seen as a key priority for the Charity following the lockdowns imposed as a result of the Covid-19 pandemic and the Charity was pleased to support an initiative by **Leicestershire Action for Mental Health Project** ("LAMP") to extend their activities into the Charity's geographical area of benefit.

LAMP is an independent mental health charity which offers free access to mental health advocacy which is confidential and non-judgemental. It aims to support sufferers and their carers by providing information, assisting them in accessing the services that they require and giving a voice to their concerns. The Charity pledged a grant of £20,000 to LAMP, covering a two-year period, of which £10,000 was paid in the year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Home-Start South Leicestershire ("Home-Start"), is a registered charity based in Market Harborough which offers assistance to parents in the many challenges that they face in bringing up their children particularly where these are exacerbated by issues such as: illness/disability; mental health problems; loneliness and isolation; family/relationship breakdowns; bereavement; and financial hardship.

Home-Start assists such families through four Projects involving a combination of home-visiting support, groups and courses. Home-visiting support usually consists of two to three hours a week by a volunteer, normally a parent themselves, who is matched with a family on the basis of the level of need. Their aim is to support parents to grow in confidence, strengthen their relationship with their children and widen their links within the local community.

In 2018, the Charity pledged support of £60,000 to be paid over a three-year period, subject to appropriate conditions being met, to the costs of the Family Know-How project and during the year made the final payment of the three grants of £20,000. This project, which has been successfully delivered for four years, focuses on the needs of some of the most complex families that they support, particularly those struggling to cope with their young children because of: lack of confidence/self-esteem; lack of understanding as to how to lead a healthy lifestyle; and chaotic home and financial circumstances.

In addition, during 2019 the Charity pledged a further £60,000, again payable over three years subject to the necessary conditions being met, in support of the Post-Natal Illness Project, which provides practical support, help and advice for families affected by post-natal illness. The second grant of £20,000 was paid in the year and the balance of £20,000 is expected to be paid in 2021.

Harborough Christian Counselling Service was the recipient of £12,500 from the Charity, being the second instalment of a pledge made in 2018, subject to fulfilment of the relevant criteria, to assist with operating costs over a five-year period. Payment of the outstanding pledge of £37,500 is expected to be made in equal instalments between 2021 and 2023.

The service is located at the Bower House in Coventry Road, and provides help, support and encouragement in the form of Christian counselling to the local people of Market Harborough and District at times of crises in their lives. Its aim is to empower and help people make their own decisions in appropriate ways to enable them to satisfactorily come through these crises. Whilst the counsellors are Christians, the service is available to people of all faiths or none. Counsellors are trained within the organisation and it provides a service which is responsive to local demand and, importantly, free to users. In addition to the trained counsellors the service also has a number of support workers who offer a listening and befriending service to users who do not want to make a commitment to counselling.

Leicestershire & Rutland Organisation for the Relief of Suffering Limited ("LOROS") is a charity based in Leicester, which every year provides free, high-quality, compassionate care and support to over 2,500 terminally ill adult patients, their family and carers across Leicester, Leicestershire and Rutland.

The care package offered includes: short-stay inpatient ward for symptom management and/or end of life care; outreach support in the patient's home; day therapy; complementary therapy; and counselling.

The Charity is working with LOROS to assess the feasibility of establishing a Wellbeing Centre in Market Harborough which would be built on the Charity's land adjacent to its Northampton Road allotment site without impacting on the allotments themselves. As part of this work LOROS has established an End of Life Support Patient Unit in the town, which is initially to be run as a two-year pilot project. During 2019, the Charity pledged support of £35,920 for this project over the two-year period payable in six-monthly instalments of which £17,960 was paid in 2020. The final instalment of £8,980 was paid in 2021.

Market Harborough Anglican Team received grants totalling £9,595 to assist in the recruitment and employment of youth workers to support young people and youth initiatives within their congregations and the wider community.

The grants paid are part of a larger pledge of which £19,915 was outstanding at 31 December 2020 and which is expected to be paid between 2021 and 2023.

A further grant of £6,000, aimed at supporting young people, was paid to **Harborough Youth and Community Trust** to assist with improvements to office space at "The Cube". This is a purpose built centre, situated on land near to the town centre, which comprises a café, a games area and an outside space, including a community garden.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

It provides an environmentally friendly facility for young people to spend their leisure time with access to skilled professionals who can support them either individually or in groups.

In addition, the Charity awarded grants in support of other local charities whose users are predominantly at the opposite end of the age spectrum, notably the Harborough Community Bus (£5,000) and Shopmobility Market Harborough (£3,101). These grants were respectively applied in an extension and carport canopy for a garage and an equipment storage shed.

Heritage

In recent years the Charity has supported a large number of heritage related projects, however, very few applications for assistance were received in this area during 2020 and no awards were made.

Education

Similarly, there were a limited number of applications for education related grants and the only award in the year was £2,000 towards the creation of an outdoor reading area at Great Bowden Academy, which had been pledged in 2019.

However, during the year the Charity supported six local schools with aggregate grants of £115,846 through its Education Bursary Fund, which was launched in 2019. Through this fund the Charity will award bursaries, over a three-year period, up to £180,000 a year for all the schools in the area of benefit, which equates to a maximum of £20,000 per school per annum. The Bursary Fund has relatively few rules to give the Trustees flexibility in accessing applications for assistance.

A designated reserve of £94,154, representing a net increase of £64,154 over the year, is carried forward at 31 December 2020 to cover unclaimed bursaries in the first eighteen months of operation.

Furthermore, in addition to these grants to educational organisations, the Charity once again placed advertisements in the local press and media promoting its schemes designed to assist individuals with the payment of course fees for undergraduate and vocational study (including apprenticeships). In response to requests from applicants the scheme has been extended in recent years to include assistance with accommodation costs for those involved in a course of full-time study away from their home. During the year grants totalling £135,750 (2019: £118,979) were paid from the Educational Fund to 129 individuals (2019: 141).

At 31 December 2020 the outstanding commitment to students who have been awarded grants covering the remainder of their course, assuming that they meet the necessary qualifying conditions, was £139,819. This represents a reduction of £92,681 from the start of the year and is reflected in the movement in the designated reserve established to meet such commitments. Of this sum approximately £105,000 is expected to be paid in 2021, £30,500 in 2022 and the balance in 2023/24.

Arts

The only arts related grant paid in the year was to the Great Bowden Recital Trust in respect of a junior X-Factor competition. A further £750 is carried forward in designated reserves for this project along with £3,000 for an outreach concert for local children which is planned as part of the Great Bowden Music Fest. It is intended that this latter grant will be paid from the restricted fund which was created upon receipt of a grant in 2019, following the closure of The Market Harborough Musical Theatre.

Amateur Sports

Market Harborough Lawn Tennis Club was the recipient of the largest grant awarded by the Charity in the year of £114,000. It was applied towards the replacement of its old wooden clubhouse, which was no longer fit for purpose. The Charity's contribution was part of a total cost of in excess of £300,000, which was raised by the club, with the support of the Lawn Tennis Association, for the new clubhouse and the provision of floodlighting to the courts.

The club has in excess of 300 members and has four all-weather courts of which three are floodlit. It runs male, female and mixed teams, which compete in the summer and winter Leicestershire leagues, as well as veteran and junior teams across the different age groups. In addition, it has an active social tennis membership and one evening of the week is set aside for new, prospective and non-members.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

The other significant amateur sports related grant in the year was £50,000 to the **Market Harborough Cricket and Squash Club** for the construction of two new floodlight Padel Tennis courts, which are the first of their kind in the East Midlands. The Charity's contribution represented roughly 43% of the budgeted cost of the new facility.

The padel courts are enclosed and are about a third of the size of a tennis court. The rules of padel are the same as tennis, played with similar balls, although serving is under-hand and the walls are used as part of the game.

It is great for all ages and caters to all levels of play. With limited racket skills players can quickly engage in dynamic and fun rallies, utilising the court's surroundings. Padel is always played in doubles, which makes it a very social activity and therefore ideal for the entire family. The new facility has been a very welcome addition to the town.

Smaller grants, totalling £5,800, were awarded to other local amateur sports groups involved with cycling, rugby union football and chess. In addition, a conditional pledge of £48,000 was made in the year to support the renewal of an all-weather football pitch at the Harborough Town Football Club.

Other commitments

In addition to the grants paid in the year, the Charity has also made non-binding commitments, many of which are detailed above, for payments, amounting to £345,817, in respect of projects which were subject to unfulfilled conditions as at 31 December 2020. If the conditions are fulfilled, it is expected that the Charity will pay approximately: £205,000 in 2021; £55,000 in 2022; £51,000 in 2023; and the balance of £34,817 in 2024 in settlement of these pledges.

In total, during the year, £126,709 was transferred to the appropriate designated reserve to meet grant expenditure pledged in the year and a corresponding transfer of £402,104 was made from this designated reserve to the General Fund once the expenditure had been incurred or it was agreed that the amount pledged would no longer be the subject of a grant.

Church of St. Peter & St. Paul Great Bowden

During the year, the Charity did not receive any applications from the Great Bowden PCC for assistance with the cost of repair and maintenance of the Church of St. Peter & St. Paul. In the previous year the Charity contributed a total of £10,543 to such works.

Relief in Need

The Charity prefers prevention to palliatives. It wishes to foster self-help and the participation of those intended to benefit. It also aims to enable less advantaged people to be independent, gain useful skills and overcome handicaps and encourage volunteer involvement. Through its Relief in Need scheme the Charity supports practical initiatives embodying some or all of these characteristics. During the year grants of £42,999 (2019: £41,816) were distributed under this scheme to a total of 67 individuals/families (2019: 57). Of these grants, 12 (2019: 15) amounted to more than £1,000 and the remainder were less than £1,000 each. The Charity maintains a designated reserve which is intended to ensure that there are adequate funds to pay relief in need grants in the event of a downturn in income. Based on grants awarded in recent years the level of this reserve has been maintained at £90,000 as at 31 December 2020.

During the year the Charity has used the services of a caseworker to assess certain relief in need claims.

Other grant related costs

Other direct costs (including Caseworker's and Secretarial time, advertising and database development) amounting to £25,376 (2019: £32,637) and apportioned support costs of £39,139 (2019: £54,422) were associated with the grant making activity and paid from the General Fund in the year.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Almshouses

The Charity has fourteen fully serviced Almshouses, which are let to residents and subject to a modest contribution. One of the Almshouses became vacant in the final quarter of the year, following the death of a resident, but they were otherwise fully occupied throughout 2020. Contributions from residents (£78,478) were £12,702 in excess of outgoings in the year (£65,776), however, repair and maintenance expenditure in the year was much lower than normal as, due to the pandemic, only essential work was undertaken.

Other than in exceptional circumstances, major refurbishment work is generally only possible when there is a change of resident and a designated reserve of £40,000 is maintained to ensure that sufficient funds are available to undertake such works when the need and opportunity arises.

Allotments

The Charity owns two separate allotment fields in the town and in recent years has undertaken considerable work to bring additional plots into cultivation and to upgrade and enhance the facilities, which include good access and mains water supplies. Demand for the allotments remains strong and gross income was £4,813 during the year compared with £4,930 in 2019. However, this was insufficient to cover the expenditure of £27,192 and there was a deficit of £22,379 for the year.

A designated reserve of £30,000 is maintained to cover future costs associated with non-routine maintenance of the allotments and the commercial properties.

Old Grammar School

Following completion in 2014 of a major programme of work to its Heritage Asset, the Old Grammar School, a 17th Century town landmark that celebrated its 400th anniversary in 2014, expenditure on the building was a more modest £13,931 (2019: £22,137). Prior to the outbreak of the pandemic, the Charity managed the letting and community use of the facility in-house and during the year such letting contributed £780 (down from £5,800 in 2019) towards running costs. Despite the major work in 2014, because of its age, the building is in constant need of maintenance and a designated reserve of £10,000 is maintained to cover such work as is likely to be required in the short-term.

Site of Special Scientific Interest

There is a Site of Special Scientific Interest ("SSSI") on part of the farmland, owned by the Charity for investment purposes, which is managed by the Leicestershire and Rutland Wildlife Trust. Direct costs of £17,423 (2019: £2,755) were incurred on this site during the year.

FINANCIAL REVIEW

Review of major risks

The Board has given consideration to the major risks to which the Charity is exposed and engaged the services of professional advisers to ensure these risks are controlled and minimised. Appropriate management systems and assurances are also in place to support these controls. The conversion to a Charitable Incorporated Organisation ("CIO") in June 2017 provided the Trustees with a catalyst to revisit their approach to risk management. Of particular note has been the investment in regulatory audit including preparation for the new General Data Protection Regulation; fire risk management, and asset registration. The Trustees reintroduced a formal updated risk register in 2018.

Over the last twenty years, the Charity has been able to generate substantial income and support some major projects. Several years ago the Trustees completed a strategic review, resulting in more liaison with project organisers, the provision of dedicated offices, increased funds and conversion to a CIO. In 2018 the Trustees of the Charity developed this strategic plan further to set their future direction, to make clear what its priorities are and what its resources should be concentrating on delivering. The Trustees recognise that they will need to revisit the plan bi-annually and it was re-adopted as an ongoing strategy in February 2020.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW (continued)

As part of the strategy to improve the visibility and effectiveness of the Charity, so that more local people can benefit, the Trustees have undertaken a series of initiatives aimed at:

- Generating more quality grant applications;
- Improved communication with other local charities about the development of land owned by the charity;
- A review of the Charity's name and branding, leading to a new logo, website and media presence;
- Improved internal and external communication including public open days;
- Recruitment of new trustees aimed at bringing different skill sets to the Board; and
- A review of staffing.

A sub-committee of Trustees, known as the Estates Committee, has been established under the chair of an experienced property professional to oversee the management of the property portfolio. The committee is advised in this respect by the local office of a national firm of land agents and a firm of planning consultants headed by a former Steward of the Charity. In addition, three separate firms of Investment Managers manage the investment portfolio. Investments are spread over a portfolio of equities, bonds and cash to reduce the impact of volatility in the equity market and Trustees meet with investment managers on a regular basis to review the portfolio and consider their recommendations.

The Charity staff and Trustees work closely, through contact groups, with organisations that apply for major grants to ensure that their projects are legitimate, feasible and satisfy the criteria for public benefit. If a grant is awarded, the contact group continues to ensure that the project is properly planned and managed. Twelve months after completion of the project, the Trustees undertake an audit to ensure that the project continues to meet the public benefit objectives as set out in the application.

The Board has appointed a firm of Chartered Accountants to oversee all aspects of bookkeeping and the preparation of quarterly management accounts to enhance the accuracy and timeliness of financial information. A finance committee has been established from amongst the Trustees. This committee meets on a regular basis to review quarterly financial information and investment performance.

The appointment of a new Chair of Trustees in February 2021 coincided with the first signs that covid restrictions were being eased and staff began to return to the office. The opportunity has been taken to take a fresh look at governance generally and, in particular, investment performance. An independent wealth management consultancy (Mercer) has been appointed to carry out the investment review and they are due to report towards the end of 2021.

General and Designated Funds

The net outgoing resources from the General Fund for the year, before gains/losses on investments and transfers to/from designated reserves, amounted to £264,090 compared with £65,796 in the previous year.

Income from the investment portfolio (excluding investment properties) fell by approximately 18.15% compared with the previous year to £458,630. This is due almost entirely to the moratorium placed on dividends by many companies in response to the Covid-19 pandemic. The situation is expected to continue throughout 2021 and, following discussions with the Charity's investment managers, the Trustees are budgeting for investment income of only £388,000 in the current year.

After a fall of over 16%, immediately following the outbreak of the pandemic, the value of the portfolio ended the year at £15,454,160 compared with an opening value of £15,700,528, which represents a reduction of £246,368. However, during the year £249,195 of assets belonging to the General Fund were liquidated and withdrawn from the portfolio to assist with the payment of grants. After making allowance for this, the portfolio actually grew in value by approximately 0.1% over the year. This compares with a fall of 12.46% in the FTSE All Share index and 14.34% in the FTSE 100 index over the same period. Historically, the movements in valuation of the Charity's portfolio have always been less dramatic than the movements in these two FTSE indices. This reflects the fact that the Charity adopts a relatively cautious and balanced investment strategy, which has, to some extent, protected it from some of the worst effects of the pandemic. A more suitable benchmark is the MSCI WMA Private Investor Balanced index which, grew by 1.95% over the year.

The value of the investment portfolio (ignoring investment properties) at the end of the year reflects an unrealised surplus of £3,212,599 over its original cost. There was further capital growth in the portfolio in the first six months of 2021 such that, at 30 June 2021, the unrealised surplus had risen to £4,024,908.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW (continued)

Messrs Fisher German LLP, Chartered Surveyors undertook a full valuation of the Charity's property portfolio, both held for investment and operational use, as at 31 December 2020 and the results of this valuation are incorporated in the financial statements. Further details are included in Notes 12 and 14 but, in summary, the investment properties were reduced in value by a net £53,675 and the properties held for operational use were reduced in value by £675,693 of which £102,725 and £572,968 was attributable to properties held within the General Fund and Endowment Fund, respectively.

Rental income from the investment properties (which include farmland, paddocks and shops) for the year was £95,438 compared with £98,512 in 2019. This represents an investment yield of approximately 3.79% based on the latest valuation.

All of the properties remained fully let in the year but, to assist tenants during the pandemic, the Trustees agreed to deferred payment terms for some of the shops. This had an impact on cash flow in 2020 but a payment schedule has been agreed with the tenants to recover the shortfall in the twelve months to 31 March 2022.

Income from the charitable activities including the almshouses, Old Grammar School and allotments increased to £102,106 compared with £98,340 in 2019.

The cost of generating funds fell slightly to £34,727 compared with £37,532 in 2019 and expenditure on charitable activities (excluding grants) was also lower at £124,322, compared with £144,266.

Voluntary income and other incoming resources contributed a further £103.

As a result of the movement in resources referred to above, and realised and unrealised gains of £96,839 on general fund investments, General Funds have increased by £33,946 over the course of the year and stood at £554,911 as at 31 December 2020. Aggregate retained reserves carried forward in respect of designated funds amounted to £799,790 (2019: £1,103,712).

Restricted Income Fund

During 2019 the Charity received a grant of £6,087 from the Market Harborough Musical Theatre on the understanding that it would be used to support performing arts in Market Harborough and the Bowdens. The grant has, consequently, been accounted for as a Restricted Fund and whilst, due to the pandemic, no grants were paid in 2020 it is anticipated that it will be applied for the specified purpose in 2021 and/or 2022, when amateur performances can resume safely.

Endowment Fund

During the year, expenses of £64,274, representing the cost of managing the investments and depreciation of certain Endowment Fund assets, were charged against the Endowment Fund. Net losses of £97,979 were realised on sales of stocks within the investment portfolio during the year and unrealised gains of £63,561 were recorded on the revaluation of the portfolio to its market value at the year end. As reported above, revaluation of the investment property portfolio resulted in a deficit of £53,675 and the valuation of the operational properties also fell by £572,968.

The net effect is that the value of the Endowment Fund assets fell by £725,335 over the year and stood at £18,981,642 as at 31 December 2020.

Investment policy

The Charity has adopted an investment strategy to provide for present and future benefits. It aims to avoid unnecessary risks through diversification and as far as possible to generate a stable level of investment income in the region of £500,000 per annum, under normal circumstances, and a balance of income and capital growth. There are no restrictions on the Charity's power to invest. The Charity uses the services of three different fund managers who invest the funds under their control as follows:

Cave & Sons Limited

Directly held UK equity and fixed interest stocks
UK equity and fixed interest unitised investments
Overseas equity unitised investments
With a target split of: 55% UK Equities; 25% UK Fixed Interest; and
20% Overseas Equities

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW (continued)

Cazenove Capital Management Limited Unitised investments comprising:
UK Equities (50% to 60%)
Overseas Equities (10% to 15%)
UK Fixed Interest and Cash (20% to 30%)
Property (5% to 15%)
Other Alternatives (0% to 10%)

CCLA Investment Management Limited COIF unitised investments specifically for charities in:
Charities Investment Fund
Charities Property Fund
Charities Fixed Interest Fund
Charities Global Equity Fund

Approximately 25% of these funds are in overseas equities.

The Trustees review investment performance and asset class allocations at regular meetings with the Fund Managers and respond to economic and investment circumstances as required. In addition, the Trustees remain ready to take advantage of any longer term investment opportunity that may arise such as the acquisition of appropriate land and buildings.

Reserves policy

Reserves represent unrestricted funds after appropriate provision has been made, through designated funds (as described above) for: meeting commitments for grants pledged; maintenance and repair of the Great Bowden church; making Relief in Need and educational grants; and repairs to all freehold properties.

The Trustees aim to find projects worthy of support, in accordance with the Charity's objects, such that the grants that they award are approximately equal to the Charity's income net of operational expenses and management and administration expenses. However, reserves are required:

- to allow for unforeseen reductions in annual income; and
- to enable the Charity to provide funds for specific projects so that these projects can be undertaken at short notice.

Taking these factors into account the Trustees consider that the reserves should ideally be within a range of twelve to eighteen months of the typical outgoing resources of the Charity (excluding amounts specifically covered by designated reserves) which approximately equates to between £500,000 and £750,000.

The reserves at 31 December 2020 amount to £554,911, however, tangible fixed assets which are in operational use by the Charity represent £140,237 of this total. Therefore, the net free reserves are £414,674. This level of reserves lies below the ideal range, but is considered to be acceptable for the immediate needs of the Charity.

The Charity's Finance Committee continues to keep the level of reserves under review and in making its assessment it will refer to quarterly management accounts prepared by the Charity's accountants, income projections prepared by the Charity's fund managers and internally produced cash flow projections. Appropriate recommendations will then be made to the Board as to the level of grants to be awarded in 2021. If necessary, the level may need to be reduced from that of recent years but there is no material uncertainty that the Charity will be able to continue as a going concern for the foreseeable future.

PLANS FOR FUTURE PERIODS

The Charity continues to make substantial contributions to organisations and individuals in the area of benefit. However, the Covid-19 pandemic has impacted on its operations including staff working arrangements, investment returns and communications with the Charity. There has also been a turnover in trustees and some staff welfare issues to support. The Trustees are therefore keen to review the operations of the Charity during 2021 and 2022 with a view to improving efficiency, and, where supported by appropriate evidence of need, to seek to make changes to the constitution.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW (continued)

In place of the Governance and Administration Committee, Trustees are now routinely invited to trustee working groups to explore a range of topics including decision making policy and definitions in the constitution. The objective is to include all Trustees in policy development and to create an environment for more discussion amongst the Board.

Reviews have commenced on: staff employment including contracts and a policy handbook; appointments to the almshouses and support to residents; office policy and procedures; and the investment review referred to above. Any changes will inevitably create some movement in the budget which will be incrementally agreed by the Board as appropriate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was registered as a Charitable Incorporated Organisation on 9 July 2014 and is governed by a foundation constitution, which was last amended on 25 May 2017. The constitution states that the body of trustees ("the Board") shall consist of a minimum of eight trustees and a maximum of fifteen appointed trustees and one ex officio trustee. The first fifteen trustees of the Charity were appointed for terms ranging from between two and five years, whereupon they are eligible for re-appointment. All subsequent appointments/re-appointments are for a term of four years.

Merger

Pursuant to a pre-merger vesting declaration signed on 31 May 2017, the Charity merged with an unincorporated charity, also known as Market Harborough and The Bowdens Charity ("the Unincorporated Charity"), with effect from 1 June 2017. Whereas, the Charity had not engaged in any activities prior to the merger, the Unincorporated Charity had been active for many years and was registered with the Charity Commission with number 1041958. The two charities had a board of trustees and objects which were identical in all material respects.

Following the merger the Charity holds all of the unrestricted property of the Unincorporated Charity as its corporate property and the specified trust property of the Unincorporated Charity on the same trusts, so far as reasonably practicable, on which the property was held before the merger. The Charity also assumed responsibility for the Unincorporated Charity's liabilities and undertook to pay all expenses accruing or to be incurred in respect of the assets and liabilities transferred to it.

Organisational structure

The Board meets once a quarter to deal with all governance and policy matters and has appointed staff to attend to the day to day running of the Charity. Sub-Committees of the Trustees have been established in the areas of: Finance; Relief in Need; Appeals; Estates Management and Education. The Board has approved detailed terms of reference for each of these sub-committees and receives a formal report at each quarterly meeting.

Remuneration structure for key management personnel

The Trustees give of their time freely and receive no remuneration from the Charity. Additional emphasis on conflicts of interest and loyalty was effected during 2017 so that, in addition to the Trustees completing an annual declaration of interests, every Board and sub-committee meeting commences with a standing agenda item to mandate any new potential conflicts to be declared and recorded.

During 2018, the Trustees engaged an independent firm of HR consultants to bench-mark staff remuneration packages with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

The report concluded that the salaries that were being paid by the Charity were not out of line, and indeed were slightly higher than those in similar organisations. In addition, they recommended that the basic holiday entitlement should be increased and that a cost of living increase should be awarded annually in line with the Retail Price Index. These recommendations have been adopted in full and will be revisited as part of the employment review that is currently being undertaken.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustee recruitment, induction and training

When a vacancy occurs for an appointed trustee, the vacancy is considered in the light of the skills required by the Board and advertised in the local media. If appropriate, a short list is then prepared of candidates, who through residence, occupation, employment, or otherwise have special knowledge of the area of benefit or have the necessary skills, knowledge and experience needed for the effective administration of the Charity. The potential candidates are invited to submit a brief CV and two personal references. Each candidate is then interviewed by at least three existing Trustees following which a recommendation is made for consideration by the Board. Appointment is confirmed on the basis of a majority vote.

Harborough District Council ("the Council") may appoint one individual to act as an ex-officio trustee of the Charity provided that individual is also a Senior Officer of the Council. The position of ex officio trustee shall remain vacant if none of the Council's Senior Officers are willing to act in this capacity.

New trustees are provided with an induction pack including information on their legal obligations under charity law, the content of the constitution, the committees and decision making processes, strategic review, and the recent financial performance of the Charity. All trustees will be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP FRS (102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUND-RAISING STANDARDS INFORMATION

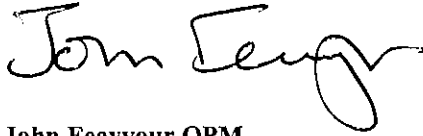
The Charity does not carry out any significant fundraising activities involving the general public.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

DECLARATION

I declare, in my capacity of Charity Trustee, that the Trustees have approved the report above and have authorised me to sign it on their behalf.

A handwritten signature in black ink, appearing to read 'John Feavvour', with a stylized flourish at the end.

John Feavvour QPM
Chair of Trustees
Dated 27 October 2021

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY

Opinion

We have audited the financial statements of Market Harborough and The Bowdens Charity (the "charity") for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 13), the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate experience, competence, capabilities and skills to identify or recognise non-compliance with laws and regulations;
- through discussions with the trustees and other management, and from our commercial knowledge of the charity's activities and objectives, we identified the laws and regulations applicable to the charity and focused on specific laws and regulations which we considered may have a direct material effect on the financial statements and operations of the charity. These included charity foundation constitutions, governance and policy matters, data protection, anti-bribery, employment, environmental and health & safety legislation; and
- we remained alert to instances of non-compliance throughout the audit and assessed the extent of compliance through discussions with management and examination of documentation.
- We assessed the susceptibility of the charity's financial statements to material misstatement and obtained an understanding of how fraud might occur by:
- making enquiries of management as to where they considered there was a susceptibility to fraud and their knowledge of any actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate the risk of fraud and non compliance with laws and regulations.

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MARKET HARBOROUGH AND THE BOWDENS CHARITY (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify unusual or unexpected relationships;
- reviewed the nominal ledger and, specifically, journal entries to identify large or unusual transactions and investigated them; and
- we assessed the extent to which accounting entries relied on a high degree of judgement and/or estimation.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included:

- agreeing financial statement disclosures to supporting documentation;
- reading minutes of trustee / management meetings, relevant regulators and the charity's professional advisers; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures outlined 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 and/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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Thomas Peirson & Sons

Statutory Auditor
Chartered Accountants
21, The Point
Rockingham Road
Market Harborough
Leicestershire
LE16 7NU

Dated: 29 . 10 . 2021

Edward Thomas Peirson & Sons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	General Fund £	Designated Funds £	Restricted Income Funds £	Endowment Fund £	Total 2020 £	Total 2019 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	2	90	-	-	-	90	9,148
Charitable activities	3	102,106	-	-	-	102,106	98,340
Investments:							
From investment properties	4	95,438	-	-	-	95,438	98,512
From investment portfolio	4	458,630	-	-	-	458,630	560,334
Other		13	-	-	-	13	123
Total income and endowments		656,277	-	-	-	656,277	766,457
EXPENDITURE ON:							
Raising Funds	5	(34,727)	-	-	(48,016)	(82,743)	(87,645)
Charitable activities:							
Provision of grant funding	6	(761,318)	-	-	-	(761,318)	(644,408)
Other charitable activities	7	(124,322)	-	-	(16,258)	(140,580)	(160,484)
Total expenditure		(920,367)	-	-	(64,274)	(984,641)	(892,537)
Net income/(expenditure) before gains/(losses) on investments		(264,090)	-	-	(64,274)	(328,364)	(126,080)
GAINS/(LOSSES):							
On Investment properties:							
Realised		-	-	-	-	-	-
Unrealised	14	-	-	-	(53,675)	(53,675)	(85,216)
On Investments:							
Realised	15	14,832	-	-	(97,979)	(83,147)	105,253
Unrealised	15	82,007	-	-	63,561	145,568	1,602,507
Net income/(expenditure) before transfers		(167,251)	-	-	(152,367)	(319,618)	1,496,464
Net transfers between funds	18	303,922	(303,922)	-	-	-	-
Net income/(expenditure) for the period		136,671	(303,922)	-	(152,367)	(319,618)	1,496,464
OTHER RECOGNISED GAINS/(LOSSES):							
On revaluation of Tangible Fixed Assets	12	(102,725)	-	-	(572,968)	(675,693)	-
Net movements in funds		33,946	(303,922)	-	(725,335)	(995,311)	1,496,464
Total funds brought forward		520,965	1,103,712	6,087	19,706,977	21,337,741	19,841,277
Total funds carried forward		554,911	799,790	6,087	18,981,642	20,342,430	21,337,741

All activities relate to continuing operations.

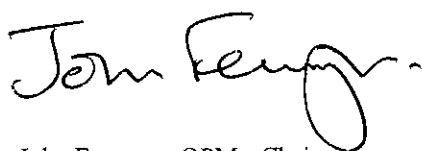
The notes on pages 21 to 38 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

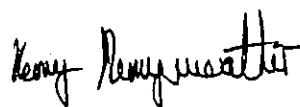
BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020	As At 31 December 2019
		£	£
Fixed Assets			
Tangible fixed assets	12		
Freehold land and buildings		1,984,971	2,685,375
Fixtures and fittings		4,887	6,719
Office equipment		5,350	7,897
		<u>1,995,208</u>	<u>2,699,991</u>
Intangible fixed assets	13		
Basic Payment Scheme entitlements		5,682	-
Investments			
Investment properties	14	2,520,000	2,573,675
Investment portfolio	15	15,478,477	15,711,775
		<u>17,998,477</u>	<u>18,285,450</u>
		<u>19,999,367</u>	<u>20,985,441</u>
Current Assets			
Debtors	16	43,262	16,297
Cash at bank and on deposit		365,850	421,766
Cash in hand		657	196
		<u>409,769</u>	<u>438,259</u>
Creditors payable within one year	17	(66,706)	(85,959)
Net Current Assets		<u>343,063</u>	<u>352,300</u>
Net Assets		<u>20,342,430</u>	<u>21,337,741</u>
Funds	18		
Unrestricted funds			
General funds		554,911	520,965
Designated funds		799,790	1,103,712
		<u>1,354,701</u>	<u>1,624,677</u>
Restricted funds			
Income funds		6,087	6,087
Endowment funds		18,981,642	19,706,977
Total Funds		<u>20,342,430</u>	<u>21,337,741</u>

The financial statements were approved by the trustees on 27 October 2021 and signed on their behalf by:



John Feavyour QPM - Chair



Kerry Merryweather - Trustee

The notes on pages 21 to 38 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Total 2020 £	Total 2019 £
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net movements in funds per Statement of Financial Activities	(995,311)	1,496,464
Adjustments for:		
Depreciation & Amortisation Charges	29,529	28,833
(Gains)/Losses on investment properties:		
Realised	-	-
Unrealised	53,675	85,216
(Gains)/Losses on investments:		
Realised	83,147	(105,253)
Unrealised	(145,568)	(1,602,507)
Dividends, rents and interest receivable from:		
Investment properties	(95,438)	(98,512)
Investments	(458,630)	(560,334)
(Gains)/Losses on revaluation of Tangible Fixed Assets	675,693	-
(Increase)/Decrease in Debtors	3,126	(2,166)
Increase/(Decrease) in Creditors	747	16,526
Net cash used in operating activities	<u>(849,030)</u>	<u>(741,733)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Rents received from investment properties	47,438	98,512
Dividends and interest received from investments	456,539	568,902
Purchase of Tangible Fixed Assets	-	(10,187)
Purchase of Intangible Fixed Assets	(6,121)	-
Proceeds of Sale of Investments	2,586,457	1,606,492
Purchase of Investments	(2,342,206)	(1,495,493)
Net cash provided by investing activities	<u>742,107</u>	<u>768,226</u>
NET CHANGE IN CASH IN THE REPORTING PERIOD	(106,923)	26,493
Cash brought forward	568,024	541,531
CASH CARRIED FORWARD	<u>461,101</u>	<u>568,024</u>
Cash Carried Forward represents:		
Cash held in investment portfolio awaiting investment	94,594	146,062
Cash at bank and in hand held on instant access and short term deposits	365,850	421,766
Cash in Hand	657	196
	<u>461,101</u>	<u>568,024</u>

The notes on pages 21 to 38 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 PRINCIPAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 ("SORP (FRS 102)");
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) ("FRS 102");
- The Charities Act 2011; and
- UK Generally Accepted Practice.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The going concern basis and historical cost convention, as modified by the inclusion of freehold land and investments at fair value, have been used in preparing the financial statements.

(b) GOING CONCERN ASSESSMENT AND THE EFFECTS OF COVID-19

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The most significant area of uncertainty, which affects the continuing income of the Charity, are the levels of investment return and performance of investment markets. Note 15 to the financial statements provides detail of the action taken by the Trustees to mitigate the risks involved. Designated reserves have been established to ensure that adequate funds are available to meet pledges made by the Charity at the balance sheet date in the event that the associated conditions are met by the intended beneficiaries.

The Covid-19 outbreak was widely detected in the UK from February 2020 and soon after was declared a global pandemic by the World Health Organisation. Initially, the pandemic created turmoil in the financial markets with the result that the investment portfolio fell in value by more than £2.5million in the first quarter of the year. Whilst most of the unrealised loss was reflected in the Endowment fund, certain of the assets in the portfolio form part of the General fund and falls in the values of these investments resulted in the free reserves (i.e. those that are not designated for specific purposes or represented by fixed assets) being reduced to below £50,000 at 31 March 2020.

During this time, the Trustees liaised closely with the Charities investment managers to ensure that the value of the General fund assets were protected in the event of further falls in the markets. Fortunately, the markets largely recovered over the remainder of the year and the value of the investments in the Endowment portfolio ended the year just £29,475 down on their opening position. Those in the General fund were £152,355 lower than at the start of the year but £249,195 had been liquidated in the year to assist with short-term cash flow.

Investment receipts in the year fell by more £112,000 and, as lower dividends are expected to continue, the Charity has reduced its projections for investment income receivable in 2021 in accordance with advice from its investment managers. Cash flows in the year were also adversely impacted by agreements reached with certain tenants of investment properties to defer rent receipts, however, the deferred amounts are expected to be recovered in 2021. Furthermore, almost £175,000 of the designated reserve for grants is not expected to require payment within twelve months of the balance sheet date and typically only between 30% and 40% of annual income is required to cover the Charity expenditure other than the payment of grants. Therefore, whilst the Trustees accept that grant making may have to be restricted to a level below that of recent years they confidently expect that the Charity will have the cash flows to be able to satisfy existing pledges and to continue to make meaningful grant awards for the foreseeable future.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

(b) GOING CONCERN ASSESSMENT AND THE EFFECTS OF COVID-19 (continued)

It was recognised that the value of both investment properties and those used for operational/charitable purposes would have been affected as a consequence of the pandemic. Ordinarily a full independent valuation of these assets would have been undertaken as at 31 December 2019 as part of the policy for triennial valuations. However, as a full valuation had not been commissioned by the time that the pandemic struck, the Trustees decided to defer the exercise until 31 December 2020 when property markets should have stabilised. The valuations are reflected in these financial statements and overall there is a net reduction in value of £729,368 from the previous carrying value.

Although the Charity has been required to close its offices during lockdown it has continued to operate, with staff and Trustees working remotely, and has been engaging with a number of organisations which have a critical role to play in the community. As lockdown eases and people begin to return to work, we are aware that there will be many needs, both for individuals and for organisations and the Trustees see this as an opportunity for the Charity to play vital role in the bounce back within the local community.

(c) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Charitable activities income comprises contributions due from the tenants of the almshouses and rents and similar amounts receivable from the Cricket Club, SSSI, Old Grammar School and the allotments. These properties are held for charitable purposes and the income arising represents less than a market rent.

Investment income represents rental income from commercial properties and farm land, which are held by the Charity for their investment potential, together with interest and dividends on stocks, shares and bank deposits held on the endowment and unrestricted funds. Such income is recognised on a receivable basis and where appropriate, this includes the income tax recoverable.

Incoming resources from investments (including investment properties) held as part of the endowment fund are unrestricted.

Wherever possible, income is reported gross of any related expenditure. However, in the case of investment management costs within managed funds it is not always practicable to identify such costs with reasonable accuracy and, therefore, the investment income is reported net of these costs.

In accordance with SORP (FRS 102) no amount is included in the financial statements for volunteer time.

(d) EXPENDITURE RECOGNITION

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to make payment to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. As the Charity is not registered for VAT, all expenditure is shown gross of irrecoverable VAT.

Expenditure is categorised under the following headings:

Raising funds This represents: costs of managing and maintaining the Charity's investment properties; investment portfolio management fees; promotional and website costs aimed at potential donors; and production costs of the Old Grammar School booklets.

Charitable activities Costs under this heading fall into two distinct categories:

- Grants paid to individuals and organisations as approved by the Trustees in accordance with the Charity's Constitution; and
- The costs incurred in providing and maintaining the almshouses, the Old Grammar School; the allotments and the Site of Special Scientific Interest.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

(d) EXPENDITURE RECOGNITION (continued)

Where unconditional grants are offered the expenditure is accrued as soon as the recipient is notified of the grant and there is a reasonable expectation that it will be paid. Where grants are pledged, but payment is conditional on the performance of the recipient, the amount is not recognised as an expense until the conditions have been fulfilled. However, an amount equivalent to that pledged is transferred to a designated reserve.

(e) ALLOCATION OF COSTS

Costs which are directly attributable to a single activity are allocated directly to that activity. Shared costs which contribute directly to more than one activity are apportioned between those activities on the basis of usage by each activity.

Support costs represent the remaining costs that are not capable of direct attribution. They have been allocated between the categories of raising funds and charitable activities in accordance with the basis specified in Note 7.

Governance costs, which represent the expenses of Trustees' meetings and legal and professional fees related to the running and management of the Charity (including external audit fees), are included within the heading of support costs.

The allocation process involves a significant element of judgement as the charity has to consider the cost of detailed calculations and record keeping with the resultant benefit.

(f) OPERATING LEASES

Rentals payable and receivable under operating leases are charged/credited in the Statement of Financial Activities on a straight line basis over the period of the lease.

(g) TANGIBLE FIXED ASSETS INCLUDING HERITAGE ASSETS

Freehold land, comprising the allotments and cricket club land, are included at their estimated open market value based on a professional valuation which is usually undertaken every three years. A revaluation was due as at 31 December 2019. However, due to the uncertainty created in the property markets by the global Covid-19 pandemic, the Trustees decided to delay commissioning a valuation until 31 December 2020. Any unrealised gains or losses are credited or charged to the SOFA as they arise. No depreciation is provided on such assets.

The Old Grammar School, as more fully explained in Note 12, is a Heritage Asset which forms part of the Charity's Permanent Endowment. There is no record of the original cost of the building and the Trustees consider that there are no suitable or cost-effective techniques available to ascertain a reliable valuation for the property. Accordingly no cost or valuation is attributed to the property in these financial statements.

All other assets are recorded at cost/valuation less accumulated depreciation. The cost of minor additions to fixed assets, defined as those costing less than £2,000 each, are expensed in the year in which they are incurred.

Depreciation is provided at rates calculated to write off the cost/valuation, less estimated residual value, of each asset on a straight line basis over its estimated useful life as follows:

Freehold property for operational use	- over 50 years
Improvements to cricket club buildings	- over the period of the lease to the cricket club
Almshouse buildings	- over 50 years
Almshouse fixtures	- over 7 years
Office equipment	- 25% per annum

The depreciation charge of assets held with Endowment Fund is charged to that fund. All other depreciation is charged to the General Fund.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

(h) INTANGIBLE FIXED ASSETS

Intangible fixed assets represent Basic Payment Scheme entitlements purchased by the Charity, which are initially recognised at cost. Subject to an annual impairment review, they are being amortised on a straight line basis so as to fully write off their cost by the end of 2027, in accordance with UK Government policy to phase out Direct Payments under the scheme over this period. The assets form part of the Endowment Fund and the amortization is charged to that fund.

(i) INVESTMENTS

Investments comprise investment properties and securities held within an investment portfolio and are initially recorded at their transaction price (including costs).

Investment properties are subsequently recorded at their estimated open market value at the end of each financial year. This estimate is based on an independent formal valuation, which is usually undertaken every three years, and by the Trustees in the intervening years based on independent advice from a desktop review of the most recent formal valuation. The last formal valuation was undertaken as at 31 December 2020. Investment properties are not depreciated.

Investments within the portfolio are revalued annually at their market value on the last day of the financial year. All investments are a form of basic financial instrument which are traded in quoted public markets. The Charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses on investments are calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost. Unrealised gains and losses represent the movement in market values between valuations. Both types of gains and losses are credited or charged to the Statement of Financial Activities in the year of gain or loss.

(j) DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are included within expenditure.

(k) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

Whilst cash held by investment managers awaiting investment is in this category, such balances are included in the balance sheet within the value of the investment portfolio.

(l) FUND ACCOUNTING

The Charity has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the Charity's objectives.

Designated funds are unrestricted funds which the Trustees have earmarked for particular purposes. Details of the nature and purpose of each designated fund is set out in Note 16. Transfers from general funds to designated funds are stated at amounts that the Trustees deem necessary to meet their known and anticipated future obligations.

Restricted income funds are funds which have restrictions placed on them by the donor that require them to be spent only for specified purposes.

Endowment Funds are capital funds which the Trustees cannot spend. The income arising from the endowment funds is unrestricted.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2	DONATIONS AND LEGACIES	2020	General Fund	Restricted Fund
		£	2019	2019
			£	£
	Miscellaneous donations & Gift Aid tax recovery	90	3,061	-
	Market Harborough Musical Theatre	-	-	6,087
		90	3,061	6,087
3	INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2020	General Fund	
		£	2019	
			£	
	Contributions from almshouse tenants	78,478		77,382
	Old Grammar School rent	780		5,800
	Allotment rents	4,813		4,930
	Market Harborough Cricket Club rental income	6,490		6,490
	Countryside Stewardship & other SSSI grants	11,545		3,738
		102,106		98,340
4	INVESTMENT INCOME	2020	General Fund	
		£	2019	
			£	
	From investment properties:			
	Rental income from commercial High Street properties	90,000		90,000
	Farm Land	5,438		8,512
		95,438		98,512
	From investment portfolio:			
	Interest on UK fixed interest securities and Treasury stock	7,219		9,731
	Dividends receivable from equity shares	85,165		123,263
	Dividends receivable from collective investment funds	224,463		278,997
	Dividends receivable from COIF Units	141,008		146,454
	Interest on cash deposits	775		1,889
		458,630		560,334
5	EXPENDITURE ON RAISING FUNDS	2020	2019	
		£	£	£
GENERAL FUND				
Commercial property management				
	Steward's salary & on-costs	-	2,794	
	Secretarial salaries & on-costs	1,614	2,222	
	Insurance	1,698	1,601	
	Repairs and maintenance	3,875	504	
	Legal & professional fees	7,661	576	
	Support costs (Note 8)	6,408	13,854	
		21,256		21,551
Investment management				
	Steward's salary & on-costs	-	70	
	Investment manager's fees	6,338	7,214	
	Support costs (Note 8)	3,792	4,114	
		10,130		11,398
Website & other promotional costs				
		3,341		4,583
		34,727		37,532

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5 EXPENDITURE ON RAISING FUNDS (continued)		2020	2019
ENDOWMENT FUND		£	£
Investment management			
Investment manager's fees		40,092	41,668
Investment property management fees		2,100	3,060
Cricket Club - Depreciation of changing rooms		5,385	5,385
Amortisation of Intangible Assets		439	-
		<u>48,016</u>	<u>50,113</u>
TOTAL EXPENDITURE ON RAISING FUNDS		<u>82,743</u>	<u>87,645</u>
6 EXPENDITURE ON PROVISION OF GRANT FUNDING		2020	2019
GENERAL FUND			
Grants to institutions or for specific purposes		£	£
Institution	Purpose of grant		
Market Harborough Tennis Club	Construction of a new pavilion	114,000	
Market Harborough Medical Centre	Mental Health Initiative	60,000	
Market Harborough Cricket & Squash Club	Provision of a Padel Court	50,000	
Voluntary Action South Leicestershire	Core running costs over a five year period	34,664	
Voluntary Action South Leicestershire	Funding of drivers for transport scheme	20,250	
Home-Start South Leicestershire	Family Know-How Project	20,000	
Home-Start South Leicestershire	Post Natal Illness Project	20,000	
LOROS	End of Life Support Patient Unit	17,960	
Harborough Christian Counselling Service	Operating costs over a five year period	12,500	
Leicestershire Action for Mental Health	Mental health advocacy project	10,000	
Harborough Anglican Team	Training of Youth Workers	9,595	
Harborough Youth and Community Trust	New office space at The Cube	6,000	
Harborough Community Bus	Extension and carport canopy for garage	5,000	
Shopmobility Market Harborough	Storage shed for equipment	3,101	
Others, each £3,000 and under	Various - 12 in total	19,138	
		<u>402,208</u>	<u>327,637</u>
Part repayment of grants made in previous periods:			
Market Harborough Town Football Club	Clubhouse redevelopment	-	(1,626)
		<u>402,208</u>	<u>326,011</u>
Education Bursary Fund Grants	Awards to a total of 6 (2020: 3) Academies	115,846	60,000
Grants to Church of St. Peter & St. Paul, Great Bowden - Repairs & maintenance		-	10,543
Grants to individuals			
Educational fund (129, 2019: 141)		135,750	118,979
Relief in Need £1,000 and over (12, 2019: 15)		25,589	27,030
Relief in Need less than £1,000 (55, 2019: 42)		17,410	14,786
		<u>696,803</u>	<u>557,349</u>
Total grants paid		<u>696,803</u>	<u>557,349</u>
Steward's fees & associated costs		-	70
Secretarial salary & on-costs		18,623	22,699
Caseworker's costs		70	195
Communications strategy, advertising and website development costs		6,683	9,673
Support costs (Note 8)		39,139	54,422
Total		<u>761,318</u>	<u>644,408</u>

Further analysis of grants paid in the year by nature of activity being supported is contained within the Report of the Trustees.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES

		2020		2019	
		£	£	£	£
GENERAL FUND					
Almshouses:	Steward's salary & on-costs	-		349	
	Secretarial salary & on-costs	7,705		4,993	
	Insurance	1,023		965	
	Utilities (including lifeline)	15,318		16,762	
	Repairs and maintenance	16,646		56,975	
	Council Tax in void period & other miscellaneous costs	754		275	
	Website & promotional costs	3,341		4,583	
	Legal & professional fees	2,262		192	
	Depreciation of fixtures & fittings	1,832		1,832	
	Support costs (Note 8)	16,895		14,166	
			65,776		101,092
Old Grammar School:	Steward's salary & on-costs	-		70	
	Secretarial salary & on-costs	2,667		2,771	
	Insurance	1,452		1,369	
	Repairs, maintenance & utilities	4,169		11,502	
	Legal & professional fees	754		64	
	Support costs (Note 8)	4,889		6,361	
			13,931		22,137
Allotments:	Steward's salary & on-costs	-		70	
	Secretarial salary & on-costs	6,091		2,772	
	Repairs and maintenance	2,995		1,908	
	Website & promotional costs	3,341		4,583	
	Legal & professional fees	1,508		478	
	Water & miscellaneous expenses	1,963		2,071	
	Support costs (Note 8)	11,294		6,360	
			27,192		18,242
Site of Special Scientific Interest:	Steward's salary & on-costs	-		70	
	Secretarial salary & on-costs	489		-	
	Repairs and maintenance	13,622		2,293	
	Legal & professional fees	2,333		192	
	Support costs (Note 8)	979		200	
			17,423		2,755
			124,322		144,226
ENDOWMENT FUND					
Depreciation of Almshouses			16,258		16,258
			16,258		16,258
TOTAL ALL FUNDS			140,580		160,484

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8 ANALYSIS AND ALLOCATION OF SUPPORT COSTS

Support costs, as detailed below, have been allocated to resources expended as follows:

Support Costs					
RESOURCES EXPENDED:	Governance Costs £	Office Costs £	Accounts & Finance £	Total £	2019 Total £
General Fund:					
Expenditure on raising funds :					
Commercial property management	927	1,689	3,792	6,408	13,854
Investment management	-	-	3,792	3,792	4,114
Expenditure on Charitable Activities:					
Grants payable	11,180	20,375	7,584	39,139	54,422
Almshouses	4,911	8,950	3,034	16,895	14,166
Old Grammar School	1,598	2,912	379	4,889	6,361
Allotments	3,867	7,048	379	11,294	6,360
SSSI	347	632	-	979	200
	22,830	41,606	18,960	83,396	99,477

Bases for support cost allocation:

Support costs are allocated between the various activities representing resources expended on the following bases:

Governance costs	Estimated time spent on each activity by the charity steward & secretaries
Secretarial support and office costs	Estimated time spent on each activity by the charity steward & secretaries
Accounts & finance	Estimated time spent on each activity by the charity accountants

The cost allocation includes an element of judgement as the charity has to consider the cost of detailed calculations and record keeping compared with the resultant benefit.

Governance costs included within support costs comprise:	2020 £	2019 £
Steward's fees & associated costs	-	3,492
Secretarial salary & on-costs	16,142	19,972
Legal and professional fees	1,570	8,806
Auditors remuneration	3,000	3,000
General insurance	1,466	1,382
Trustee indemnity insurance	652	614
General expenses (including training of trustees)	-	180
	22,830	37,446

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9 AUDITORS' REMUNERATION

The amounts payable to the Auditors', Edward Thomas Peirson & Sons, were as follows:

	2020	2019
	£	£
For audit services	3,000	3,000
For other assurance services	18,960	19,572
Total	<u>21,960</u>	<u>22,572</u>

The other assurance services provided by Edward Thomas Peirson & Sons included: preparation of the financial statements for the year; assistance to the Trustees in the financial management of the charity's affairs by the preparation of quarterly management accounts; and payroll services.

No member of the firm's audit team was involved in the provision of these other services.

10 TRUSTEES' REMUNERATION AND REIMBURSED EXPENDITURE

None of the Trustees received remuneration for their services in the year or preceding year.

Aggregate expenses of £931 were reimbursed during the year to two trustees (2019: £1,046 to one trustee). The reimbursed expenses in the both years related to sundry goods/services paid for on behalf of the charity.

Trustee indemnity insurance is included as part of the charity's overall insurance and the amount charged in these financial statements in this respect is £652 (2019: £614).

11 STAFF NUMBERS AND COSTS

The number of employees of the charity were as follows:

Activity	Involvement	2020	2019
Steward	Part time - Three days per week (Until 6 April 2019)	-	1
Secretarial	Full time	1	1
	Part time - Approx. 2.5 days per week	2	1

The aggregate payroll cost in respect of these employees was as follows:

	2020	2019
	£	£
Salaries	51,506	53,607
Social security costs	3,492	3,959
Pension contributions	1,387	1,168
	<u>56,385</u>	<u>58,734</u>
Employment Allowance	(3,054)	(2,561)
	<u>53,331</u>	<u>56,173</u>

No employee had employment benefits in excess of £60,000 (2019: None).

The salary costs shown above include termination payments of £Nil (2019: £5,957).

The Steward and the Trustees are considered to be the key management personnel of the charity and the total amount paid for their services in the year (including social security and pension costs) was £Nil (2019: £7,003).

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12 TANGIBLE FIXED ASSETS

	Freehold Property for Operational Use £	Freehold Allotments Cricket Club & Other Land £	Almshouses Freehold Land & Buildings £	Fixtures & Fittings £	Office Equipment £	Total £
Cost or Valuation						
Brought forward	245,000	1,775,000	756,000	28,165	22,550	2,826,715
Revaluation	(115,000)	(1,332,000)	694,000	-	-	(753,000)
At 31 December 2020	130,000	443,000	1,450,000	28,165	22,550	2,073,715
Cumulative Depreciation						
Brought forward	9,206	32,645	48,774	21,446	14,653	126,724
Charge for the year	3,069	5,384	16,258	1,832	2,547	29,090
Revaluation	(12,275)	-	(65,032)	-	-	(77,307)
At 31 December 2020	-	38,029	-	23,278	17,200	78,507
Net Book Value						
At 31 December 2020	130,000	404,971	1,450,000	4,887	5,350	1,995,208
At 31 December 2019	235,794	1,742,355	707,226	6,719	7,897	2,699,991

Cost or valuation at 31 December 2020 is represented by:

Valuation						
31 December 2020	130,000	383,000	1,450,000	-	-	1,963,000
Cost	-	60,000	-	28,165	22,550	110,715
	130,000	443,000	1,450,000	28,165	22,550	2,073,715

Basis for inclusion in the accounts

Freehold property for operational use is the premises at 10, Fairfield Road, Market Harborough which the charity purchased and subsequently redeveloped and refurbished as the charity's office. Depreciation commenced when the premises were first brought into use. No depreciation was provided on the estimated land value of £100,000, which is included in the total cost/valuation at the start of the year.

All of the freehold properties were revalued, with effect from 31 December 2020, at their open market value by Fisher German LLP, Chartered Surveyors. In addition, included within the cost or valuation of Allotments, Cricket Club & Other land, is £60,000 representing the cost to the charity of its contribution, as landlord, to the construction of new changing rooms for the Cricket Club and an extension of the courts to its Squash section. Depreciation of these costs commenced on the completion of the relevant works using a straight line basis over the remaining period of the lease.

Had the properties not been revalued they would have been included at the following historical cost:

	As At 31 December 2020			As At 31 December 2019		
	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £	Property for Operational Use £	Allotments Cricket Club & Other Land £	Almshouses £
Cost	257,470	68,962	231,697	257,470	68,962	231,697
Aggregate depreciation	21,246	38,029	137,509	18,097	32,644	134,644
Net Book Value	236,224	30,933	94,188	239,373	36,318	97,053

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12 TANGIBLE FIXED ASSETS (continued)

Heritage Assets

In addition to the assets shown above, the Charity owns a 17th Century building known as the Old Grammar School, Market Harborough, which was vested in the Charity during 2005 together with the other assets of the Market Harborough Exhibition Foundation Charity. The Old Grammar School is a local landmark and a listed building of significant historical and architectural importance, which the Trustees intend will form part of the Charity's permanent endowment to be maintained and preserved for its cultural significance to the town. Prior to the outbreak of the Covid-19 pandemic, the Charity made the building available for hire by the public, on a daily basis, in exchange for a specified contribution towards the annual running costs.

There is no information readily available as to the original cost of the building and the Trustees consider that there are no suitable techniques available to ascertain a reliable valuation for the property, certainly not without involving the Charity in significant costs which would outweigh any benefit.

As a result, in accordance with the permitted treatment for heritage assets in SORP (FRS 102) the Old Grammar School is not recognised as an asset in the Charity's balance sheet.

13 INTANGIBLE FIXED ASSETS

	31-Dec-20	31-Dec-19
	£	£
Cost		
Brought forward	-	-
Additions	6,121	-
At 31 December 2020	<u>6,121</u>	<u>-</u>
Cumulative Amortisation		
Brought forward	-	-
Charge for the year	439	-
At 31 December 2020	<u>439</u>	<u>-</u>
Net Book Value		
At 31 December 2020	<u>5,682</u>	<u>-</u>
At 31 December 2019	<u>-</u>	<u>-</u>

Intangible assets represent Basic Payment Scheme entitlements.

14 INVESTMENT PROPERTIES

	31-Dec-20	31-Dec-19
	£	£
Valuation at the beginning of the year	2,573,675	2,658,891
Additions at cost	-	-
Unrealised gains/(losses) on revaluation	(53,675)	(85,216)
Valuation at the end of the year	<u>2,520,000</u>	<u>2,573,675</u>
Historical cost at the end of the year	<u>562,312</u>	<u>562,312</u>

The investment properties comprise various parcels of land and four retail shops, of which three have been converted into one, situated in High Street, Market Harborough. A formal open market valuation of these assets was undertaken by Fisher German LLP, Chartered Surveyors as at 31 December 2020 and is incorporated in these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14 INVESTMENT PROPERTIES (continued)

The Land in the charity's ownership includes:

Approximately 116.65 acres of farm land which is let in the year on a seasonal grazing licence. The property is subject to a restrictive covenant in favour of two predecessors in title whereby, in the event of any subsequent non-agricultural development being permitted, the charity will be required to pay 33% of any defined increase in value. The covenant extends to forty years from the date of grant;

Land situated a short distance to the north of Great Bowden village comprising 13.03 acres of grassland, which is let on seasonal grazing licences, and 6.45 acres which has been designated a Site of Special Scientific Interest ("SSSI"). The SSSI is subject to control by English Nature and the charity works closely with the Leicestershire and Rutland Wildlife Trust in ensuring that the ecological value of the site is protected and where possible enhanced. This land is subject to a similar restrictive covenant to that described above in relation to the farm land.

Two small permanent pasture paddocks situated close to the western fringe of Market Harborough town. One of these paddocks is subject to a fifty-year covenant in favour of the predecessor in title which commits the charity to pay away 33% of any uplift in value as a result of subsequent development beyond agricultural use; and

Various strips of land retained by the charity following previous significant land sales. Certain of these strips provide a possible means of access and services from adopted highways into potential development land which is not within the charity's ownership. In particular, a developer has recently expressed an interest in renewing a previous option (now expired) granting them the right to acquire the ransom strip in the event that the developer obtains planning permission for development on certain adjacent property, entry to which would be serviced over the ransom strip. However, at the present time in view of the uncertainties affecting their value, the Trustees have decided not to attribute any value to them in these financial statements.

15 INVESTMENT PORTFOLIO

	31-Dec-20	31-Dec-19
	£	£
Market value at the beginning of the year	15,565,713	13,968,952
Acquisitions at cost	2,342,206	1,495,493
Sales proceeds from disposals	(2,586,457)	(1,606,492)
Realised gains/(losses) on disposals	(83,147)	105,253
Unrealised gains/(losses) on revaluation	145,568	1,602,507
	<u>15,383,883</u>	<u>15,565,713</u>
Cash at bank on deposit/awaiting investment	94,594	146,062
Market value at the end of the year	<u>15,478,477</u>	<u>15,711,775</u>
Historical cost at the end of the year	<u>12,171,284</u>	<u>12,341,726</u>

The realised gains/(losses) on disposals are shared between funds as follows:

General fund	(97,979)	105,253
Endowment fund	14,832	-
	<u>(83,147)</u>	<u>105,253</u>

The unrealised gains/(losses) on disposals are shared between funds as follows:

General fund	63,561	1,443,749
Endowment fund	82,007	158,758
	<u>145,568</u>	<u>1,602,507</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

15 INVESTMENT PORTFOLIO (continued)

		31-Dec-20		31-Dec-19	
		£	%	£	%
Managed by Cave & Sons					
(no individual holding exceeds 5% of the total portfolio)					
UK Fixed interest securities and Treasury stock		240,341	1.56%	301,994	1.92%
UK Equity shares		649,797	4.20%	1,059,090	6.75%
UK investment trusts, unit trusts and OEIC's		2,329,208	15.07%	2,274,958	14.49%
Overseas equities		192,612	1.25%	200,233	1.28%
Managed by Cazenove Capital Management					
UK Bond funds	Schroder Sterling Corporate Bond	453,950	2.94%	411,320	2.62%
International Bond funds	Schroder ISF Strategic Credit C	346,933	2.24%	347,549	2.21%
UK Equity funds:	Equity Income Trust for Charities	628,048	4.06%	1,103,105	7.03%
	Trojan Income Fund (Class S)	638,574	4.13%	728,673	4.64%
Overseas Equity funds	Findlay Park American Fund Inc.	1,087,691	7.04%	1,093,680	6.97%
	M&G Global Dividend Inc.	932,989	6.04%	876,536	5.58%
	Fidelity Global Dividend Fund (Class W)	616,869	3.99%	601,794	3.83%
	Schroder Asia Alpha Plus	622,968	4.03%	482,260	3.07%
	Schroder European Alpha Inc.	-	0.00%	221,013	1.41%
	Blackrock Asian Dragon Fund	176,085	1.14%	150,660	0.96%
	Hermes Asian Ex-Japan Equity Fund	-	0.00%	142,090	0.91%
	Blackrock European Dynamic Fund	189,488	1.23%	-	0.00%
	Atlas Global Infrastructure Fund	111,590	0.72%	-	0.00%
	Wellington Global Health Care	109,735	0.71%	-	0.00%
	Polar Global Insurance Fund	112,967	0.73%	-	0.00%
	Robecco BP Global Premium Equities	225,820	1.46%	-	0.00%
	Spyglass US Growth Fund (UCITS)	163,370	1.06%	-	0.00%
Property Funds	The Charities Property Fund	551,177	3.57%	571,766	3.64%
Portfolio Funds	Troy Asset Mgt Trojan Fund S Inc.	557,642	3.61%	520,826	3.32%
Cash on deposit		70,276	0.45%	134,815	0.86%
Managed by CCLA Investment Management					
COIF Charities property fund		898,398	5.81%	946,144	6.03%
COIF UK Fixed interest fund		50,032	0.32%	97,444	0.62%
COIF Investment fund	Income Units	2,945,550	19.06%	2,768,487	17.63%
COIF Investment fund	Accumulation Units	242,376	1.57%	406,091	2.59%
COIF Global equity fund		309,674	2.01%	260,000	1.64%
		<u>15,454,160</u>	100.00%	<u>15,700,528</u>	100.00%

The investments in the portfolio are carried at their fair value which is the quoted market value in respect of equities and fixed interest securities and the bid price for units in common investment funds, unit trusts and open-ended investment companies. Investment sales and purchases are recognised at the date of trade at their transaction value, net of costs in the respect of sales and inclusive of costs in respect of purchases.

All investments are basic financial instruments traded on quoted public markets, primarily the London Stock Exchange. The Charity does not make use of derivatives and similar complex financial instruments as the Trustees take the view that investments are held for their longer term yield and total return and that any short-term volatility in the markets will normally be corrected in any five year period.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

15 INVESTMENT PORTFOLIO (continued)

Investment returns are exposed to various risks which include credit, liquidity and market risks. Both credit and liquidity risks are assessed as low as the Charity invests predominantly in blue-chip securities in which the failure rate is historically low and all investments are traded on markets in which central banks and other regulators have an interest in ensuring continuation of orderly trading.

Market risk is the principal risk faced by the Charity due to a combination of uncertainty in investment markets and volatility in yields. This was highlighted in the year by the effect of the global Covid-19 pandemic on the financial markets which resulted in sharp reductions in both prices and dividends, as further discussed in Note 1(b). In addition, interest rates remain at an all time low and are expected to remain so for the foreseeable future. These factors are of particular relevance to the Charity as it is reliant, in part, on dividends and interest to finance its grant making activities. As many of its collective investment funds include significant holdings in international equities and bonds which are denominated in foreign currencies, the Charity also has exposure to exchange rate risk.

The Trustees manage these risks by retaining the expert services of three separate fund managers, as shown in the above analysis of the portfolio, and in operating an investment policy which provides for a high degree of diversification of holdings within investment asset classes providing for a balance of income and long-term capital growth.

16 DEBTORS	31-Dec-20	31-Dec-19
	£	£
Accrued income	31,593	5,581
Prepayments	5,382	5,514
Income tax recoverable	6,287	5,202
	<u>43,262</u>	<u>16,297</u>

Accrued income includes £31,571 (2019: £2,565) and Income tax recoverable includes £5,850 (2019: £4,765), which is attributable to cash flows from investing activities.

17 CREDITORS PAYABLE WITHIN ONE YEAR

	31-Dec-20	31-Dec-19
	£	£
Accruals	59,885	57,063
Other creditors	6,820	28,896
Taxation & Social Security	1	-
	<u>66,706</u>	<u>85,959</u>

Included within the heading of accruals are grants payable with a total value of £3,767 (2019: £1,608)

Other creditors include £4,027 (2019: £24,027) which is attributable to cash flows from investing activities.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18 STATEMENT OF FUNDS

	At 1 January 2020 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2020 £
Unrestricted funds:							
General funds							
Revenue	520,965	656,277	(920,367)	(5,886)	(306,709)	610,631	554,911
Designated funds							
For Grants:							
Charitable grants	621,212	-	-	-	126,709	(402,104)	345,817
Church of, St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	232,500	-	-	-	-	(92,681)	139,819
Educational bursary	30,000	-	-	-	180,000	(115,846)	94,154
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Restricted fund:							
Income fund	6,087	-	-	-	-	-	6,087
Endowment fund	19,706,977	-	(64,274)	(661,061)	-	-	18,981,642
	<u>21,337,741</u>	<u>656,277</u>	<u>(984,641)</u>	<u>(666,947)</u>	<u>-</u>	<u>-</u>	<u>20,342,430</u>

General Funds are unrestricted funds that the Trustees are free to use in accordance with the objects of the charity.

Designated Funds are unrestricted funds that have been earmarked by the Trustees for particular purposes. These purposes fall into two categories: the payment of grants; and future repairs and maintenance. Specifically they are as follows:

Charitable Grants:

The charitable grants relate to amounts pledged by the Trustees for charitable purposes where no binding commitment exists at the balance sheet date. Transfers are made to this fund from the general fund for amounts pledged in the year which have not been paid by the year end. A transfer is made from this fund to the general fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

Church of St. Peter & St. Paul, Great Bowden:

One of the Charity's objects is the maintenance and repair of the fabric of the Parish Church of the ecclesiastical parish of St. Peter and St. Paul, Great Bowden. The income to be applied for this purpose must not exceed 20% of the Charity's income in any three year period. A designated reserve for the purpose of meeting this expenditure is maintained at a level to ensure that the charity has sufficient funds to meet its ongoing obligations based on advice from representatives of the P.C.C.

Relief in Need grants:

The charity makes donations to individuals to relieve need, hardship and distress, which are referred to as Relief in Need grants. In order to ensure that sufficient funds are available to continue to meet such needs, the Trustees have agreed to maintain a reserve approximately equivalent to the Relief in Need grants paid in the last three years.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18 STATEMENT OF FUNDS (continued)

Educational grants and bursary funds:

The Trustees invite applications from individuals for assistance with tuition fees and expenses for a first degree at a British university and for equipment and costs associated with apprenticeships and vocational training. A fund is maintained at a value which will enable the charity to meet its obligations to pay the fees of the successful applicants over the remainder of their courses. In addition, a fund is maintained to enable the charity to award bursaries, over a three year period, of up to £180,000 per annum, to schools within the area of benefit. This equates to a maximum of £20,000 per school per annum and the bursaries may be used for a wide range of educational purposes.

Repair funds:

The Extraordinary Repair Funds are established to cover the cost of non routine maintenance of the charity's properties.

Separate repair funds are maintained in respect of: the Allotments & Commercial Properties; and the Almshouses.

Amounts are transferred to these funds and are released back to the General Fund as the Trustees consider appropriate to offset the cost of non routine maintenance on the properties. The aggregate funds are to be maintained between a minimum of £50,000 and a maximum of £100,000.

An extraordinary repair fund is maintained for the Old Grammar School. The Old Grammar School is an ancient building which is in regular need of maintenance and repair. Following a major restoration project which was completed during 2014, the current ongoing commitment for expenditure has been substantially reduced and this is reflected in the level of reserves maintained for this purpose.

Restricted income funds represent funds donated to the Charity by the Market Harborough Musical Theatre on the understanding that they are to be applied to support performing arts in the area of benefit.

The Endowment Fund represents the permanent capital of the Charity. These funds must be held indefinitely and the Trustees have no power to convert the capital into funds which may be spent.

The movements in funds in the previous financial year were as follows:

	At 1 January 2019 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2019 £
Unrestricted funds:							
General funds							
Revenue	728,645	760,370	(826,166)	158,758	299,409	(600,051)	520,965
Designated funds							
For Grants:							
Charitable grants	398,070	-	-	-	(389,409)	612,551	621,212
Church of St. Peter & St. Paul, Great Bowden	50,000	-	-	-	-	-	50,000
Relief in Need grants	90,000	-	-	-	-	-	90,000
Educational grants	185,000	-	-	-	-	47,500	232,500
Educational bursary	-	-	-	-	90,000	(60,000)	30,000
For Repairs:							
Allotments & Commercial Properties:							
Extraordinary repair	30,000	-	-	-	-	-	30,000
Almshouse:							
Extraordinary repair	40,000	-	-	-	-	-	40,000
Old Grammar School:							
Extraordinary repair	10,000	-	-	-	-	-	10,000
Carried forward	1,531,715	760,370	(826,166)	158,758	-	-	1,624,677

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18 STATEMENT OF FUNDS (continued)

	At 1 January 2019 £	Income £	Expenditure £	Realised and Unrealised Gains or (Losses) £	Transfers from Designated Funds £	Transfers to Designated Funds £	At 31 December 2019 £
Unrestricted funds:							
Brought forward	1,531,715	760,370	(826,166)	158,758	-	-	1,624,677
Restricted fund:							
Income fund	-	6,087	-	-	-	-	6,087
Endowment fund	18,309,562	-	(66,371)	1,463,786	-	-	19,706,977
	<u>19,841,277</u>	<u>766,457</u>	<u>(892,537)</u>	<u>1,622,544</u>	<u>-</u>	<u>-</u>	<u>21,337,741</u>

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2020	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	140,237	-	-	1,854,971	1,995,208
Intangible fixed assets	-	-	-	5,682	5,682
Investment properties	-	-	-	2,520,000	2,520,000
Investment portfolio	136,640	799,790	-	14,447,453	15,383,883
Cash held for investment	-	-	-	94,594	94,594
Sundry Debtors	43,262	-	-	-	43,262
Cash at Bank on Deposit	290,388	-	6,087	69,375	365,850
Cash in hand	657	-	-	-	657
Current Liabilities	(56,273)	-	-	(10,433)	(66,706)
Total Net Assets	<u>554,911</u>	<u>799,790</u>	<u>6,087</u>	<u>18,981,642</u>	<u>20,342,430</u>

As at 31 December 2019	General Fund £	Designated Funds £	Restricted Fund £	Endowment Fund £	Total £
Tangible fixed assets	250,410	-	-	2,449,581	2,699,991
Investment properties	-	-	-	2,573,675	2,573,675
Investment portfolio	-	1,088,785	-	14,476,928	15,565,713
Cash held for investment	-	-	-	146,062	146,062
Sundry Debtors	16,297	-	-	-	16,297
Cash at Bank on Deposit	329,556	14,927	6,087	71,196	421,766
Cash in hand	196	-	-	-	196
Current Liabilities	(75,494)	-	-	(10,465)	(85,959)
Total Net Assets	<u>520,965</u>	<u>1,103,712</u>	<u>6,087</u>	<u>19,706,977</u>	<u>21,337,741</u>

MARKET HARBOROUGH AND THE BOWDENS CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20 OPERATING LEASE COMMITMENTS

The total minimum lease payments to which the Charity is committed under an operating lease for office equipment is shown below:

	31-Dec-20	31-Dec-19
	£	£
Payments due:		
Within one Year	-	-
In two to five years	1,721	2,294
Total	<u>1,721</u>	<u>2,294</u>

Lease payments recognised as an expense in the Statement of Financial Activities amounted to £574 (2019: £574).

21 OTHER FINANCIAL COMMITMENTS

Commitments for the acquisition of tangible fixed assets, which were contracted for but not provided in the financial statements, amounted to £Nil (2019: £Nil).

22 RELATED PARTY TRANSACTIONS

At various times during the year the Charity has received applications for grants from other charitable organisations which have certain trustees in common with the Charity. In accordance with the Charity's procedures, the relevant trustees declared their interest and did not take part in any of the discussions relating to the grant application.

There were no other transactions with related parties during the year or the preceding financial year.