

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	<p>The members of the Board of Trustees who served during the year and at the date of this report are as follows:</p> <p>Appointed Trustees:</p> <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> <p>Nominated:</p> <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
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Mr N Proudfoot	Retired 26 May 2022																																				
Ms E Elliott	Appointed 26 May 2022																																				
Charity Secretary	<p>Mrs W. Hempson</p> <p>It is with great sadness that the Trustees report the death of the previous Charity Secretary, Mrs L Headey, on 29 January 2022.</p>																																				
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	<p>MHA Caves Wealth, Lockgates House, Rushmills, Northampton NN4 7YB</p> <p>Cazenove Capital Management Limited, 1, London Wall Place, London Wall, London, EC2Y 5AU</p> <p>CCLA Investment Management Limited, One Angel Lane, London, EC4R 3AB</p>																																				
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.

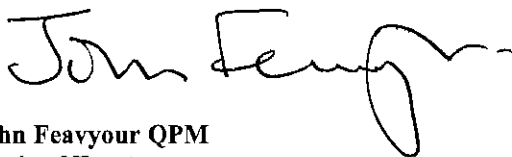
The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

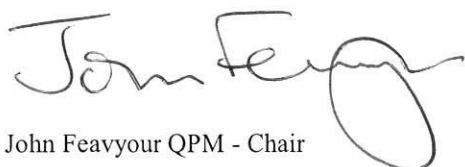
The notes on pages 21 to 38 form part of these financial statements.

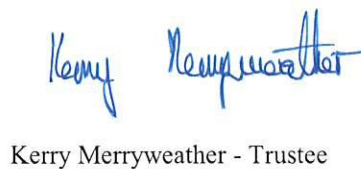
MARKET HARBOROUGH AND THE BOWDENS CHARITY

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.