

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

Charity Registered Number 1157787

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

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MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report along with the financial statements of Market Harborough and The Bowdens Charity, ("the Charity") for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 ("SORP (FRS 102)").

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Market Harborough and The Bowdens Charity																														
Charity Registration Number	1157787																														
Status:	Charitable Incorporated Organisation																														
Principal Office Address	10, Fairfield Road, Market Harborough, Leicestershire, LE16 9QQ																														
Trustees	<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></td></tr><tr><td>Mr J Feavours QPM</td><td>Chair</td></tr><tr><td>Mr G R Hartopp</td><td>Retired 24 February 2022</td></tr><tr><td>Dr S Hill</td><td></td></tr><tr><td>Prof. W Jones</td><td></td></tr><tr><td>Mr G Kellie</td><td></td></tr><tr><td>Mrs L Kvatch</td><td></td></tr><tr><td>Mrs K Merryweather</td><td></td></tr><tr><td>Mrs L Rhodes</td><td>Retired 23 February 2023</td></tr><tr><td>Mrs J A Williams</td><td></td></tr></table> <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		Mr J Feavours QPM	Chair	Mr G R Hartopp	Retired 24 February 2022	Dr S Hill		Prof. W Jones		Mr G Kellie		Mrs L Kvatch		Mrs K Merryweather		Mrs L Rhodes	Retired 23 February 2023	Mrs J A Williams		Mr N Proudfoot	Retired 26 May 2022	Ms E Elliott	Appointed 26 May 2022
Mrs J Adkins	Retired 28 March 2022																														
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Mrs K Merryweather																															
Mrs L Rhodes	Retired 23 February 2023																														
Mrs J A Williams																															
Mr N Proudfoot	Retired 26 May 2022																														
Ms E Elliott	Appointed 26 May 2022																														
Charity Secretary	<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>Up until April 2023:</p> <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> <p>From April 2023:</p> <p>Mercer LLC, G1 Building, 5 George Square, Glasgow, G2 1AR</p>																														
Land Agents	Fisher German LLP, Innovation House, Welland Business Park, Valley Way, Market Harborough, Leicestershire, LE16 7PS																														

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Objectives

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

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

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

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

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

Activities

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

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES (continued)

Grant Making Policy

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

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

The Charity's existing priorities remained unchanged:

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

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

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

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

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

Volunteers

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

Public benefit

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

ACHIEVEMENTS AND PERFORMANCE

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Institutional grants

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

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

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

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

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

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

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

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

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

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

Relief in Need

All applications for individual assistance are treated in complete confidence.

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Education

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

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

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

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

Almshouses

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

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

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

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

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

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

Allotments

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

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

Site of Special Scientific Interest

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE (continued)

Church of St. Peter & St. Paul Great Bowden

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

FINANCIAL REVIEW

Review of major risks

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

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

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

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

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

Financial and investment performance

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

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW (continued)

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

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

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

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

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

Financial position at the end of the year

Unrestricted General and Designated Funds

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

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

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

Restricted Income Fund

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

Endowment Fund

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL REVIEW (continued)

Investment policy

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

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

Reserves policy

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

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

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

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

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

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

PLANS FOR FUTURE PERIODS

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Organisational structure

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

Remuneration structure for key management personnel

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

Trustee recruitment, induction and training

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

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

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

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

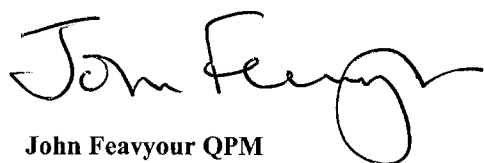
The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUND-RAISING STANDARDS INFORMATION

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

DECLARATION

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

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

John Feavours QPM
Chair of Trustees
Dated 11th August 2023

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

We have nothing to report in this regard.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

Continued

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

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

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

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

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

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

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

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

Use of our report

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

ET Peirson & Son

Edward Thomas Peirson & Sons

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

Dated: 11 August 2023

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

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

All activities relate to continuing operations.

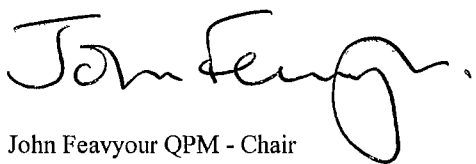
The notes on pages 17 to 34 form part of these financial statements.

MARKET HARBOROUGH AND THE BOWDENS CHARITY

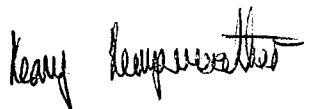
BALANCE SHEET AS AT 31 DECEMBER 2022

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

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



John Feavours QPM - Chair



Kerry Merryweather - Trustee

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

1 PRINCIPAL ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with:

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

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

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

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

(b) GOING CONCERN ASSESSMENT

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(c) INCOME RECOGNITION

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

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

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

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

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

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

(d) EXPENDITURE RECOGNITION

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

Expenditure is categorised under the following headings:

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(e) ALLOCATION OF COSTS

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

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

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

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

(f) OPERATING LEASES

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

(g) TANGIBLE FIXED ASSETS INCLUDING HERITAGE ASSETS

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

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

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

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

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

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

(h) INTANGIBLE FIXED ASSETS

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

(i) INVESTMENTS

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

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

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

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

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

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

(k) CASH AND CASH EQUIVALENTS

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

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

(l) FUND ACCOUNTING

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

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

8 EXPENDITURE ON OTHER CHARITABLE ACTIVITIES (continued)

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

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS

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

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

Bases for support cost allocation:

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

9 ANALYSIS AND ALLOCATION OF SUPPORT COSTS (continued)

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

10 AUDITORS' REMUNERATION

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

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

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

11 TRUSTEES' REMUNERATION AND REIMBURSED EXPENDITURE

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

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

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

12 STAFF NUMBERS AND COSTS

The number of employees of the charity were as follows:

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS

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

Cost or valuation at 31 December 2021 is represented by:

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

Basis for inclusion in the accounts

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

13 TANGIBLE FIXED ASSETS (continued)

Heritage Assets

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

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

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

14 INTANGIBLE FIXED ASSETS

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

Intangible assets represent Basic Payment Scheme entitlements.

15 INVESTMENT PROPERTIES

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

15 INVESTMENT PROPERTIES (continued)

The Land in the charity's ownership includes:

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

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

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

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

16 INVESTMENT PORTFOLIO

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

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

16 INVESTMENT PORTFOLIO (continued)

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

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

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

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

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

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

18 CREDITORS PAYABLE WITHIN ONE YEAR

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS

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

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

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

Charitable Grants:

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

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

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

Relief in Need grants:

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

Educational grants and bursary funds:

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

Repair funds:

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

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

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

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

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

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

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

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

19 STATEMENT OF FUNDS (continued)

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

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 December 2022

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

As at 31 December 2021

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

MARKET HARBOROUGH AND THE BOWDENS CHARITY

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

21 OPERATING LEASE COMMITMENTS

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

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

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

22 OTHER FINANCIAL COMMITMENTS

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

23 RELATED PARTY TRANSACTIONS

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

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