

MELTON MOWBRAY TOWN ESTATE

**REPORT OF THE FEOFFEEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

31 MARCH 2021

tc accounts • tax • legal • financial planning

99 Chapel Street
Ilstock
Leicestershire
LE67 6HF

MELTON MOWBRAY TOWN ESTATE
REPORT OF THE FEOFFEEES
FOR THE YEAR ENDED 31 MARCH 2021

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MELTON MOWBRAY TOWN ESTATE
REPORT OF THE FEOFFEEES
FOR THE YEAR ENDED 31 MARCH 2021

It has been an unprecedented year. Since the dark days of last April, our efforts have been entirely focussed on trying to negotiate our way through the challenges arising from the Covid-19 pandemic. Also, the unpredictable year where three lock-downs, have meant the regular street market have been drastically reduced to six stalls; with only stalls selling fruit, vegetables, meat, fish and bread only being allowed to trade.

Subsequently, trading has suffered immensely, with the Markets being curtailed and the loss of tour coaches visiting the town, where people have turned to on-line shopping with the large supermarkets. This has compounded the drastic downturn in income. The Town Estate has had to adapt and review its entire structure, with Staff being put on the Government's flexible furlough scheme.

At a Board Meeting of Feoffees held in June, by a unanimous vote, it was resolved to amend the administrative provisions of the charity to allow the Feoffees to secure such lending facility against the land and/or buildings owned by the Charity – Clause 19 (1) (d). This resolution allowed the Town Estate to secure a Bounce Back Loan facility of £50,000, interest free for twelve months, repayable within five years. This has helped immensely with the cash flow of the charity.

In July, we were able to celebrate the opening of the new Play provision in Play Close Park. The new play equipment, including climbing frames, roundabouts and zip wires, promote 'learning through play'. This new facility was funded by a £ 100,000 grant from FCC Communities Foundation. The Romaney Fugill Memorial Charity has also awarded a grant to provide play equipment for children in wheel chairs. This phase will allow more children to play together and to benefit from the play provision in the town centre parks.

We are now looking forward when the lock-down can be relaxed safely, where the parks will re-open properly and the street market gets back to full strength.

The Town Estate's Annual Town Meeting, which was due to be held on Monday 5 October, had to be cancelled due to tighter restrictions imposed by the Government banning gatherings of more than six people. Appointments for the Town Estate vacancies were approved, having received no more, no less applications for the positions available - all applicants were properly proposed and seconded, and having completed the appropriate declarations of eligibility were therefore elected unopposed.

The Accounts were made available online for scrutiny, with any questions invited to be sent in to the Town Estate in the absence of the meeting. These questions, like any raised throughout the year were dealt with and responded to as soon as was reasonably practical.

The Feoffees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Board of Feoffees wish to thank the Town Bailiff and all the staff for their hard work, support and help in maintaining the town centre parks, gardens and sports fields, to a high standard throughout the year, and through the autumn and winter months of adverse weather conditions. When the Country was in lock-down, the local community has greatly appreciated the parks, whilst they were going out for their daily exercise.

In the last six months, the Town Estate have undertaken a Staffing review, focussed on the administration functions of the charity. It was decided that the new office role would be a job share, or for one person undertaking the new combined post of accounts and market functions. This had not been an easy situation, but with the support from an HR Consultant was handled professionally, sensitively and with empathy. With the streamlining of the administrative functions the Town Estate look to make savings of £30,000 per annum.

It is with sadness that we have to report that former Chairman – Ken Saunders passed away on Saturday 27th February 2021, following heart surgery. He made a significant contribution to the Charity during his term of office as Townwarden 2002 – 2006 and Feoffee 2006 – 2013.

MELTON MOWBRAY TOWN ESTATE
REPORT OF THE FEOFFEEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES
Objectives and public benefit

The charity is established for the benefit of the inhabitants of the 'area of benefit' in such ways as the Feoffees see fit. Primarily, the Town Estate endeavours to enhance the community life of the people of Melton Mowbray by providing parks, sports grounds, markets and other amenities.

The charges adopted by the Town Estate are intended to be sufficient to generate sufficient income to meet all expenditure incurred in providing the facilities, not least our beautiful parks. Some people find it surprising that this is a considerable challenge. This is because it is easy to confuse the value of land holdings and investments with the modest day-to-day income generated by our investments and facilities such as the town markets, the Sysonby Acres Golf, FootGolf and caravan facility, and two small car parks. It is for this reason that the Town Estate is looking to increase its income now and in the future.

In setting out objectives and planning their activities the Feoffees have given careful consideration to the Charity Commission's general guidance on public benefit.

How the public have benefitted in *previous* years – is exemplified

The Town Estate operates weekly town centre street markets on Tuesday and Saturday; as well as other markets, for example, a weekly craft market in the Market Place on Wednesday. The Town Markets benefit the town's economy by increasing the footfall to the town and attracting tourists (with at least 10-12 coaches each week); Market days on a Tuesday and a Saturday are the busiest days of the week attracting on average 20,000 people to the town each day, keeping Melton a busy and vibrant town.

The Town Estate own and maintain the town centre parks, that offer recreational and sports facilities and, on Asfordby Road, an 18 hole par 3 golf and FootGolf course, a dry sports/community room and a 50 pitch touring caravan park. In addition the Town Estate hosts visiting fairs and events in the parks and town centre. The Town Estate land holdings provide facilities for local youth groups, sports clubs and tenant farmers as well as being the largest sports provider in the Borough of Melton.

'The Queen Elizabeth II Fields' town centre parks and recreational facilities are maintained by the Town Estate and significantly reduce the council tax levy on households in Melton Mowbray and the Borough of Melton, as it reduces the liability on Melton Borough Council to provide these facilities. The operation of the Town Estate provides a tangible benefit for the people of Melton Mowbray and facilities that can also be enjoyed by a wider community. In doing so the Town Estate makes a significant contribution to the retail and commercial success of the town centre and its power to attract visitors through tourism.

ACHIEVEMENT AND PERFORMANCE
Charitable activities

The objects of the Town Estate are the preservation of its parks, gardens and sports grounds, the optimisation of its trading activities including its investment portfolio, and the effective, efficient, legal operation of the charity. During the year 2020-2021 under report we have:

- upgraded and enlarged the Play provision in Play Close Park – The Queen Elizabeth II Fields.
- successfully negotiated the surrender of King Street College lease back under the control of the Town Estate.
- reviewed and updated Town Estate policy and procedures.

MELTON MOWBRAY TOWN ESTATE

REPORT OF THE FEOFFEEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Principal funding sources

The main income streams of the charity derive from outdoor activities and are therefore directly affected by the weather, but with the challenges arising from the Covid-19 pandemic, this has resulted in a dramatic fall of income from the loss of markets and sports facilities during the year ended 31 March 2021.

During this financial period it is estimated by the Feoffees that the Town Estate continues to provide subsidies of £74,000 to various organisations within the town in the form of much reduced rents. The ability in difficult economic times of the Town Estate to continue this policy is now under review.

Reserves policy

The Feoffees maintain investments in cash or easily realisable assets. The prime purpose of these investments is to provide income that finances charitable activities. However, they do provide a reserve that can be available to meet unplanned expenditure or cover shortfalls in income. At the balance sheet date **£2,303,697** was held in investment portfolios. This is shown under the fixed assets heading. The charity also holds a small amount of day to day working capital as shown in the net current assets position on the balance sheet.

FUTURE PLANS

The possible programme of projects and initiatives for the year beginning 1 April 2021 are:

- to streamline the Charity's day to day running operations.
- ensure income from trading and investments is sufficient to meet costs and continue to seek ways to increase and control expenditure to ensure the long-term future of the Town Estate and its facilities and services.
- extend the range of products and events associated with the Town Markets.
- work to secure some of the longer term development of Melton's housing need on land owned by the Town Estate to the south of the town.
- safeguard the continued provision of facilities and services for the people of Melton Mowbray by reinvesting in the town.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Melton Mowbray Town Estate was established in 1549 and is registered with the Charity Commission, reference number 222142. The governing document is the "Charity Commission Scheme" of 1 December 1989.

Recruitment and appointment of new Feoffees

The charity is organised as an independent association of local residents with a Board of Trustees', called Feoffees, elected at an Annual General Meeting - The Town Meeting - held in October. Feoffees hold office for four years. The two Townwardens are elected annually at the Annual Town Meeting. The Town Bailiff is responsible to the Board for the day to day management of the charity. The Board also sets policy, takes major decisions and holds the Bailiff and staff to account for the effective and efficient organisation of the activities of the charity.

Induction and training of new Feoffees

There are arrangements for the induction and training of Feoffees, including an information pack which is given to all prospective Feoffees. This provides details of the history and role of the Charity together with information regarding the role and responsibilities of Feoffees.

MELTON MOWBRAY TOWN ESTATE

**REPORT OF THE FEOFFEEES
FOR THE YEAR ENDED 31 MARCH 2021**

Risk Management

The Feoffees have examined the major business and operational risks to which the charity is exposed and confirm that procedures have been established to manage or reduce risks wherever possible, and to insure against all normal charity risks, such as public and employer's liability, and property loss and damage. One of the key financial risks is loss of value in our listed investments. This is managed through a highly diversified portfolio, managed by a fund manager at a large, nationally recognised portfolio management business.

MELTON MOWBRAY TOWN ESTATE
CHARITY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 222142

Principal address

The Town Bailiff's Cottage
2 Park Lane
Melton Mowbray
Leicestershire
LE13 0PT

Feoffees

Mr. I. P. Wilkinson	Senior Townwarden
Mr T. Webster	Junior Townwarden
Lt. Col. P. A. Roffey OBE DL	
Mr. R. J. Sage	
Mr. G. Bett	
Mr. K. Hallam	
Mrs. A. Holland	
Mr. D. Whitehouse MBE	
Mr. J. Southerington	Chairman of Feoffees
Mrs. D. Hickling	
Mr. I. Neale	
Mr. E. Smethurst	Resigned 10 th May 2021
Mr M. F. Davies	Appointed 5 th October 2020
Mr J. Culy	Appointed 5 th October 2020

Town Bailiff

Mr W. D. Boulding

Auditors

TC Group
Statutory Auditors
The Courtyard
Shoreham Road
Upper Beeding
Steyning
BN44 3TN

Accountants

TC Group, 99 Chapel Street, Ibstock, Leicestershire, LE67 6HF

Bankers

HSBC Bank Plc, 17 High Street, Melton Mowbray, Leicestershire, LE13 0TY

MELTON MOWBRAY TOWN ESTATE

STATEMENT OF FEOFFEEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

The Feoffees (who are also trustees of Melton Mowbray Town Estate for the purposes of charity law) are responsible for preparing the Report of the Feoffees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the Feoffees 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Feoffees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Feoffees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the Board of Feoffees on and signed on its behalf by:

Mr. J. Southerington
Chairman of Feoffees'

MELTON MOWBRAY TOWN ESTATE

REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Melton Mowbray Town Estate (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure account), the Balance Sheet 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Feoffees 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 Feoffees with respect to going concern are described in the relevant sections of this report.

Other information

The Feoffees' are responsible for the other information and the information within the Feoffees report. The other information comprises the information included in the Feoffees' annual report, 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.

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

MELTON MOWBRAY TOWN ESTATE

REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 MARCH 2021

statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Feoffees' report.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Feoffees'

As explained more fully in the Feoffees' responsibilities statement the feoffees' are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Feoffees' determines to be 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 Feoffees' are responsible for assessing the charities 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 Feoffees' either intends to disband the charity or to cease operations, or has no alternative but to do so.

In preparing the financial statements, the Feoffees' 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 Feoffees' 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

MELTON MOWBRAY TOWN ESTATE

REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 MARCH 2021

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

The objectives of our audit in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Feoffees' and other management (as required by auditing standards), and discussed with the Feoffees' and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities SORP) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and charity performance, including the key drivers for management remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals, reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (Irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/our-work/audit-and-assurance/standards-and-guidance-for-auditors/auditors-responsibilities-for-audit/description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

MELTON MOWBRAY TOWN ESTATE

**REPORT OF THE INDEPENDENT AUDITORS
FOR THE YEAR ENDED 31 MARCH 2021**

Use of our report

This report is made solely to the charity's Feoffees', as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Feoffees' 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 Feoffees' as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Cummins (Senior Statutory Auditor)
For and on behalf of

TC Group
Statutory Auditor
The Courtyard
Shoreham Road
Upper Beeding
Steyning
BN44 3TN

Date:

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MELTON MOWBRAY TOWN ESTATE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Funds	Restricted Funds	Endowment Fund	Total funds 2021	Total Funds 2020
	Note	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	82,490	113,051	-	195,541	-
Charitable activities						
Other trading activities	3	85,469	-	-	85,469	161,294
Investment income	4	143,797	-	-	143,797	142,601
Parks and sports grounds	5	102,147	-	-	102,147	117,350
Other income	6	4,132	-	-	4,132	150,000
TOTAL		<u>418,035</u>	<u>113,051</u>	<u>-</u>	<u>531,086</u>	<u>571,425</u>
EXPENDITURE ON						
Raising funds	7	229,211	-	-	229,211	201,270
Charitable activities						
Parks and sports grounds	8	441,766	-	-	441,766	411,462
TOTAL		<u>670,978</u>	<u>-</u>	<u>-</u>	<u>670,978</u>	<u>612,732</u>
Net gains/(losses) on investments	15	<u>364,440</u>	<u>-</u>	<u>-</u>	<u>364,440</u>	<u>(109,193)</u>
NET INCOME/(EXPENDITURE)		<u>111,498</u>	<u>113,051</u>	<u>-</u>	<u>224,549</u>	<u>(150,501)</u>
Transfer between funds	20	101,118	(101,118)	-	-	-
NET MOVEMENT IN FUNDS		<u>212,616</u>	<u>11,933</u>	<u>-</u>	<u>224,549</u>	<u>(150,501)</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>4,436,435</u>	<u>1,266</u>	<u>203,000</u>	<u>4,640,701</u>	<u>4,791,202</u>
TOTAL FUNDS CARRIED FORWARD		<u>4,649,051</u>	<u>13,199</u>	<u>203,000</u>	<u>4,865,250</u>	<u>4,640,701</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

MELTON MOWBRAY TOWN ESTATE

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted Funds	Restricted Funds	Endowment Fund	Total funds 2021	Total Funds 2020
	Note	£	£	£	£	£
FIXED ASSETS						
Tangible assets	14	2,355,598	-	203,000	2,558,598	2,461,511
Investments	15	2,303,697	-	-	2,303,697	2,033,332
		<u>4,659,295</u>	<u>-</u>	<u>203,000</u>	<u>4,862,295</u>	<u>4,494,843</u>
CURRENT ASSETS						
Stocks	16	1,000	-	-	1,000	2,513
Debtors	17	19,838	-	-	19,838	162,434
Cash at bank		71,824	11,460	-	83,284	10,720
		<u>92,662</u>	<u>11,460</u>	<u>-</u>	<u>104,122</u>	<u>175,667</u>
CREDITORS						
Amounts falling due within one year	18	(55,336)	-	-	(55,336)	(29,809)
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
NET CURRENT ASSETS/LIABILITIES						
		37,326	11,460	-	48,786	145,858
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
CREDITORS						
Amounts falling due over one year	19	(45,831)	-	-	(45,831)	-
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL ASSETS LESS LIABILITIES						
		4,650,790	11,460	203,000	4,865,250	4,640,701
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
NET ASSETS						
		<u>4,650,790</u>	<u>11,460</u>	<u>203,000</u>	<u>4,865,250</u>	<u>4,640,701</u>
FUNDS						
Unrestricted funds	20				4,649,051	4,291,687
Restricted general funds					13,199	146,014
Endowment funds					203,000	203,000
					<u>4,865,250</u>	<u>4,640,701</u>
TOTAL FUNDS						
					<u>4,865,250</u>	<u>4,640,701</u>

The financial statements were approved by the board of Feoffees on the and are signed on its behalf by:

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Mr. J. Southerington
Chairman of Feoffees

Registered Charity Number: 222142

MELTON MOWBRAY TOWN ESTATE

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

At the time of approving the financial statements, the feoffees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the feoffees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Costs have been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold land and buildings	- See below
Miniature railway	- 2% straight line on cost less residual value
Sports grounds - capital expenditure	- 2% straight line on cost less residual value
Sports ground - equipment	- 15% on reducing balance and 10% on cost
Machinery and implements	- 20% on reducing balance and 5% on cost
Market stalls	- 10% on reducing balance
Office equipment	- 20% on reducing balance

Depreciation has not been provided on land as it is considered that the depreciable amounts (cost or valuation less residual value) is £nil. The value is regularly reviewed, and consideration given to any permanent impairment in value. Buildings consist of freehold buildings as well as improvements. Assets within this class have been determined to have a useful life of between 30 – 50 years and depreciation has been charged on cost less residual value.

Stocks

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

MELTON MOWBRAY TOWN ESTATE

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

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

The charity is exempt from tax on its charitable activities. Trading activities have been reviewed and fall under the Small Trading Income Exemption and therefore are not subject to tax.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the feoffees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Adjustments for value added tax

The figures in the accounts are exclusive of VAT. The Town Estate is treated as partially exempt for VAT purposes and as a result it was unable to obtain relief for all VAT paid. The amount unrelieved is shown in the accounts as a separate figure.

Investments

In order to comply with the Charities Accounting Statement of Recommended Practice (SORP), investments are stated at market value. Gains and losses on investments shown in the Statement of Financial Activities comprise realised and unrealised gains and losses. Realised gains and losses are calculated by comparing proceeds received with the original cost of the investment. Unrealised gains and losses are calculated by comparing the market values of investments held at the beginning and end of the accounting period, or by comparing the relevant market value with acquisition cost.

Endowment funds

The Statement of Recommended Practice for Accounting and Reporting by Charities states that endowment funds should be distinguished from unrestricted and other restricted funds, some of which are called Permanent Endowment, in order to show a true and fair view of the activities during the year. The Feoffees have reviewed the terms of donations and the origins of the assets of the Town Estate in order to distinguish endowment funds from unrestricted funds. They believe that the only definite Permanent Endowment has been the donation relating to Priors Close, Melton Mowbray. In a prior year, a transfer of £203,000 was made from unrestricted funds into restricted permanent endowment funds.

2. INCOME FROM DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations and small grants	500	-
Grants	113,025	-
COVID grants (CJRS, small business & local restriction grants)	82,016	-
Total	195,541	-

MELTON MOWBRAY TOWN ESTATE

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

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Saturday markets	18,559	33,790
Tuesday markets	42,865	96,714
Craft and antique markets	3,420	6,754
Sundry market charges	2,625	3,884
Market charter rights	18,000	20,151
Total	<u>85,469</u>	<u>161,294</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Income from investments	69,191	79,877
Land rents	74,606	62,724
Total	<u>143,797</u>	<u>142,601</u>

During the current and previous year, all investment income that has been received is to be treated as unrestricted income for the purposes of the charity.

5. INCOME FROM CHARITABLE ACTIVITIES

Income from parks and sports grounds £102,147 (2020 - £117,530)

During the current and previous year, all charitable activity income that has been received is to be treated as unrestricted income for the purposes of the charity.

6. OTHER INCOME

Other income resources include gains on disposals of fixed assets amounting to £4,132 (2020 - £150,000).

MELTON MOWBRAY TOWN ESTATE

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

7. RAISING FUNDS

Raising from trading activities

	2021	2020
	£	£
Staff costs	80,612	82,658
Donations	-	330
Rates	3,794	4,864
Insurance	5,626	4,800
Repairs and street cleaning	17,651	5,625
Fuel and oil	3,962	4,928
Vehicle tax and insurance	1,580	1,573
Vehicle maintenance	2,508	2,227
Work clothing	409	856
Car park costs	343	252
Depreciation	10,323	12,355
Support costs	92,887	70,862
	<hr/>	<hr/>
	219,695	191,328
	<hr/>	<hr/>

Investment management costs

	2021	2020
	£	£
Portfolio management fees	9,516	9,942
	<hr/>	<hr/>
Aggregate amounts	<hr/>	<hr/>
	229,211	201,270
	<hr/>	<hr/>

MELTON MOWBRAY TOWN ESTATE

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

8. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 9) £	Support costs (See note 10) £	Total
Parks and sports grounds	348,880	92,887	441,766

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	188,095	192,868
Purchases, refreshments etc...	6,348	4,012
Rates and water	2,246	2,537
Insurance	27,326	24,000
Plants, seeds, fertilisers etc...	6,884	3,568
Repairs, renewals and maintenance	44,409	50,199
Implements and workshop expenditure	4,956	2,639
Electricity and gas	10,357	16,003
Band hire	540	3,160
Unrelieved value added tax	37,027	19,012
Fuel and oil	3,962	4,928
Vehicle tax and insurance	1,580	1,573
Vehicle maintenance	2,508	2,227
Work clothing	409	856
Depreciation	12,233	13,019
	<u>348,880</u>	<u>340,600</u>

10. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Total £
Other trading activities	70,673	-	22,214	92,887
Parks and sports grounds	70,673	-	22,214	92,887
	<u>141,346</u>	<u>-</u>	<u>44,428</u>	<u>185,774</u>

The Feoffees estimate that half of the charity's management time is spent on managing the trading activities and the other half on managing the parks and sports grounds, hence support costs are split accordingly.

MELTON MOWBRAY TOWN ESTATE

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

10. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

			2021	2020
	Other trading activities	Parks and sports grounds	Total activities	Total activities
	£	£	£	£
Wages	52,982	52,982	105,964	72,060
Social security	4,515	4,516	9,031	6,251
Pensions	2,017	2,016	4,033	3,550
Rates and water	1,192	1,193	2,385	4,689
Insurance	804	803	1,607	1,356
Gas and electricity	-	-	-	2,641
Telephone	2,298	2,297	4,595	5,770
Postage and stationery	836	836	1,671	1,793
Sundries	3,460	3,460	6,920	11,583
Computer maintenance	1,423	1,423	2,846	4,490
Bank charges	1,147	1,147	2,294	2,081
	<u>70,673</u>	<u>70,673</u>	<u>141,346</u>	<u>116,264</u>

Governance

	Other trading activities	Parks and sports grounds	2021 Total activities	2020 Total activities
	£	£	£	£
Wages	1,575	1,575	3,150	3,150
Auditors' remuneration	2,500	2,500	5,000	5,000
Insurance	2,813	2,813	4,800	4,800
Postage and stationery	-	-	-	-
Accountancy and legal fees	15,326	15,326	30,652	12,510
	<u>22,214</u>	<u>22,214</u>	<u>44,428</u>	<u>25,460</u>

MELTON MOWBRAY TOWN ESTATE

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

11. FEOFFEEES' REMUNERATION AND BENEFITS

There were no Feoffees' remuneration or other benefits for the year ended 31 March 2021 nor for the period ended 31 March 2020.

Feoffees' expenses

There were no feoffees' expenses paid for the year ended 31 March 2021 nor for the period ended 31 March 2020.

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	352,976	326,317
Social security costs	22,181	19,777
Other pension costs	15,728	14,443
	<hr/>	<hr/>
	390,885	360,537
	<hr/>	<hr/>

The average monthly number of employees during the year was as follows:

	2021	2020
General staff	15	16
Administration staff	4	4
	<hr/>	<hr/>
	19	20
	<hr/>	<hr/>

No employees received emoluments in excess of £60,000 during the period.

Key Management Personnel

Senior management & Feoffees are consider to be key management personnel of the charity. During the year the aggregate remuneration of key management personnel, including benefits in kind, was £45,278, plus the company paid pension contributions in respect of senior management of £1,517

MELTON MOWBRAY TOWN ESTATE

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	-	-	-	-
Charitable activities				
Parks and sports grounds	117,350	-	-	117,530
Other trading activities	161,294	-	-	161,294
Investment income	142,601	-	-	142,601
Other income	150,000	-	-	150,000
Total	571,424	-	-	571,424
EXPENDITURE ON				
Raising funds	201,270	-	-	201,270
Charitable activities				
Parks and sports grounds	407,860	3,602	-	411,462
Total	609,130	3,602	-	612,732
Net gains/(Losses) on investments	(109,193)	-	-	(109,193)
	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
NET INCOME/(EXPENDITURE)	(146,899)	(3,602)	-	(150,501)
Transfers between funds	177,610	(177,610)	-	-
Net movement in funds	30,711	(181,212)	-	(150,501)
RECONCILIATION OF FUNDS				
Total funds brought forward	4,405,724	182,478	203,000	4,791,202
TOTAL FUNDS CARRIED FORWARD	4,436,435	1,266	203,000	4,640,701

MELTON MOWBRAY TOWN ESTATE

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

14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Miniature railway £	Sports ground – Capital expenditure £	Sports ground - equipment £
COST				
At 1 April 2020	2,079,966	7,320	263,209	193,099
Additions	-	-	114,143	5,500
Disposals	-	-	-	-
At 31 March 2021	2,079,966	7,320	377,352	198,599
DEPRECIATION				
At 1 April 2019	11,199	-	-	141,270
Charge for the year	3,733	-	-	8,500
Charge on disposals	-	-	-	-
At 31 March 2021	14,932	-	-	149,770
NET BOOK VALUE				
At 31 March 2021	2,065,034	7,320	377,352	48,829
At 31 March 2020	2,068,767	7,320	263,209	51,829

	Machinery and implements £	Market stalls £	Office equipment £	Totals £
COST				
At 1 April 2020	170,299	94,162	10,690	2,818,746
Additions	-	-	-	119,643
Disposals	-	-	-	-
At 31 March 2021	170,299	94,162	10,690	2,938,389
DEPRECIATION				
At 1 April 2020	137,896	56,429	10,441	357,235
Charge for the year	6,480	3,793	50	22,556
Charge on disposals	-	-	-	-
At 31 March 2021	144,376	60,222	10,441	379,791
NET BOOK VALUE				
At 31 March 2021	25,923	33,941	199	2,558,598
At 31 March 2020	32,403	37,733	249	2,461,511

The freehold land and buildings are included at deemed cost.

Priors Close is held as a Permanent Endowment and included in the freehold land and buildings at a value of £203,000.

MELTON MOWBRAY TOWN ESTATE

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

15. FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Shares	833,362	779,788
COIF Charities Investment Fund (CCLA)	1,494,428	1,243,843
Cash balances (HSBC)	(24,093)	9,701
	<u>2,303,697</u>	<u>2,033,332</u>

15. FIXED ASSET INVESTMENTS – continued

Additional information as follows:

	2021	2020
	£	£
MARKET VALUE - Investments		
Brought forward	779,788	1,003,227
Additions	366,684	426,967
Disposals	(468,715)	(578,761)
Revaluations	155,605	(71,645)
	<u>833,362</u>	<u>779,788</u>
Carried forward		

Investment cash balances at the year-end were (£24,093) (2020: £9,701)

COIF Charities Investment Fund (CCLA) movements were as follows:

	2021	2020
	£	£
Brought forward	1,243,843	1,282,197
Revaluations	250,585	(38,354)
	<u>1,494,428</u>	<u>1,243,843</u>
Carried forward		

16. STOCKS

	2021	2020
	£	£
Refreshments for resale	750	1,443
Garage stock	250	1,070
	<u>1,000</u>	<u>2,513</u>

MELTON MOWBRAY TOWN ESTATE

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

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	9,963	7,059
Other debtors	4,500	-
Prepayments	5,375	5,375
Accrued income (Note 6)	-	150,000
	<u>19,838</u>	<u>162,434</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	26,040	12,971
Other creditors	7,559	7,559
Taxation and social security	17,568	9,279
Bounce back loan	4,169	-
	<u>55,336</u>	<u>29,809</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bounce back loan	45,831	-
	<u>45,831</u>	<u>-</u>

During the year the bounce back loan facility was exercised. A government backed loan facility whereby the first 12 months of interest is covered by the UK Government, with a fixed term of 2.5% interest over the following 60 monthly repayments. The total value of the loan taken by Melton Mowbray Town Estate was £50,000.

MELTON MOWBRAY TOWN ESTATE

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

20. MOVEMENT IN FUNDS

	At 1 April 2020 £	Net movement in funds £	Transfers between funds £	At 31 March 2021 £
Unrestricted funds				
General fund	4,436,435	111,498	101,118	4,649,051
Restricted funds				
The Big Picture Appeal	1,266	-	(1,118)	148
Melton Lottery	-	26	-	26
FCC Communities Foundation	-	100,000	(100,000)	-
Romy Memorial Fund	-	13,025	-	13,025
	<u>1,266</u>	<u>113,051</u>	<u>(101,118)</u>	<u>13,199</u>
Endowment funds				
Priors Close	203,000	-	-	203,000
TOTAL FUNDS	<u>4,640,701</u>	<u>224,549</u>	<u>-</u>	<u>4,865,250</u>

21. MOVEMENT IN FUNDS (Comparative)

	At 1 April 2019 £	Net movement in funds £	Transfers between funds £	At 31 March 2020 £
Unrestricted funds				
General fund	4,405,724	(146,889)	177,610	4,436,435
Restricted funds				
The Big Picture Appeal	52,499	(1,007)	(50,226)	1,266
Gym equipment	12,210	(1,630)	(10,580)	-
Tracing Footsteps	7,573	(965)	(6,608)	-
Egerton Park Community & Sports Pavilion	110,196	-	(110,196)	-
	<u>182,478</u>	<u>(3,602)</u>	<u>(177,610)</u>	<u>1,266</u>
Endowment funds				
Priors Close	203,000	-	-	203,000
TOTAL FUNDS	<u>4,791,202</u>	<u>(150,501)</u>	<u>-</u>	<u>4,640,701</u>