

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2023
for
The Hopmarket Charity**

The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

The Hopmarket Charity

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for the Year Ended 31st March 2023**

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The Hopmarket Charity
Report of the Trustees
for the Year Ended 31st March 2023

The trustees present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity has been set up to benefit "needy persons" in the city of Worcester. "Needy persons" means persons who by reason of poverty, sickness or infirmity whether young or old are in need of financial assistance, care or attention. "Needy persons in the city of Worcester" are persons whose need arises in the city, whether or not they permanently reside there.

In accordance with Charity Commission guidance, the trustees regard people suffering from poverty as including persons who do not have the resources to provide for themselves, either on a short or a long-term basis, with the normal things of life which most people take for granted. The trustees aim to address both the causes and the consequences of poverty by allocating grants to assist with both the prevention and relief of poverty. In view of the limited resources of the charity, the trustees take the view that the objects of the charity can best be fulfilled by supporting other organisations which have been established for purposes within the charity's objects, rather than devoting the resources of the charity to the support of a limited number of individuals.

Significant activities

The Charity owns a building known as the Hopmarket complex (formerly The Hop Market Hotel) in Foregate Street, Worcester, together with annexed premises at 13, 14, 15 and 16 The Foregate, Worcester. The complex comprises a number of retail units with residential accommodation above.

The income from leasing the premises of the Charity is held on trust to apply the same for the benefit of needy persons in the city. Needy persons are defined in the Act as persons who by reason of poverty, sickness or infirmity whether young or old are in need of financial assistance, care and attention.

The flats above the retail units are leased to Platform Housing Group. Although no rent is payable, Platform Housing Group bears 75% of the cost of the repairs and maintenance to the building.

Public benefit

The trustees confirm that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance issued by the Charity Commission on public benefit when deciding on the charity's activities.

ACHIEVEMENT AND PERFORMANCE

Property Management

Fisher German LLP advised the Charity during the year that they did not wish to continue beyond May 2023. The Trustees authorised Council officers to work with the Chair and Vice-Chair to source a new management agency proposal.

The advice from City Council Property Services was that a "full service" single contract, providing both the managing agent services as well as lettings, would be the most suitable way to proceed. GJS Dillon indicated they would be potentially interested in the opportunity. Therefore, bearing in mind that the Charity does not have to undertake a formal procurement process but needs to be satisfied it has met its fiduciary duties appropriately, the Council's Corporate Director - Planning and Governance proposed to the Chair and Vice-Chair a sequential negotiation process.

Upon completion of this process, a final Proposal from GJS Dillon was put before the Board of Trustees. The Proposal is more expensive than the previous charge. However, Fisher German LLP considered they under-priced the Hopmarket contract and would not be able to honour a price of this order, even if they were willing to continue. Officers were satisfied that the Proposal as presented will not create a financial pressure for the Charity.

The Trustees agreed with the recommendation to accept the Proposal. Trustees concluded that the initial term should be for 3 years with the option to roll on. The contract with Fisher German LLP terminated on 31st March 2023 and GJS Dillon commenced with effect from 1st April 2023.

Platform Housing Group

A number of online meetings were held between Trustees, Officers and senior staff from Platform Housing Group during the year to discuss various matters of mutual interest, including roof repairs, window replacement and the fire alarm system.

The Hopmarket Charity
Report of the Trustees
for the Year Ended 31st March 2023

ACHIEVEMENT AND PERFORMANCE (continued)

Hopmarket Promotion and Income Generation

Janet Yates, the City Council's Economic Development Officer (Enterprise and Business Growth) advises the Board and traders on marketing initiatives including social media, and income generation. The Trustees receive regular briefing notes at their Board meetings.

During the year the trading position showed signs of improvement. The Charity has a promotions budget and it was agreed that the budget for 2022/23 should be the underspend from 2021/22 (£106.94), the ARG Restart grant for a new website (£6,000) along with a new allocation of £6,200 for 2022/23. With an additional contribution to signage the total amount for the year was £12,980.74.

New developments agreed by the Trustees during the year include proposals for the installation of new courtyard bins and wall mounted ashtrays and the location of 2 new cycle stands.

Legal Issues

The Board received advice and guidance throughout the year from Sian Stroud, the City Council's Corporate Director - Planning and Governance, with additional advice from Georgina Coley, Legal Services Manager. Two issues which arose during the year required specialist legal advice:

14 The Foregate (Black & Whit3) - Following a criminal conviction of the tenant for assault on the occupier of no. 15 The Foregate (Hopmarket Flowers), external legal advice was sought on behalf of the Trustees. The response was that an assault by an individual tenant on another tenant is not a matter which is relevant to the terms of the tenancy. The Trustees acknowledged that the advice from the external lawyers must be accepted and no action can be taken by the Charity as landlord to remove the tenant. The Trustees concluded that all tenants should agree to a set of good neighbour regulations.

13 The Foregate (The Emporium) - It was evident that the tenant was sub-letting part of the premises with no agreement and no income to the Charity. Specialist legal advice was sought to protect the legal interests of the Charity and a notice was served under the Law of Property Act 1925 requiring the change of use to cease. However, the tenant subsequently vacated the property in November 2022 with outstanding rent arrears of around £16,000. The Trustees agreed to instruct Officers pursue repayment of this debt. Steps have been taken to bring 13 The Foregate back to market as a lettable unit.

Applications for Grant Aid

The Trustees agreed a sum of £42k for grants to be awarded by the Hopmarket Charity for 2023/24. A total of 17 grant applications were received during 2022/23 with bids totalling just over £124k.

In line with the grant awards process agreed at the Trustees in 2016, a summary assessment of the applications against the agreed criteria was completed by members of the Council's Finance Service. This was independently reviewed by the Council's Head of Finance, who is the Charity's Treasurer.

Following this process, three Trustees, together with the Treasurer and an officer from the City Council Finance Team, met to review the assessment findings, in line with the agreed procedure. The summary assessment of applications was then reported to the Trustees at their Board meeting on 27th March 2023. The Trustees agreed that in the next financial year the Charity will make grants to 10 organisations totalling £42,279. Notification of these grant awards was given to the organisations shortly after the financial year end.

FINANCIAL REVIEW

Financial position

The Financial review was carried out in Feb 23 for 2022/23 and was based on the current year-to-date actuals and the forecasts of future costs and income. The level of income was forecast to be less than budgeted. This was due mainly to vacant units and outstanding debt. The management and administration costs were forecast to be more than budgeted, mainly due to legal fees and an increased contingency to cover any further costs. The premises expenditure was forecast to be lower due to less repair and maintenance work being carried out.

The forecast overall surplus at 31 March 2023 was c£42k. Therefore, this amount was made available for funding grant distribution in 2023/24. The surplus was forecast to be c.£21k less than budgeted and included a contribution of £6.5k to replenish the Development Fund.

The forecast surplus for 31st Mar 2024 was £45.9k.

The Hopmarket Charity
Report of the Trustees
for the Year Ended 31st March 2023

FINANCIAL REVIEW (continued)

The Repairs Fund at 31 March 2023 was forecast to be higher than budgeted due to no major repairs having been carried out in 2022/23.

There was a balance of £12.3K on the Development Fund reserve brought forward from 2021/22. The forecast spend for 22/23 was £6.2k leaving a balance of £6.1k to be carried forward to 23/24 which has been ringfenced for the new website.

Reserves policy

The Charity holds general unrestricted funds (which excludes amounts held in designated funds) of £47,588 (2122 - £91,933) to fund ongoing expenditure if there is a future drop in rental income received by the Charity.

Details regarding designated funds held by the Charity can be found in note 14 of the notes to the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Hopmarket is a Charity established under Act of Parliament. Its current Governing Act is the Worcester City Council Act 1985.

Recruitment and appointment of new trustees

The Charity is governed by a Board of Trustees. The Board has at least 6, but not more than 7 Worcester City Councillors and at least 2, but no more than 3 Independent Trustees. The City Councillor Trustees are appointed annually in May. The Independent Trustees are appointed for a period of up to four years.

The following Worcester City Councillors were Trustees appointed by the Council for the period covered by this report:

- Councillor Jenny Barnes
- Councillor Allah Ditta (resigned 23 May 2023)
- Councillor Nida Hassan (resigned 23 May 2023)
- Councillor Jo Hodges (resigned 9 May 2022)
- Councillor Stephen Hodgson
- Councillor Mike Johnson (resigned 9 May 2022)
- Councillor Karen Lewing
- Councillor Chris Mitchell (appointed 5 November 2022 and resigned 23 May 2023)

The following Independent Trustees were Trustees appointed by the Council for the period covered by this report:

- Jo Hodges (appointed 24 May 2022)
- Bill Simpson

The Chair of the Trustees for the period was Mr Bill Simpson. Councillor Mike Johnson was Vice-Chair to May 2022. He was succeeded by Councillor Jenny Barnes

The Trustees Board met four times during the period covered by this report, in August and November 2022 and January and March 2023.

Organisational structure

The Charity is administered by Worcester City Council from the Guildhall, High Street, Worcester. The Council's Head of Finance acts as the Treasurer of the Charity and legal support is provided by the Council's Legal Services team.

Trustee remuneration

The Trustees received no remuneration during 2022/23 and there were no related party transactions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

244569

Principal address

Guildhall
Worcester
Worcestershire
WR1 2EY

The Hopmarket Charity
Report of the Trustees
for the Year Ended 31st March 2023

Trustees

City Councillor Trustees

Councillor Jenny Barnes	Vice-Chairman	Resigned 23 May 2023 (reappointed as an Independent Trustee)
Councillor Lynn Denham		Appointed 23 May 2023
Councillor Allah Ditta		Resigned 23 May 2023
Councillor Nida Hassan		Resigned 23 May 2023
Councillor Josephine Hodges		Resigned 24 May 2022 (reappointed as an Independent Trustee)
Councillor Stephen Hodgson		
Councillor Mike Johnson	Vice-Chairman	Resigned 9 May 2022
Councillor Karen Lewing		
Councillor Chris Mitchell		Appointed 5 November 2022 and resigned 23 May 2023
Councillor Elena Round		Appointed 23 May 2023
Councillor James Stanley		Appointed 23 May 2023

Independent Trustees

Jenny Barnes	Vice-Chairman	Reappointed 23 May 2023 (former City Councillor Trustee)
Josephine Hodges		Reappointed 24 May 2022 (former City Councillor Trustee)
Bill Simpson	Chairman	

Independent Examiner

The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

Treasurer

Mark Baldwin
Head of Finance
Worcester City Council
The Guildhall
High Street
Worcester
Worcestershire
WR1 2EY

Administrators

Worcester City Council
The Guildhall
High Street
Worcester
Worcestershire
WR1 2EY

Investment property managers

GJS Dillon Limited
7 Roman Way Business Centre
Droitwich
Worcestershire
WR9 9AJ

Fisher German LLP

Global House
Hindlip Lane
Worcester
WR3 8SB

Approved by order of the board of trustees on 20th November 2023 and signed on its behalf by:


B Simpson - Trustee

**Independent Examiner's Report to the Trustees of
The Hopmarket Charity**

Independent examiner's report to the trustees of The Hopmarket Charity

I report to the charity trustees on my examination of the accounts of The Hopmarket Charity (the Trust) for the year ended 31st March 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Melissa Jean Godwin ACCA

The Richards Sandy Partnership
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

20th November 2023

The Hopmarket Charity

Statement of Financial Activities
for the Year Ended 31st March 2023

					2023	2022
	Notes	Unrestricted funds £	Development designated fund £	Repairs designated fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	-	-	-	-	8,875
Investment income	4	<u>148,603</u>	<u>-</u>	<u>-</u>	<u>148,603</u>	<u>145,218</u>
Total		<u>148,603</u>	<u>-</u>	<u>-</u>	<u>148,603</u>	<u>154,093</u>
EXPENDITURE ON						
Raising funds	5	91,857	-	-	91,857	79,274
Charitable activities						
Grants issued		<u>88,311</u>	<u>-</u>	<u>-</u>	<u>88,311</u>	<u>24,028</u>
Total		<u>180,168</u>	<u>-</u>	<u>-</u>	<u>180,168</u>	<u>103,302</u>
NET INCOME/(EXPENDITURE)						
Transfers between funds	14	(31,565) <u>(10,932)</u>	- <u>932</u>	- <u>10,000</u>	(31,565) <u>-</u>	50,791 <u>-</u>
Net movement in funds		(42,497)	932	10,000	(31,565)	50,791
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>1,261,933</u>	<u>12,307</u>	<u>82,567</u>	<u>1,356,807</u>	<u>1,306,016</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,219,436</u>	<u>13,239</u>	<u>92,567</u>	<u>1,325,242</u>	<u>1,356,807</u>

The notes form part of these financial statements

The Hopmarket Charity

Balance Sheet
31st March 2023

				2023	2022
	Notes	Unrestricted funds £	Development designated fund £	Repairs designated fund £	Total funds £
FIXED ASSETS					
Investment property	10	1,170,000	-	-	1,170,000
CURRENT ASSETS					
Debtors	11	103,964	-	-	103,964
Cash at bank		<u>50,232</u>	<u>13,439</u>	<u>92,567</u>	<u>156,238</u>
		154,196	13,439	92,567	243,995
CREDITORS					
Amounts falling due within one year	12	(103,711)	(200)	-	(103,911)
NET CURRENT ASSETS		<u>50,485</u>	<u>13,239</u>	<u>92,567</u>	<u>188,904</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,220,485	13,239	92,567	1,358,904
CREDITORS					
Amounts falling due after more than one year	13	(1,049)	-	-	(1,049)
NET ASSETS		<u>1,219,436</u>	<u>13,239</u>	<u>92,567</u>	<u>1,356,807</u>
FUNDS	14				
Unrestricted funds:					
General unrestricted funds				49,436	91,933
Capital reserve fund				1,170,000	1,170,000
Development fund				13,239	12,307
Repairs fund				<u>92,567</u>	<u>82,567</u>
				<u>1,325,242</u>	<u>1,356,807</u>
TOTAL FUNDS				<u>1,325,242</u>	<u>1,356,807</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20th November 2023 and were signed on its behalf by:


B Simpson - Trustee

The Hopmarket Charity

Notes to the Financial Statements for the Year Ended 31st March 2023

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, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Monetary amounts in these financial statements are rounded to the nearest £1.

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.

Rental income is received on a straight line basis over the period to which it relates.

Grant income is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably. Entitlement usually arises immediately on its receipt, unless there are terms or conditions which must be met before the charity is entitled to the income.

Interest income is recognised for all interest-bearing instruments on an accruals basis.

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.

Grants payable are charged to expenditure when the offer is conveyed to the recipient, unless the offer is conditional in which case such grants are charged to expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

INVESTMENT PROPERTY

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

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

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.

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Hopmarket Charity

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

1. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

SERVICE CHARGE MONIES

Service charge monies collected and managed by the investment property manager of the charity are managed on trust on behalf of the tenants of the investment property. Service charge monies are not considered to belong to the charity and the financial activities (including income, expenditure, assets and liabilities) relating to service charge monies have been excluded from these financial statements.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Significant sources of estimation uncertainty

The investment property is revalued to market value based on a year end valuation performed by the trustees (based on a prior year valuation performed by a qualified independent valuer). However, some judgement is applied in comparing the investment property to recent sales of similar properties in the area and the market value of the investment property cannot be directly measured until such time that it is sold. The value of investment property is included in note 10 of the financial statements.

3. DONATIONS AND LEGACIES

	2023 £	2022 £
Grants	-	8,875

Grants received, included in the above, are as follows:

	2023 £	2022 £
Worcester City Council - Covid-19 relief	-	8,875

4. INVESTMENT INCOME

	2023 £	2022 £
Rents received	148,603	145,218

The Hopmarket Charity

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

5. RAISING FUNDS

INVESTMENT MANAGEMENT COSTS

	2023	2022
	£	£
Investment property manager fees	14,990	28,300
Property insurance	50,627	38,061
Advertising and marketing	5,568	7,633
Electricity, water and business rates	1,646	2,424
Bad debt provision	7,808	-
Property repairs and maintenance	11,218	2,856
	<u>91,857</u>	<u>79,274</u>

6. GRANTS PAYABLE

	2023	2022
	£	£
Grants paid to institutions	<u>59,605</u>	<u>-</u>

The total grants paid to institutions during the year was as follows:

	2023	2022
	£	£
Armchair	3,000	-
Blind Veterans UK	1,000	-
Disabled Sailors Association	3,500	-
Footsteps	5,000	-
Happy Days	1,020	-
Headway Worcester Trust	6,300	-
Maggs Day Centre	8,000	-
Mentor Link	7,300	-
React	4,685	-
Relate Worcestershire	1,500	-
St. Stephen's Church	2,300	-
Worcester Citizens Advice Bureau & WHABAC	6,000	-
Worcester Community Trust	<u>10,000</u>	<u>-</u>
	<u>59,605</u>	<u>-</u>

7. SUPPORT COSTS

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

	2023	2022
	£	£
Administration charges	16,300	16,300
Independent examination fee	2,190	2,130
Trustee indemnity insurance	682	394
Legal fees	9,294	4,946
Sundries	<u>240</u>	<u>258</u>
	<u>28,706</u>	<u>24,028</u>

The Hopmarket Charity

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Development designated fund £	Repairs designated fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	8,875	-	-	8,875
Investment income	<u>145,218</u>	<u>-</u>	<u>-</u>	<u>145,218</u>
Total	<u>154,093</u>	<u>-</u>	<u>-</u>	<u>154,093</u>
EXPENDITURE ON				
Raising funds	79,274	-	-	79,274
Charitable activities				
Grants issued	<u>24,028</u>	<u>-</u>	<u>-</u>	<u>24,028</u>
Total	<u>103,302</u>	<u>-</u>	<u>-</u>	<u>103,302</u>
NET INCOME	50,791	-	-	50,791
Transfers between funds	<u>(14,834)</u>	<u>4,834</u>	<u>10,000</u>	<u>-</u>
Net movement in funds	35,957	4,834	10,000	50,791
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>1,225,976</u>	<u>7,473</u>	<u>72,567</u>	<u>1,306,016</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,261,933</u></u>	<u><u>12,307</u></u>	<u><u>82,567</u></u>	<u><u>1,356,807</u></u>

10. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st April 2022 and 31st March 2023	<u><u>1,170,000</u></u>
NET BOOK VALUE	
At 31st March 2023	<u><u>1,170,000</u></u>
At 31st March 2022	<u><u>1,170,000</u></u>

The year end valuation of investment property has been undertaken by the trustees, based on 2021's valuation undertaken by Jason Clines MRICS on behalf of Fisher German LLP.

The Hopmarket Charity

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	1,688	5,994
Fisher German LLP	43,696	70,831
Prepayments and accrued income	58,580	50,448
	<u>103,964</u>	<u>127,273</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Tenant deposits	2,204	4,048
Worcester City Council	96,198	28,574
Accrued expenses	4,461	21,420
Deferred income (see note 15)	1,048	1,049
	<u>103,911</u>	<u>55,091</u>

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

	2023	2022
	£	£
Deferred income (see note 15)	1,049	2,097

14. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General unrestricted funds	91,933	(31,565)	(10,932)	49,436
Capital reserve fund	1,170,000	-	-	1,170,000
Development fund	12,307	-	932	13,239
Repairs fund	82,567	-	10,000	92,567
	<u>1,356,807</u>	<u>(31,565)</u>	<u>-</u>	<u>1,325,242</u>
TOTAL FUNDS	<u>1,356,807</u>	<u>(31,565)</u>	<u>-</u>	<u>1,325,242</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General unrestricted funds	148,603	(180,168)	(31,565)
	<u>148,603</u>	<u>(180,168)</u>	<u>(31,565)</u>
TOTAL FUNDS	<u>148,603</u>	<u>(180,168)</u>	<u>(31,565)</u>

The Hopmarket Charity

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General unrestricted funds	55,976	50,791	(14,834)	91,933
Capital reserve fund	1,170,000	-	-	1,170,000
Development fund	7,473	-	4,834	12,307
Repairs fund	72,567	-	10,000	82,567
	<u>1,306,016</u>	<u>50,791</u>	<u>-</u>	<u>1,356,807</u>
TOTAL FUNDS	<u>1,306,016</u>	<u>50,791</u>	<u>-</u>	<u>1,356,807</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General unrestricted funds	154,093	(103,302)	50,791
	<u>154,093</u>	<u>(103,302)</u>	<u>50,791</u>
TOTAL FUNDS	<u>154,093</u>	<u>(103,302)</u>	<u>50,791</u>

Repairs Fund

The Repairs Fund is held to provide funding for major repairs and as a contingency for unforeseen repairs. This is particularly important for a building of this age, type and construction. The Charity's property agent is consulted to ensure the adequacy of the reserve.

Development Fund

The Development Fund is held for future investment in marketing activity to promote and develop the Hopmarket and thereby attract more lettings.

Capital Reserves Fund

The Capital Reserves Fund represents the Charity's holding in the investment property.

15. DEFERRED INCOME

Deferred income relates to £2,097 (2022 - £3,145) 10 year lease payment received in advance.

16. RELATED PARTY DISCLOSURES

Worcester City Council provides key management personnel services to the charity. Worcester City Council received key management personnel remuneration for these services of £16,300 (2022 - £16,300). During the year Worcester City Council made payments to third parties as agent of the charity totalling £79,898 (2022 - £15,791). At the year end the charity owed Worcester City Council £96,197 (2022 - £28,574).

There were no other related party transactions in the year.

The Hopmarket Charity

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

17. OPERATING LEASE INCOME COMMITMENTS

Minimum lease income due to the charity under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	84,469	72,303
Between one and five years	214,797	117,303
After five years	<u>128,339</u>	<u>161,950</u>
	<u>472,605</u>	<u>351,556</u>

18. FUNDS HELD AS AGENT

At the year end Fisher German held on trust in regard to service charge monies relating to the tenants of the investment property cash of £15,691 (2022 - £3,135).

This excludes net amounts owed to the service charge monies account by tenants and the charity, as well as amounts owed by the service charge monies account to its creditors.

The Hopmarket Charity

Detailed Statement of Financial Activities
for the Year Ended 31st March 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	-	8,875
Investment income		
Rents received	<u>148,603</u>	<u>145,218</u>
Total incoming resources	148,603	154,093
EXPENDITURE		
Investment management costs		
Investment property manager fees	14,990	28,300
Property insurance	50,627	38,061
Advertising and marketing	5,568	7,633
Electricity, water and business rates	1,646	2,424
Bad debt provision	7,808	-
Property repairs and maintenance	<u>11,218</u>	<u>2,856</u>
	91,857	79,274
Charitable activities		
Grants to institutions	59,605	-
Support costs		
Administration charges	16,300	16,300
Independent examination fee	2,190	2,130
Trustee indemnity insurance	682	394
Legal fees	9,294	4,946
Sundries	<u>240</u>	<u>258</u>
	28,706	24,028
Total resources expended	<u>180,168</u>	<u>103,302</u>
Net (expenditure)/income	<u>(31,565)</u>	<u>50,791</u>