THE BOWLAND CHARITABLE TRUST

England & Wales · Charity number 292027

Details

Status	Registered
Legal form	Trust
Registered	1985-06-20
Register	View on the Charity Commission register

Contact

Address	Bowland House Philips Road Blackburn Lancs BB1 5NA
Phone	01254688051
Email	carole.fahy@cannco.co.uk

Activities

Objects: GENERAL CHARITABLE PURPOSES AND IN PARTICULAR THE PROMOTION OF EDUCATIONAL AND CHARACTER FORMING ACTIVITIES FOR YOUNG PERSONS.

Activities: Supporting individuals, charities and other charitable organisations, primarily by the provision of grants and gifting educational equipment. The majority of the support provided is to outdoor and character building activities by young people based in the North West of England and edcuational, religious and cultural activities and institutions.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Sponsors Or Undertakes Research
- **What:** Education/training, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

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Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£83,632	£595,719	-	-
2023-12-31	£324,100	£627,466	-	-
2022-12-31	£442,577	£382,197	-	-
2021-12-31	£2,310,709	£4,547,211	£135,941	53
2020-12-31	£1,753,850	£6,228,075	£2,289,581	53

Trustees

Name	Role	Appointed
CAROLE FAHY		
HERBERT ANTHONY CANN		
Hugh David Turner		

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THE BOWLAND CHARITABLE TRUST

England & Wales - Charity number 292027

Accounts

REGISTERED CHARITY NUMBER: 292027

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2024

FOR

THE BOWLAND CHARITABLE TRUST

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

THE BOWLAND CHARITABLE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2024

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2024

TRUSTEES	H A Cann Ms C Fahy H D Turner
PRINCIPAL ADDRESS	Bowland House Philips Road Blackburn Lancashire BB1 5NA
REGISTERED CHARITY NUMBER	292027
INDEPENDENT AUDITORS	Ainsworths Limited Chartered Accountants and Statutory Auditors Charter House Stansfield Street Nelson Lancashire BB9 9XY
BANKERS	Lloyds Bank Church Street BLACKBURN Lancashire BB2 1JQ
INVESTMENT ADVISERS	Redmayne Bentley 8 Victoria Avenue Harrogate North Yorkshire HG1 1ED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024

The trustees present their report with the financial statements of the charity for the year ended 31st December 2024. 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 activities

The objectives of the charity are to support individuals, charities and other charitable organisations, as detailed by the trust deed, in the advancement of education, particularly for the benefit of young people, by way of making grants and gifting educational equipment.

In setting the objectives of the charity, the trustees have considered the guidance issued by the Charity Commission on delivering public benefit. The trustees feel this is achieved through their support of outdoor and character building activities for young people, the advancement of educational, religious and cultural aims and purposes and through research into the operation of the criminal justice system in particular as it relates to young offenders.

As at the date of this report the cumulative total of donations made and expenditure on charitable projects by the Trust exceeds £40 million.

Grantmaking policy

The charity invites applications for funding of projects from individuals, charities and other charitable organisations in particular for the promotion of education. The applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants. Projects may be funded over varying periods of time, but the majority are made as one off payments. The trustees also occasionally make grants to other appeals and charities.

FINANCIAL REVIEW

Financial review

Income decreased from the previous year to £83,632 (2023: £324,100). The reason for the fall is due to lower donations received, though investment income has seen a slight increase.

Expenditure decreased from £627,466 to £595,719, due to fewer grants awarded.

As last year, the charity recorded net expenditure as it continues to utilise the accumulated funds that it holds for the charitable purposes that it was established to benefit.

The funds of the charity were £2,613,625 at the end of the financial year, down from £3,147,471 at the end of the previous year due to the net expenditure in the year.

Principal funding sources

The principal funding sources are donations (mostly from the trustee, H A Cann, and related family trusts) and investment income on funds held from previous donations, not yet utilised for charitable proposes.

Investment policy and objectives

To the extent that the charity's funds have not been used to award grants, they have been held on deposit, invested in shares or other securities to generate a higher return than would otherwise be available on deposit.

Interest and dividends totalling £61,652 (2023: £60,767) have been earned by the charity in this reporting period.

FINANCIAL REVIEW

Reserves policy

The Trust was established with several large donations from the Cann family. The purpose of these donations was to provide capital from which grants could be made for a number of years to come.

At 31st December 2024 the Charity's total funds carried forward stood at £2,613,625 (2023: £3,147,471). Of this amount, 97% were held as designated funds in respect of intentions made to award grants that have been communicated to beneficiaries.

At 31st December 2024 free reserves carried forward were at £nil (2023: £nil). This is due to net expenditure in the year and investments in fixed assets both reducing general funds. The trustees are free to transfer funds from designated funds to the general fund if desired, and the charity has minimal commitments, therefore the lack of free reserves is not a concern for the charity. Indeed, the value of liquid cash holdings and investments at the year end were more than £1.9m.

FUTURE PLANS

The Charity will continue to support individuals, charities and other charitable organisations in the furtherance of its objects of supporting education particularly for the benefit of young people.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Bowland Charitable Trust ("the charity") was established on 26th February 1985 and is registered with the Charity Commissioners (registration number 292027). The charity is governed by a trust deed dated 26th February 1985.

Recruitment and appointment of new trustees

Trustees are appointed to reflect the skills required to support the charity and its range of activities. The trustees themselves appoint new trustees to the Board and provide appointees with a full orientation of the services provided, the decision-making process of the Trust and the roles and responsibilities of a trustee, including their legal obligations under applicable laws.

Organisational structure

The trustees who have served during the year and since the year end are set out on page one. Grant applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants.

The charity has no full time employees, but an employee of a related company is involved in occasional assistance with the administration of the charity. The trustees take care of the day to day running and legal requirements of the charity.

Risk management policy

The Trustees review the major risks faced by the charity during their regular meetings and confirm there are systems in place to mitigate them. Internal risks are minimised by segregation of duties and procedures for authorisation of all transactions.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they 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 trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees 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 and The Charity (Accounts and Reports) Regulations 2008. 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 trustees on 22nd October 2025 and signed on its behalf by:

H A Cann - Trustee

Opinion

We have audited the financial statements of The Bowland Charitable Trust (the 'charity') for the year ended 31st December 2024 which comprise the Statement of Financial Activities, 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 (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 31st December 2024 and of its incoming resources and application of resources, for the year 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 Auditors' 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, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records 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 Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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.

Our responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the nature of the sector in which it operates, we have identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Charities Act 2011 and tax legislation.

We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements. Our audit procedures designed to address these risks included, but were not limited to:

- Enquiries with management, regarding any known or suspected instances of non-compliance with laws and regulations and fraud;
- Agreement of the financial statements disclosures to the underlying supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- Obtaining an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment by misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 Report of the Independent Auditors.

Ainsworths Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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) Regulations 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 auditors' 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.

AINSWORTHS LIMITED

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

22nd October 2025

THE BOWLAND CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	**31.12.24 Unrestricted funds £**	31.12.23 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		**21,980**	263,333
Investment income	2	**61,652**	60,767
Total		**83,632**	324,100
EXPENDITURE ON			
Charitable activities			
Advancement of education		**238,109**	400,595
Religious activities		**91,431**	88,376
Recreational activities		**31,000**	1,000
Cultural activities		**16,719**	-
Support for activities of young people		**26,250**	25,000
Other charitable expenditure		**103,855**	98,479
Other		**88,355**	14,016
Total		**595,719**	627,466
Net gains/(losses) on investments		**(21,759)**	13,225
NET INCOME/(EXPENDITURE)		**(533,846)**	(290,141)
RECONCILIATION OF FUNDS			
Total funds brought forward		**3,147,471**	3,437,612
TOTAL FUNDS CARRIED FORWARD		**2,613,625**	3,147,471

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

BALANCE SHEET
31ST DECEMBER 2024

	Notes	31.12.24 Unrestricted funds £	31.12.23 Total funds £
FIXED ASSETS			
Tangible assets	5	**303,109**	309,309
Investments	6	**1,481,667**	1,972,664
		1,784,776	2,281,973
CURRENT ASSETS			
Stocks	7	**322,290**	50,400
Debtors	8	**1,021,333**	331,333
Cash at bank		**444,526**	1,388,410
		1,788,149	1,770,143
CREDITORS			
Amounts falling due within one year	9	**(959,300)**	(904,645)
NET CURRENT ASSETS		**828,849**	865,498
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,613,625**	3,147,471
NET ASSETS		**2,613,625**	3,147,471
FUNDS	10		
Unrestricted funds		**2,613,625**	3,147,471
TOTAL FUNDS		**2,613,625**	3,147,471

The financial statements were approved by the Board of Trustees and authorised for issue on 22nd October 2025 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements

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.

The Bowland Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires the trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgements other than those involving estimation uncertainty.

The following are the Group's key sources of estimation uncertainty:

Depreciation
Depreciation is provided based on the expected useful life of its tangible assets. The actual useful life of such assets may be shorter or longer than anticipated. If the useful life happens to be shorter than anticipated, the asset will be written off or disposed of as appropriate.

Accruals
Accruals are estimates of costs that were incurred up to the year end, the amounts of which were not know at the year end. Any variance between anticipated costs accrued in the accounts, and actual expenditure after the year end, will be recognised in the Statement of Financial Activities in the following accounting period.

Income recognition
Donations and other income are credited to the Statement of Financial Activities as they become due, gross of income tax where applicable. Assets which have been acquired below their market value are included in the accounts at their full value, with the difference recognised as voluntary income.

Specific grants receivable are credited to the Statement of Financial Activities as they become due and are accounted for as restricted funds.

Investment income is recognised as income in the Statement of Financial Activities on an accruals basis and represents interest receivable and dividends receivable on the Charity's investments that are held for an investment return.

1. ACCOUNTING POLICIES - continued

Expenditure recognition
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.

Expenditure on charitable activities represents expenditure incurred in furtherance of the Charity's objects. The majority of the expenditure relates to grants payable. Grants payable are recognised as expenditure in the Statement of Financial Activities once the payment has been made to its intended recipient.

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

Freehold property	-	2% on cost
Computer equipment	-	20% on cost

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks are held to be donated to educational establishments in furtherance of the charity's objects.

Taxation
The Charity is exempt from the liability to income tax on its charitable activities to the extent its income is used for charitable purposes. Any income not used for charitable purposes is subject to income tax at the appropriate rates.

Fund accounting
Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are funds which the Trustees have set aside with the intention of making specific grant awards. The intended grant award is recognised within designated funds once a decision has been taken by the Trustees to make the award. However such decisions are not contractual nor binding and no obligation is created. The grant is removed from designated funds when either the payment is made to the recipient or the Trustees withdraw their intention to support that particular entity or individual.

Restricted funds are funds that can only be applied for particular purposes as stipulated by the entity or individual that remitted those funds.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating results.

Basic financial instruments
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

1. ACCOUNTING POLICIES - continued

Basic financial instruments
Realised gains and losses
All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Interest receivable on cash at bank	**51,960**	50,059
Dividends receivable on listed investments	**9,692**	10,708
	61,652	60,767

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2024 nor for the year ended 31st December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2024 nor for the year ended 31st December 2023.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds
	£
INCOME AND ENDOWMENTS FROM	
Donations and legacies	263,333
Investment income	60,767
Total	324,100
EXPENDITURE ON	
Charitable activities	
Advancement of education	400,595
Religious activities	88,376
Recreational activities	1,000
Support for activities of young people	25,000
Other charitable expenditure	98,479
Other	14,016
Total	627,466
Net gains on investments	13,225

continued...

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
NET INCOME/(EXPENDITURE)	(290,141)
RECONCILIATION OF FUNDS	
Total funds brought forward	3,437,612
TOTAL FUNDS CARRIED FORWARD	3,147,471

5. TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Totals £
COST			
At 1st January 2024 and 31st December 2024	**307,016**	**2,856**	**309,872**
DEPRECIATION			
At 1st January 2024	**277**	**286**	**563**
Charge for year	**5,629**	**571**	**6,200**
At 31st December 2024	**5,906**	**857**	**6,763**
NET BOOK VALUE			
At 31st December 2024	**301,110**	**1,999**	**303,109**
At 31st December 2023	306,739	2,570	309,309

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2024	**1,972,664**
Additions	**963,627**
Disposals	**(1,472,806)**
Revaluations	**18,182**
At 31st December 2024	**1,481,667**
NET BOOK VALUE	
At 31st December 2024	**1,481,667**
At 31st December 2023	1,972,664

There were no investment assets outside the UK.

continued...

6. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31st December 2024 is represented by:

	Listed investments
	£
Valuation in 2024	**1,481,667**

Fixed asset investments were valued on an open market basis on 31st December 2024 by the trustees.

7. STOCKS

	31.12.24	31.12.23
	£	£
Stocks	**322,290**	50,400

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Amounts due from associated undertakings	**1,021,333**	331,333

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade creditors	**38,000**	-
Taxation and social security	**113,080**	82,665
Other creditors	**808,220**	821,980
	959,300	904,645

10. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	Transfers between funds	At 31.12.24
	£	£	£	£
Unrestricted funds				
General fund	**165,382**	**(379,152)**	**285,022**	**71,252**
Designated fund	**2,981,989**	**(154,694)**	**(285,022)**	**2,542,273**
Capital	**100**	**-**	**-**	**100**
	3,147,471	**(533,846)**	**-**	**2,613,625**
TOTAL FUNDS	**3,147,471**	**(533,846)**	**-**	**2,613,625**

continued...

10. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	**83,632**	**(441,025)**	**(21,759)**	**(379,152)**
Designated fund	**-**	**(154,694)**	**-**	**(154,694)**
	83,632	**(595,719)**	**(21,759)**	**(533,846)**
TOTAL FUNDS	**83,632**	**(595,719)**	**(21,759)**	**(533,846)**

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	378,439	(208,132)	(4,925)	165,382
Designated fund	3,059,073	(82,009)	4,925	2,981,989
Capital	100	-	-	100
	3,437,612	(290,141)	-	3,147,471
TOTAL FUNDS	3,437,612	(290,141)	-	3,147,471

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	324,100	(545,457)	13,225	(208,132)
Designated fund	-	(82,009)	-	(82,009)
	324,100	(627,466)	13,225	(290,141)
TOTAL FUNDS	324,100	(627,466)	13,225	(290,141)

Designated funds represent funds set aside from the unrestricted fund in relation to which the trustees have given an indication to the prospective donees of their intention to provide the funds over a period of time.

Unrestricted funds represent surplus donations and other incoming resources receivable in excess of grants and other outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

The unrestricted capital fund was established by an initial cash deposit made when the charity was set up.

continued...

11. RELATED PARTY DISCLOSURES

a. During the year, the charity made interest free loans totalling £690,000 to an associated undertaking, Learning By Questions Limited. The company has objects that align with those of the charity. The trustees, H A Cann and Ms C Fahy are also directors of this company.

At 31st December 2024, an amount of £1,021,333 (2023: £331,333) was owed by this related party to the charity.

The trustee, H A Cann, has personally guaranteed this debtor so that the charity will not suffer a loss if the company is unable to repay the balance owed.

b. During the year, Whitebirk Finance Limited a company in which the trustee H A Cann is the director, recharged costs of £24,000 (2023: £24,360) for the cost of the charity's administration.

At 31st December 2024, the amount owed to this related party was £38,000 (2023: £nil).

c. During the year an interest free and unsecured loan subsisted between the charity and the H.A. Cann Grandchildren's Trust, a trust which has mutual trustees with the charity.

At 31st December 2024 this related party was owed £300,000 (2023: £300,000) by the charity.

d. During the year an interest free and unsecured loan subsisted between the charity and the H.A. Cann Settlement Accumulation & Maintenance Fund, a trust which has mutual trustees with the charity.

At 31st December 2024, this related party was owed £445,000 (2023: £445,000) by the charity.

e. During the year an interest free and unsecured loan subsisted between the charity and the Rushton No. 4 Trust, a trust which has mutual trustees with the charity.

At 31st December 2024, this related party was owed £50,000 (2023: £50,000) by the charity.

THE BOWLAND CHARITABLE TRUST

England & Wales - Charity number 292027

Accounts

REGISTERED CHARITY NUMBER: 292027

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

FOR

THE BOWLAND CHARITABLE TRUST

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

THE BOWLAND CHARITABLE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2023

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THE BOWLAND CHARITABLE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST DECEMBER 2023

TRUSTEES	H A Cann Ms C Fahy H D Turner
PRINCIPAL ADDRESS	Bowland House Philips Road Blackburn Lancashire BB1 5NA
REGISTERED CHARITY NUMBER	292027
INDEPENDENT AUDITORS	Ainsworths Limited Chartered Accountants and Statutory Auditors Charter House Stansfield Street Nelson Lancashire BB9 9XY
BANKERS	Lloyds Bank Church Street BLACKBURN Lancashire BB2 1JQ
INVESTMENT ADVISERS	Redmayne Bentley 8 Victoria Avenue Harrogate North Yorkshire HG1 1ED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

The trustees present their report with the financial statements of the charity for the year ended 31st December 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 activities

The objectives of the charity are to support individuals, charities and other charitable organisations, as detailed by the trust deed, in the advancement of education, particularly for the benefit of young people, by way of making grants and gifting educational equipment.

In setting the objectives of the charity, the trustees have considered the guidance issued by the Charity Commission on delivering public benefit. The trustees feel this is achieved through their support of outdoor and character building activities for young people, the advancement of educational, religious and cultural aims and purposes and through research into the operation of the criminal justice system in particular as it relates to young offenders.

As at the date of this report the cumulative total of donations made and expenditure on charitable projects by the Trust exceeds £40 million.

Grantmaking policy

The charity invites applications for funding of projects from individuals, charities and other charitable organisations in particular for the promotion of education. The applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants. Projects may be funded over varying periods of time, but the majority are made as one off payments. The trustees also occasionally make grants to other appeals and charities.

FINANCIAL REVIEW

Financial review

Income decreased from the previous year to £324,100 (2022: £442,577). The reason for the fall is due to reduced donations received, though investment income increased as a result of rising interest rates which compensated slightly for the reduction.

Expenditure increased from £382,912 to £627,466, particularly in respect of activities for the advancement of education which increased from £143,276 to £400,595.

As last year, the charity recorded net expenditure, though of a lower amount. The trustees are satisfied with the outcome as the charity's funds are being used for the charitable purposes that it was established to benefit.

The funds of the charity were £3,147.471 at the end of the financial year, down from £3,437,612 at the end of the previous year due to the net expenditure in the year.

Principal funding sources

The majority of the income of the charity arises on previous years' donations which have been retained on deposit or invested in order to generate an investment return to fund future year's charitable activities.

Investment policy and objectives

To the extent that the charity's funds have not been used to award grants, they have been held on deposit, invested in shares or other securities to generate a higher return than would otherwise be available on deposit.

Interest and dividends totalling £60,767 (2022: £16,219) has been earned by the charity in this reporting period due to rising interest rates.

FINANCIAL REVIEW

Reserves policy

The Trust was established with several large donations from the Cann family. The purpose of these donations was to provide capital from which grants could be made for a number of years to come.

At 31st December 2023 the Charity's total funds carried forward stood at £3,147,471 (2022: £3,437,612). Of this amount, 95% were held as designated funds in respect of intentions made to award grants that have been communicated to beneficiaries.

At 31st December 2023 free reserves carried forward were at £nil (2022: £378,439). This is due to net expenditure in the year and investments in fixed assets both reducing general funds. The trustees are free to transfer funds from designated funds to the general fund if desired, and the charity has minimal commitments, therefore the lack of free reserves is not a concern for the charity. Indeed, the value of liquid cash holdings and investments at the year end were more than £3.3m.

FUTURE PLANS

The Charity will continue to support individuals, charities and other charitable organisations in the furtherance of its objects of supporting education particularly for the benefit of young people.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Bowland Charitable Trust ("the charity") was established on 26th February 1985 and is registered with the Charity Commissioners (registration number 292027). The charity is governed by a trust deed dated 26th February 1985.

Recruitment and appointment of new trustees

Trustees are appointed to reflect the skills required to support the charity and its range of activities. The trustees themselves appoint new trustees to the Board and provide appointees with a full orientation of the services provided, the decision-making process of the Trust and the roles and responsibilities of a trustee, including their legal obligations under applicable laws.

Organisational structure

The trustees who have served during the year and since the year end are set out on page one. Grant applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants.

The charity has no full time employees, but an employee of a related company is involved in occasional assistance with the administration of the charity. The trustees take care of the day to day running and legal requirements of the charity.

Risk management policy

The Trustees review the major risks faced by the charity during their regular meetings and confirm there are systems in place to mitigate them. Internal risks are minimised by segregation of duties and procedures for authorisation of all transactions.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees 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 trustees on 29th October 2024 and signed on its behalf by:

H A Cann - Trustee

Opinion
We have audited the financial statements of The Bowland Charitable Trust (the 'charity') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, 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 (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 31st December 2023 and of its incoming resources and application of resources, for the year 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 Auditors' 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, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:
- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records 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 Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the nature of the sector in which it operates, we have identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Charities Act 2011 and tax legislation.

We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements. Our audit procedures designed to address these risks included, but were not limited to:

- Enquiries with management, regarding any known or suspected instances of non-compliance with laws and regulations and fraud;
- Agreement of the financial statements disclosures to the underlying supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- Obtaining an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment by misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 Report of the Independent Auditors.

Ainsworths Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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) Regulations 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 auditors' 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.

AINSWORTHS LIMITED

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

29th October 2024

THE BOWLAND CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	31.12.23 Unrestricted funds £	31.12.22 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		**263,333**	426,358
Investment income	2	**60,767**	16,219
Total		**324,100**	442,577
EXPENDITURE ON			
Charitable activities			
Advancement of education		**400,595**	143,276
Religious activities		**88,376**	115,333
Recreational activities		**1,000**	4,000
Support for activities of young people		**25,000**	46,000
Other charitable expenditure		**98,479**	69,428
Other		**14,016**	4,875
Total		**627,466**	382,912
Net gains/(losses) on investments		**13,225**	(466,459)
NET INCOME/(EXPENDITURE)		**(290,141)**	(406,794)
RECONCILIATION OF FUNDS			
Total funds brought forward		**3,437,612**	3,844,406
TOTAL FUNDS CARRIED FORWARD		**3,147,471**	3,437,612

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE BOWLAND CHARITABLE TRUST

BALANCE SHEET
31ST DECEMBER 2023

	Notes	31.12.23 Unrestricted funds £	31.12.22 Total funds £
FIXED ASSETS			
Tangible assets	5	**309,309**	173,949
Investments	6	**1,972,664**	-
		2,281,973	173,949
CURRENT ASSETS			
Stocks	7	**50,400**	252,000
Debtors	8	**331,333**	68,000
Investments	9	**-**	1,944,808
Cash at bank		**1,388,410**	1,939,099
		1,770,143	4,203,907
CREDITORS			
Amounts falling due within one year	10	**(904,645)**	(940,244)
NET CURRENT ASSETS		**865,498**	3,263,663
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,147,471**	3,437,612
NET ASSETS		**3,147,471**	3,437,612
FUNDS	11		
Unrestricted funds		**3,147,471**	3,437,612
TOTAL FUNDS		**3,147,471**	3,437,612

The financial statements were approved by the Board of Trustees and authorised for issue on 29th October 2024 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements

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.

The Bowland Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires the trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgements other than those involving estimation uncertainty.

The following are the Group's key sources of estimation uncertainty:

Depreciation
Depreciation is provided based on the expected useful life of its tangible assets. The actual useful life of such assets may be shorter or longer than anticipated. If the useful life happens to be shorter than anticipated, the asset will be written off or disposed of as appropriate.

Accruals
Accruals are estimates of costs that were incurred up to the year end, the amounts of which were not know at the year end. Any variance between anticipated costs accrued in the accounts, and actual expenditure after the year end, will be recognised in the Statement of Financial Activities in the following accounting period.

Income recognition
Donations and other income are credited to the Statement of Financial Activities as they become due, gross of income tax where applicable. Assets which have been acquired below their market value are included in the accounts at their full value, with the difference recognised as voluntary income.

Specific grants receivable are credited to the Statement of Financial Activities as they become due and are accounted for as restricted funds.

Investment income is recognised as income in the Statement of Financial Activities on an accruals basis and represents interest receivable and dividends receivable on the Charity's investments that are held for an investment return.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure recognition
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.

Expenditure on charitable activities represents expenditure incurred in furtherance of the Charity's objects. The majority of the expenditure relates to grants payable. Grants payable are recognised as expenditure in the Statement of Financial Activities once the payment has been made to its intended recipient.

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

Freehold property	-	2% on cost
Computer equipment	-	20% on cost

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks are held to be donated to educational establishments in furtherance of the charity's objects.

Taxation
The Charity is exempt from the liability to income tax on its charitable activities to the extent its income is used for charitable purposes. Any income not used for charitable purposes is subject to income tax at the appropriate rates.

Fund accounting
Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are funds which the Trustees have set aside with the intention of making specific grant awards. The intended grant award is recognised within designated funds once a decision has been taken by the Trustees to make the award. However such decisions are not contractual nor binding and no obligation is created. The grant is removed from designated funds when either the payment is made to the recipient or the Trustees withdraw their intention to support that particular entity or individual.

Restricted funds are funds that can only be applied for particular purposes as stipulated by the entity or individual that remitted those funds.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating results.

Basic financial instruments
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

continued...

1. ACCOUNTING POLICIES - continued

Basic financial instruments
Realised gains and losses
All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. INVESTMENT INCOME

	31.12.23	31.12.22
	£	£
Interest receivable on cash at bank	**50,059**	31
Dividends receivable on listed investments	**10,708**	16,188
	60,767	16,219

3. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds
	£
INCOME AND ENDOWMENTS FROM	
Donations and legacies	426,358
Investment income	16,219
Total	442,577
EXPENDITURE ON	
Charitable activities	
Advancement of education	143,276
Religious activities	115,333
Recreational activities	4,000
Support for activities of young people	46,000
Other charitable expenditure	69,428
Other	4,875
Total	382,912
Net gains/(losses) on investments	(466,459)

continued...

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
NET INCOME/(EXPENDITURE)	(406,794)
RECONCILIATION OF FUNDS	
Total funds brought forward	3,844,406
TOTAL FUNDS CARRIED FORWARD	3,437,612

5. TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Totals £
COST			
At 1st January 2023	**174,226**	**-**	**174,226**
Additions	**132,790**	**2,856**	**135,646**
At 31st December 2023	**307,016**	**2,856**	**309,872**
DEPRECIATION			
At 1st January 2023	**277**	**-**	**277**
Charge for year	**-**	**286**	**286**
At 31st December 2023	**277**	**286**	**563**
NET BOOK VALUE			
At 31st December 2023	**306,739**	**2,570**	**309,309**
At 31st December 2022	173,949	-	173,949

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
Additions	**53,875**
Disposals	**(40,986)**
Revaluations	**14,967**
Reclassification/transfer	**1,944,808**
At 31st December 2023	**1,972,664**
NET BOOK VALUE	
At 31st December 2023	**1,972,664**
At 31st December 2022	-

There were no investment assets outside the UK.

continued...

6. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31st December 2023 is represented by:

	Listed investments £
Valuation in 2023	**1,972,664**

7. STOCKS

	31.12.23 £	31.12.22 £
Stocks	**50,400**	252,000

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £	31.12.22 £
Other debtors	**331,333**	68,000

9. CURRENT ASSET INVESTMENTS

	31.12.23 £	31.12.22 £
Listed investments	**-**	1,944,808

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23 £	31.12.22 £
Taxation and social security	**82,665**	74,244
Other creditors	**821,980**	866,000
	904,645	940,244

11. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	**378,439**	**(208,132)**	**(4,925)**	**165,382**
Designated fund	**3,059,073**	**(82,009)**	**4,925**	**2,981,989**
Capital	**100**	**-**	**-**	**100**
	3,437,612	**(290,141)**	**-**	**3,147,471**
TOTAL FUNDS	**3,437,612**	**(290,141)**	**-**	**3,147,471**

continued...

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	**324,100**	**(545,457)**	**13,225**	**(208,132)**
Designated fund	**-**	**(82,009)**	**-**	**(82,009)**
	324,100	**(627,466)**	**13,225**	**(290,141)**
TOTAL FUNDS	**324,100**	**(627,466)**	**13,225**	**(290,141)**

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	1,046,961	(361,438)	(307,084)	378,439
Designated fund	2,797,345	(45,356)	307,084	3,059,073
Capital	100	-	-	100
	3,844,406	(406,794)	-	3,437,612
TOTAL FUNDS	3,844,406	(406,794)	-	3,437,612

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	442,577	(337,556)	(466,459)	(361,438)
Designated fund	-	(45,356)	-	(45,356)
	442,577	(382,912)	(466,459)	(406,794)
TOTAL FUNDS	442,577	(382,912)	(466,459)	(406,794)

Designated funds represent funds set aside from the unrestricted fund in relation to which the trustees have given an indication to the prospective donees of their intention to provide the funds over a period of time.

Unrestricted funds represent surplus donations and other incoming resources receivable in excess of grants and other outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

The unrestricted capital fund was established by an initial cash deposit made when the charity was set up.

continued...

12. RELATED PARTY DISCLOSURES

a. During the year, Whitebirk Finance Limited a company in which the trustee H A Cann is the director, recharged costs of £24,360 (2022: £24,000) for the cost of the charity's administration.

At 31st December 2023, the amount owed to this related party was £nil (2022: £nil).

b. During the year an interest free and unsecured loan subsisted between the charity and the H.A. Cann Grandchildren's Trust, a trust which has mutual trustees with the charity.

At 31st December 2023 this related party was owed £300,000 (2022: £300,000) by the charity.

c. During the year an interest free and unsecured loan subsisted between the charity and the H.A. Cann Settlement Accumulation & Maintenance Fund, a trust which has mutual trustees with the charity.

At 31st December 2023, this related party was owed £445,000 (2022: £445,000) by the charity.

d. During the year an interest free and unsecured loan subsisted between the charity and the Rushton No. 4 Trust, a trust which has mutual trustees with the charity.

At 31st December 2023, this related party was owed £50,000 (2022: £50,000) by the charity.

THE BOWLAND CHARITABLE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023

	31.12.23 £	31.12.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	**263,333**	426,358
Investment income		
Interest receivable on cash at bank	**50,059**	31
Dividends receivable on listed investments	**10,708**	16,188
	60,767	16,219
Total incoming resources	**324,100**	442,577
EXPENDITURE		
Charitable activities		
Management charge	**68,597**	50,330
Professional fees	**4,050**	10,140
Grants to institutions	**525,339**	316,109
	597,986	376,579
Other		
Interest on tax	**6,727**	-
Support costs		
Management		
Advertising	**13,260**	-
Finance		
Rates and water	**1,918**	1,458
Bank charges	**135**	60
Computer equipment	**286**	-
	2,339	1,518
Governance costs		
Auditors' remuneration	**5,460**	5,100
Taxation	**1,694**	(285)
	7,154	4,815
Total resources expended	**627,466**	382,912
Net (expenditure)/income before gains and losses	**(303,366)**	59,665

This page does not form part of the statutory financial statements

THE BOWLAND CHARITABLE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023

	31.12.23 £	31.12.22 £
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	**(1,742)**	-
Net (expenditure)/income	**(305,108)**	59,665

This page does not form part of the statutory financial statements

THE BOWLAND CHARITABLE TRUST

England & Wales - Charity number 292027

Accounts

REGISTERED CHARITY NUMBER: 292027

THE BOWLAND CHARITABLE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

Ainsworths Limited
Chartered Accountants
& Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

THE BOWLAND CHARITABLE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2022

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

Registered charity number	292027
Registered office	Bowland House Philips Road Blackburn Lancashire BB1 5NA
Trustees and key management personnel	H A Cann CBE C Fahy H D Turner
Bankers	Lloyds Bank Plc Blackburn Lancashire BB2 1JQ
Auditors	Ainsworths Limited Chartered Accountants and Statutory Auditors Charter House Stansfield Street Nelson Lancashire BB9 9XY
Stockbrokers and investment advisers	Redmayne-Bentley 8-10 Victoria Street Harrogate North Yorkshire HG1 1E

The trustees present their report and the financial statements of the charity for the year ended 31st December 2022. The information on page one also forms part of this report.

The financial statements comply with 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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

GENERAL

The Bowland Charitable Trust ("the charity") was established on 26th February 1985 and is registered with the Charity Commissioners (registration number 292027). The charity is governed by a trust deed dated 26th February 1985.

ORGANISATIONAL STRUCTURE

The trustees who have served during the year and since the year end are set out on page one. Grant applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants.

The charity has no full time employees, but an employee of a related company is involved in occasional assistance with the administration of the charity. The trustees take care of the day to day running and legal requirements of the charity.

RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES

Trustees are appointed to reflect the skills required to support the charity and its range of activities. The trustees themselves appoint new trustees to the Board and provide appointees with a full orientation of the services provided, the decision-making process of the Trust and the roles and responsibilities of a trustee, including their legal obligations under applicable laws.

RISK MANAGEMENT POLICY

The Trustees review the major risks faced by the charity during their regular meetings and confirm there are systems in place to mitigate them. Internal risks are minimised by segregation of duties and procedures for authorisation of all transactions.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to support individuals, charities and other charitable organisations, as detailed by the trust deed, in the advancement of education, particularly for the benefit of young people, by way of making grants and gifting educational equipment.

In setting the objectives of the charity, the trustees have considered the guidance issued by the Charity Commission on delivering public benefit. The trustees feel this is achieved through their support of outdoor and character building activities for young people, the advancement of educational, religious and cultural aims and purposes and through research into the operation of the criminal justice system in particular as it relates to young offenders.

As at the date of this report the cumulative total of donations made and expenditure on charitable projects by the Trust exceeds £40 million.

GRANT MAKING POLICY

The charity invites applications for funding of projects from individuals, charities and other charitable organisations in particular for the promotion of education. The applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants. Projects may be funded over varying periods of time, but the majority are made as one off payments. The trustees also occasionally make grants to other appeals and charities.

REVIEW OF THE YEAR

Grants of £316,109 (2021: £180,998) have been made during the year and are analysed by purpose in note four to the accounts.

FINANCIAL REVIEW

Net expenditure before taxation was £407,079 (2021: £118,279) due to a decrease in the value of the Charity's investment portfolio.

The Charity's net assets were £3,437,612 at 31st December 2022 (2021: £3,844,406), of which more than £3.8m (2021: £2.5m) is held as bank balances and listed investments which are both liquid.

INVESTMENT POLICY

To the extent that the charity's funds have not been used to award grants, they have been held on deposit, invested in shares or other securities with a view to generating a higher return than would otherwise be available on deposit.

Interest and dividends totalling £16,219 (2021: £20,242) has been earned by the charity in this reporting period.

RESERVES POLICY

The Trust was established with several large donations from the Cann family. The purpose of these donations was to provide capital from which grants could be made for a number of years to come.

At 31st December 2022 the Charity's total funds carried forward stood at £3,437,612 (2021: £3,844,406). Of this amount, more than 85% were held as designated funds in respect of intentions made to award grants that have been communicated to beneficiaries.

At 31st December 2022 total reserves carried forward stood at £378,439 (2021: £1,046,961) from which future grants will be made. This level of reserves is considered adequate to meet the ongoing objectives of the charity.

PRINCIPAL FUNDING SOURCES

The majority of the income of the charity arises on previous years' donations which have been retained on deposit or invested in order to generate an investment return to fund future year's charitable activities.

FUTURE PLANS

The Charity will continue to support individuals, charities and other charitable organisations in the furtherance of its objects of supporting education, particularly for the benefit of young people.

STATEMENT OF TRUSTEES' RESPONSIBILITES

The trustees are responsible for preparing the report of the trustees' 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 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 and Reports) Regulations 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as we are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all steps that he or she ought to have taken as a trustees in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Ainsworths Limited, will be proposed for re-appointment.

CHARITY REQUIREMENTS

This report has been prepared in accordance with requirements set down by the SORP 2019.

ON BEHALF OF THE BOARD:

H A Cann - Trustee

Dated: 21/11/2023

OPINION

We have audited the financial statements of The Bowland Charitable Trust for the year ended 31st 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 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 31st December 2022 and of the charity's incoming resources and application of resources, for the year 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 group 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 section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, including the trustee's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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* requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 7], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having affect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the nature of the sector in which it operates, we have identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Charities Act 2011 and tax legislation.

We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements. Our audit procedures designed to address these risks included, but were not limited to:

- Enquiries with management, regarding any known or suspected instances of non-compliance with laws and regulations and fraud;
- Agreement of the financial statements disclosures to the underlying supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- Obtaining an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment by misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 our auditor's report.

Ainsworths Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under 154 of that Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

AINSWORTHS LIMITED

Ainsworths Limited
Statutory Auditor
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Dated: 21 NOVEMBER 2023

Ainsworths Limited is eligible to act as auditor in terms of the Companies Act 2006, S. 1212.

THE BOWLAND CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Income					
Donations and legacies	2	**425,358**	**1,000**	**426,358**	500
Investment income	3	**16,219**	**-**	**16,219**	20,242
Total income		**441,577**	**1,000**	**442,577**	20,742
Expenditure					
Charitable activities	4	**382,197**	**1,000**	**383,197**	231,766
Total expenditure		**382,197**	**1,000**	**383,197**	231,766
Net gains/(losses) on investments assets		**(466,459)**	**-**	**(466,459)**	92,745
Net expenditure and net movement in funds before taxation		(407,079)	-	(407,079)	(118,279)
Taxation		**285**		**285**	(1,522)
Net expenditure and net movement in funds after taxation		**(406,794)**	**-**	**(406,794)**	(119,801)
Reconciliation of funds					
Total funds brought forwards		**3,844,406**	**-**	**3,844,406**	3,964,207
Total funds carried forwards		**3,437,612**	**-**	**3,437,612**	3,844,406

All transactions relate to continuing operations.

There are no other recognised gains or losses for the year other than in the Statement of Financial Activities.

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

BALANCE SHEET
AT 31ST DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Investments			-		-
Tangible assets	6		173,949		165,999
			173,949		165,999
CURRENT ASSETS					
Stock		252,000		-	
Debtors	7	68,000		1,590,000	
Listed investments	8	1,944,808		2,408,730	
Cash at bank and in hand		1,939,099		98,195	
		4,203,907		4,096,925	
CREDITORS					
Amounts falling due within one year	9	940,244		418,518	
NET CURRENT ASSETS			3,263,663		3,678,407
NET ASSETS			3,437,612		3,844,406
FUNDS					
Restricted	11		-		-
Unrestricted	11		3,437,612		3,844,406
Total			3,437,612		3,844,406

The financial statements were approved by the board of trustees on 21 NOVEMBER 2023 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from charitable activities			
Cash generated from activities	1	**1,339,761**	(1,148,989)
Tax repaid		**411**	-
Net cash from charitable activities		**1,340,172**	(1,148,989)
Cash flows from investing activities			
Purchase of current asset investments		**(238,778)**	-
Purchase of tangible fixed assets		**(7,950)**	(166,276)
Sale of current asset investments		**236,241**	1,071,902
Interest received		**31**	27
Dividends received		**16,188**	20,215
Net cash from investing activities		**5,732**	925,868
Cash flows from financing activities			
Loan advances received		**495,000**	-
Net cash from financing activities		**495,000**	-
Increase/(decrease) in cash and cash equivalents		**1,840,904**	(223,121)
Cash and cash equivalents at beginning of year	2	**98,195**	321,316
Cash and cash equivalents at end of year	2	**1,939,099**	98,195

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022

1. RECONCILIATION OF DEFICIT TO CASH GENERATED FROM ACTIVITIES

	31.12.22	31.12.21
	£	£
Net expenditure and net movement in funds	(407,079)	(118,279)
Finance income	(16,219)	(20,242)
Net gains on disposals of investment assets	(6,792)	(5,737)
Net losses/(gains) on revaluation of investments assets	473,251	(87,008)
Depreciation and amortisation	-	277
Increase in stocks	(252,000)	-
Decrease/(increase) in trade and other debtors	1,522,000	(910,000)
Increase/(decrease) in trade and other creditors	26,600	(8,000)
Cash generated from charitable activities	1,339,761	(1,148,989)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2022

	31.12.22	01.01.22
	£	£
Cash and cash equivalents	1,939,099	98,195

Year ended 31st December 2021

	31.12.21	01.01.21
	£	£
Cash and cash equivalents	98,195	321,316

1. ACCOUNTING POLICES

Statutory information
The Bowland Charitable Trust is a charity registered with the Charities Commission in England. The registered charity number and address can be found in the Report of the Trustees on page one.

Basis of preparation
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and United Kingdom Generally Accepted Practice as it applies from 1st January 2015.

The Bowland Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Income
Donations and other income are credited to the Statement of Financial Activities as they become due, gross of income tax where applicable. Assets which have been acquired below their market value are included in the accounts at their full value, with the difference recognised as voluntary income.

Specific grants receivable are credited to the Statement of Financial Activities as they become due and are accounted for as restricted funds.

Investment income is recognised as income in the Statement of Financial Activities on an accruals basis and represents interest receivable and dividends receivable on the Charity's investments that are held for an investment return.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis. To the extent that the expenditure is incurred by the Charity, this expenditure includes irrecoverable value added tax in the category under which the costs relate.

Expenditure on commercial trading operations represents expenditure incurred by the Charity's four subsidiaries, and is shown net of value added tax.

Expenditure on charitable activities represents expenditure incurred in furtherance of the Charity's objects. The majority of the expenditure relates to grants payable. Grants payable are recognised as expenditure in the Statement of Financial Activities once the payment has been made to its intended recipient.

Support costs
All support costs are allocated to educational activities on the basis that this is the main activity for which the charity exists and intends to support.

Fund accounting
Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are funds which the Trustees have set aside with the intention of making specific grant awards. The intended grant award is recognised within designated funds once a decision has been taken by the Trustees to make the award. However such decisions are not contractual nor binding and no obligation is created. The grant is removed from designated funds when either the payment is made to the recipient or the Trustees withdraw their intention to support that particular entity or individual.

Restricted funds are funds that can only be applied for particular purposes as stipulated by the entity or individual that remitted those funds.

Tangible assets
Tangible assets represent assets purchased for use in the business whose expected life is greater than two years. Such assets are capitalised at cost. Depreciation is provided at the following annual rates:

Freehold property - 2% on cost

Tangible assets are only depreciated once they are brought into use.

Investments
Listed investments are classified as current asset investments on the basis that it is the trustees' intention to hold them on a short term basis.

Any funds held on deposit by the charity's investment broker are included within cash in hand and at bank in the Balance Sheet on the basis that these funds are readily available and accessible by the charity.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks held by the parent charity are held to be donated to educational establishments in furtherance of the charity's objects. Stocks held by trading subsidiaries are held for resale.

Debtors
Short term debtors are measured at transaction price, less any impairment.

Creditors
Short term creditors are measured at transaction price.

Taxation
The Charity is exempt from the liability to income tax on its charitable activities to the extent its income is used for charitable purposes. Any income not used for charitable purposes is subject to income tax at the appropriate rates.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
Certain subsidiaries within the group operate defined contribution pension schemes. Contributions payable to the pension schemes are recognised as an expense in the Statement of Financial Activities in the period to which they relate.

Foreign exchange movements
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating results.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and legacies	426,358	500
	426,358	500

3. INVESTMENT INCOME

	2022	2021
	£	£
Dividends receivable on listed investments	16,188	20,215
Interest receivable on cash at bank	31	27
	16,219	20,242

4. ANALYSIS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Grants awarded		
Educational activities	143,276	45,007
Religious activities	115,333	100,755
Recreational activities	4,000	-
Support for activities of young people	46,000	25,000
Donations to other charities	7,500	10,236
Sub-total	316,109	180,998
Premises expenses	1,458	-
Bank charges	60	60
Depreciation	-	277
Governance cost (see note 5)	65,570	50,431
	383,197	231,766

As permitted by charity law the trustees have elected to apply exemptions from disclosing the names of grant recipients and the amounts of such grants during the lifetime of the settlor who donated the funds.

5. GOVERNANCE COSTS

	2022	2021
	£	£
Legal and professional fees	10,140	5,500
Management charges	50,330	34,731
Auditor's remuneration – audit services	5,100	10,200
	65,570	50,431

6. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1st January 2022	**166,276**
Additions	**7,950**
Disposals	**-**
At 31st December 2022	**174,226**
DEPRECIATION	
At 1st January 2022	**277**
Charge for the year	**-**
Eliminated on disposal	**-**
At 31st December 2022	**277**
NET BOOK VALUE	
At 31st December 2022	**173,949**
At 31st December 2021	165,999

7. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	**-**	-
Amounts owed by associated undertakings	**68,000**	1,590,000
Prepayments	**-**	-
	68,000	1,590,000

8. LISTED INVESTMENTS

	2022 £	2021 £
Market value at beginning of year	**2,408,730**	3,323,652
Additions during the year	**238,778**	-
Disposals during the year	**(236,241)**	(1,007,667)
Net (loss)/gain on revaluation	**(466,459)**	92,745
Market value at end of year	**1,944,808**	2,408,730

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other loans	**795,000**	300,000
Accruals	**71,000**	44,400
Social security and other taxes	**74,244**	74,118
	940,244	418,518

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Total restricted funds	Total unrestricted funds	Total funds 2022	Total funds 2021
	£	£	£	£
Fixed assets	-	173,949	173,949	165,999
Current assets	-	4,203,907	4,203,907	4,096,925
Current liabilities	-	(940,244)	(940,244)	(418,518)
	-	3,437,612	3,437,612	3,844,406

11. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
Restricted funds	-	-	-	-
Unrestricted funds:				
General	1,046,961	(361,438)	(307,084)	378,439
Capital	100	-	-	100
Designated:				
Grants payable	2,797,345	(45,356)	307,084	3,059,073
	3,844,406	(406,794)	-	3,437,612

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

	Incoming resources	Resources expended	Revaluations and gains on disposal of investments	Taxation	Net movement in funds
	£	£	£	£	£
Restricted funds	1,000	(1,000)	-	-	-
Unrestricted funds:					
General	441,577	(336,841)	(466,459)	285	(361,438)
Capital					
Designated:					
Grants payable	-	(45,356)	-	-	(45,356)
Total	442,577	(383,197)	(466,459)	285	(406,794)

Designated funds represent funds set aside from the unrestricted fund in relation to which the trustees have given an indication to the prospective donees of their intention to provide the funds over a period of time.

Unrestricted funds represent surplus donations and other incoming resources receivable in excess of grants and other outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

The unrestricted capital fund was established by an initial cash deposit made when the charity was set up.

12. RELATED PARTY DISCLOSURES

a. During the year, Whitebirk Finance Limited a company in which the trustee H A Cann is the director, recharged costs of £nil (2021: £24,000) for the cost of the charity's administration.

At 31st December 2022, the amount owed to this related party was £nil (2021: £nil).

b. During the year an interest free and unsecured loan subsisted between the charity and the H.A. Cann Grandchildren's Trust, a trust which has mutual trustees with the charity.

At 31st December 2022 this related party was owed £300,000 (2021: £1,605,000) by the charity.

c. During the year an interest free and unsecured loan subsisted between the charity and the H.A. Cann Settlement Accumulation & Maintenance Fund, a trust which has mutual trustees with the charity.

At 31st December 2022, this related party was owed £445,000 (2021: £nil) by the charity.

d. During the year an interest free and unsecured loan subsisted between the charity and the Rushton No. 4 Trust, a trust which has mutual trustees with the charity.

At 31st December 2022, this related party was owed £50,000 (2021: £nil) by the charity.

THE BOWLAND CHARITABLE TRUST

England & Wales - Charity number 292027

Accounts

THE BOWLAND CHARITABLE TRUST

REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

Ainsworths Limited
Chartered Accountants
& Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

THE BOWLAND CHARITABLE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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REPORT OF THE TRUSTEES - REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST DECEMBER 2021

Registered charity number	292027
Registered office	Bowland House Philips Road Blackburn Lancashire BB1 5NA
Trustees and key management personnel	H A Cann CBE C Fahy H D Turner
Bankers	Lloyds Bank Plc Blackburn Lancashire BB2 1JQ
Auditors	Ainsworths Limited Chartered Accountants and Statutory Auditors Charter House Stansfield Street Nelson Lancashire BB9 9XY
Stockbrokers and investment advisers	Redmayne-Bentley 8-10 Victoria Street Harrogate North Yorkshire HG1 1ED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees present their report and the financial statements of the charity for the year ended 31st December 2021. The information on page one also forms part of this report.

The financial statements comply with 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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Bowland Charitable Trust ("the charity") was established on 26th February 1985 and is registered with The Charity Commission (registration number 292027). The charity is governed by a trust deed dated 26th February 1985.

The trustees themselves appoint new trustees to their own body. The new trustees are trained by the existing trustees.

ORGANISATIONAL STRUCTURE

The trustees who have served during the year and since the year end are set out on page one. Grant applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants.

The charity has no full-time employees, but an employee of a related company is involved in occasional assistance with the administration of the charity. The trustees take care of the day to day running and legal requirements of the charity.

RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES

Trustees are appointed to reflect the skills required to support the charity and its range of activities. The trustees themselves appoint new trustees to the Board and provide appointees with a full orientation of the services provided, the decision-making process of the Trust and the roles and responsibilities of a trustee, including their legal obligations under applicable laws.

RISK MANAGEMENT POLICY

The Trustees review the major risks faced by the charity during their regular meetings and confirm there are systems in place to mitigate them. Internal risks are minimised by segregation of duties and procedures for authorisation of all transactions.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to support individuals, charities and other charitable organisations, as detailed by the trust deed, supporting general charitable purposes and in particular the promotion of educational and character forming activities for young people and the reduction of inequality by improving the education of all children, in particular the disadvantaged, by way of making grants and gifting educational equipment.

In setting the objectives of the charity, the trustees have considered the guidance issued by the Charity Commission on delivering public benefit. The trustees feel this is achieved through their support of outdoor and character-building activities for young people, the advancement of educational, religious and cultural aims and purposes and through research into the operation of the criminal justice system in particular as it relates to young offenders.

As a significant proportion of the charitable projects which the trustees have been pursuing has already been substantially or totally completed but there remain two substantial projects which the trustees foresee as continuing for some time yet. As at the date of this report the cumulative total of donations made and expenditure on charitable projects by the charity exceeds £40 million.

Grants of £180,998 (2020: £1,012,793) have been made during the year and are analysed by purpose in note 9 to the accounts.

GRANT MAKING POLICY

The charity invites applications for funding of projects from individuals, charities and other charitable organisations in particular for the promotion of education. The applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants. Projects may be funded over varying periods of time, but the majority are made as one off payments. The trustees also occasionally make grants to other appeals and charities.

FINANCIAL REVIEW

The Group has recorded net expenditure before taxation in the year of £2,143,757 (2020 as restated: £4,662,514). The reduction is due to a combination of increased trading income of the charity's subsidiaries, lower wage costs due to redundancies made in the prior year and a reduction in the value of grants awarded in the year. A significant part of the loss is due to the amortisation of software development costs capitalised in prior periods. Cash outflow from operating activities has reduced to £1,322,576 (2020: £2,674,957).

The Charity itself had net expenditure before taxation of £118,279 (2020 as restated: £1,398,071) due to the reduction in grants awarded mentioned above. Instead the charity has sold some of its investment portfolio to issue further loans to its subsidiary (whose activities align with the objects of the charity) whilst it transitions to a profitable and cash generating entity.

The Group's net assets were £135,941 at 31 December 2021 (2020 as restated: £2,281,220), of which more than £2.5m (2020: £3.5m) is held as bank balances and listed investments which are both liquid.

The Charity's net assets were £3,844,406 at 31 December 2021 (2020 as restated: £3,964,207), of which more than £2.5m (2020: £3.5m) is held as bank balances and listed investments which are both liquid.

Subsidiaries
The aim of the Charity's subsidiary, Learning By Questions Limited, and its subsidiaries, continues to be that of harnessing generally available computer technology to deliver educational content which, by virtue of the speed of communication, can instantly mark or otherwise provide feedback to the benefit of both teacher and learner in that weaknesses are immediately apparent and can be addressed immediately. This produces a significant improvement in the effectiveness of learning, in the efficiency with which teachers' time is applied and in the satisfaction derived by both learners and teachers.

The costs incurred in developing such software are capitalised and amortised over the period which the Group aims to derive economic benefit from commercialising this content and such income is growing rapidly. The trustees are content to retain their investment in Learning By Questions Limited in view of the intention and ability of the trustees to provide further financial support from the settlor's family trusts in which the trustees are the same as those in the Group. The investment in Learning by Questions Limited is proceeding according to plan and the trustees expect it to achieve its objectives over the next few years. The trustees believe that the project has the potential to provide a very substantial financial return to the Charity and that the commercial success of the project will also produce results wholly consistent with the educational support objects of the Charity.

At the 31 December 2021, the unamortised cost of such software amounted to £992,243 (2020: £1,778,521). The trustees are confident that future economic benefits will flow to the Group in future years in excess of this amount and that no impairment is required.

INVESTMENT POLICY

To the extent that the charity's funds have not been used to award grants, they have been held on deposit, invested in shares or other securities to generate a higher return than would otherwise be available on deposit.

Interest and dividends totalling £20,242 (2020: £57,764) has been earned by the charity in this reporting period. This is equivalent to 0.7% of the charity's average investment value which is considered to be greater than would otherwise have been returned if the funds were held on deposit, therefore the trustees believe they have successfully achieved their investment objective, despite the investment return being lower than previous.

RESERVES POLICY

The charity was established with several large donations from the Cann family. The purpose of these donations was to provide capital from which grants could be made for a number of years to come.

At 31st December 2021 the Charity's total funds carried forward stood at £3,844,406 (2020 as restated: £3,964,207). Of this amount, more than 70% were held as designated funds in respect of intentions made to award grants that have been communicated to beneficiaries.

At 31st December 2021, the charity has free reserves of £1,046,961 (2020 as restated: £322,888). This equates to more than four years of expenditure. Although this is above the charity commission's guidance of holding reserves equivalent to 3 to 6 months of expenditure, the calculation gives an abnormal result this year due to higher free reserves than normal (due to a reduction in designated funds) and a lower than usual year of grant awards being given. The trustees are satisfied with the level of reserves held though the level will continue to be reviewed regularly.

The total funds of the Group are £135,941 (2020 as restated: £2,281,220). A significant deficit has been recorded in the current year. This is in line with the development plan and arose from educational development in the subsidiary group. The trustees believe that such deficits will reduce in future years and that sufficient financial support will be available from the Cann family and from the charity to fund the development of Learning by Questions Limited to enable the replenishment of the reserves of the charity sufficiently to enable it to fulfil its overall objectives.

PRINCIPAL FUNDING SOURCES

The majority of the income of the Charity arises from donations from the settlor, Mr H A Cann CBE, and his family's trusts. Although no such income was received in the current year, the charity has in excess of £2.5m held at bank and in listed investments from which future charitable expenditure can be met. Based on charitable expenditure in 2021, such funds could meet charitable expenditure for a number of years following the year end without a requirement for further funding.

FUTURE PLANS

The charity will continue to support individuals, charities and other charitable organisations in the furtherance of its objects of supporting education, particularly for the benefit of young people.

STATEMENT OF TRUSTEES' RESPONSIBILITES

The trustees are responsible for preparing the report of the trustees' and the financial statements in accordance with 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).

The law applicable to charities in England and 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping sufficient 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 and Reports) Regulations 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as we are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Ainsworths Limited, will be proposed for re-appointment.

CHARITY REQUIREMENTS

This report has been prepared in accordance with requirements set down by the SORP 2019.

ON BEHALF OF THE BOARD:

H A Cann - Trustee

Dated 11th April 2023

OPINION

We have audited the financial statements of The Bowland Charitable Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31st December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the parent charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the Consolidated 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 group's and of the parent charity's affairs as at 31st December 2021 and of the groups incoming resources and application of resources, for the year 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 group 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 group's and the parent 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 section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, including the trustee's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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* requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 7], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 group or parent 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 auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having affect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the nature of the sector in which it operates, we have identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Charities Act 2011, the Companies Act 2006 and tax legislation.

We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the override of controls) and determined that the principal risks were related to inappropriate journal entries and management bias in accounting estimates and judgements. Our audit procedures designed to address these risks included, but were not limited to:

- Enquiries with management, regarding any known or suspected instances of non-compliance with laws and regulations and fraud;
- Agreement of the financial statements disclosures to the underlying supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to provisions and future performance in light of the impact of Coronavirus;
- Auditing the risk of management override of controls, including through the testing of journal entries and other adjustments for appropriateness;
- Obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- Obtaining an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment by misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 our auditor's report.

Ainsworths Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under 154 of that Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

AINSWORTHS LIMITED

Ainsworths Limited
Statutory Auditor
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Dated 11th April 2023

Ainsworths Limited is eligible to act as auditor in terms of the Companies Act 2006, S. 1212.

THE BOWLAND CHARITABLE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted funds	Restricted funds	2021	2020 as restated
		£	£	£	£
Income from:					
Donations and legacies	5	**500**	-	**500**	226,551
Commercial trading operations in support of the charitable group's aims and objectives		**2,289,967**	-	**2,289,967**	1,533,770
Investment income	6	**20,242**	-	**20,242**	57,764
Total income		**2,310,709**	-	**2,310,709**	1,818,085
Expenditure on:					
Commercial trading operations in support of the charitable group's aims and objectives	7	**4,315,445**	-	**4,315,445**	4,908,127
Charitable activities	7	**231,766**	-	**231,766**	1,319,948
Total expenditure		**4,547,211**	-	**4,547,211**	6,228,075
Net gains/ (losses) on investments	15	**92,745**	-	**92,745**	(252,524)
Net expenditure and net movement in funds before taxation		**(2,143,757)**	-	**(2,143,757)**	(4,662,514)
Taxation		**(1,522)**	-	**(1,522)**	(72,596)
Net expenditure and net movement in funds after taxation		**(2,145,279)**	-	**(2,145,279)**	(4,735,110)
Reconciliation of funds					
Total funds brought forwards		**2,281,220**	-	**2,281,220**	7,016,330
Total funds carried forwards	18	**135,941**	-	**135,941**	2,281,220
Net expenditure and movement in funds attributable to:					
Parent charity		**(1,691,229)**	-	**(1,691,229)**	(3,962,283)
Non-controlling interest		**(454,050)**	-	**(454,050)**	(772,827)
Total		**(2,145,279)**	-	**(2,145,279)**	(4,735,110)

All transactions relate to continuing operations.

There are no other recognised gains or losses for the year other than in the Consolidated Statement of Financial Activities.

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CONSOLIDATED BALANCE SHEET
AT 31ST DECEMBER 2021

	Notes	2021		2020 as restated	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		**992,243**		1,778,521
Tangible assets	12		**175,774**		10,665
			1,168,017		1,789,186
CURRENT ASSETS					
Stocks		**250,477**		377,572	
Debtors	14	**205,797**		685,068	
Listed investments	15	**2,408,730**		3,323,652	
Other investments		**-**		64,235	
Cash at bank and in hand		**167,083**		450,821	
		3,032,087		4,901,348	
CREDITORS					
Amounts falling due within one year	16	**3,945,327**		4,194,653	
NET CURRENT ASSETS			**(913,240)**		706,695
TOTAL ASSETS LESS CURRENT LIABILITIES			**254,777**		2,495,881
PROVISIONS FOR LIABILITIES			**(118,836)**		(214,661)
NET ASSETS			**135,941**		2,281,220
FUNDS					
Restricted			**-**		-
Unrestricted	18		**981,943**		2,673,172
Non-controlling interests	18		**(846,002)**		(391,952)
Total			**135,941**		2,281,220

The financial statements were approved by the board of trustees on 11th April 2023 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CHARITY BALANCE SHEET
AT 31ST DECEMBER 2021

	Notes	2021		2020 as restated	
		£	£	£	£
FIXED ASSETS					
Investments	13		-		-
Tangible assets	12		**165,999**		-
			165,999		-
CURRENT ASSETS					
Debtors	14	**1,590,000**		680,000	
Listed investments	15	**2,408,730**		3,323,652	
Other investments		-		64,235	
Cash at bank and in hand		**98,195**		321,316	
		4,096,925		4,389,203	
CREDITORS					
Amounts falling due within one year	16	**418,518**		424,996	
NET CURRENT ASSETS			**3,678,407**		3,964,207
NET ASSETS			**3,844,406**		3,964,207
FUNDS					
Restricted	18		-		-
Unrestricted	18		**3,844,406**		3,964,207
Total			**3,844,406**		3,964,207

The financial statements were approved by the board of trustees on 11th April 2023 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	31.12.21	31.12.20 as restated
		£	£
Cash flows from charitable activities			
Cash used in operating activities	1	**(1,322,576)**	(2,674,957)
Tax paid/ (received)		**-**	-
		(1,322,576)	(2,674,957)
Cash flows from investing activities			
Purchase of current asset investments		**-**	(4,501,743)
Purchase of intangible fixed assets		**-**	(12,388)
Purchase of tangible fixed assets		**(173,306)**	(5,388)
Sale of current asset investments		**1,071,902**	4,150,502
Interest received		**27**	462
Issue of ordinary share capital		**-**	-
Dividends received		**20,215**	57,302
Net cash from investing activities		**918,838**	(311,253)
Cash flows from financing activities			
Loan advances received		**120,000**	1,444,341
Net cash from financing activities		**120,000**	1,444,341
Decrease in cash and cash equivalents		**(283,738)**	(1,541,869)
Cash and cash equivalents at beginning of year	2	**450,821**	1,992,690
Cash and cash equivalents at end of year	2	**167,083**	450,821

CONSOLIDATED CASH FLOW STATEMENT NOTES FOR THE YEAR ENDED 31ST DECEMBER 2021

1. RECONCILIATION OF DEFICIT TO CASH GENERATED FROM ACTIVITIES

	31.12.21	31.12.20 as restated
	£	£
Net expenditure and net movement in funds	**(2,143,757)**	(4,726,749)
Finance income	**(20,242)**	(57,764)
Net losses on disposal of intangible assets	**-**	7,511
Net gains on disposals of investment assets	**(87,008)**	(26)
Net (gains)/losses on revaluation of investments assets	**(5,737)**	252,551
Depreciation and amortisation	**794,475**	810,985
Decrease in stocks	**127,095**	301,006
Decrease in trade and other debtors	**479,271**	221,492
(Decrease)/Increase in trade and other creditors	**(466,673)**	516,037
Cash generated from charitable activities	**(1,322,576)**	(2,674,957)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2021

	31.12.21	01.01.21
	£	£
Cash at bank and in hand	**167,083**	450,821

Year ended 31st December 2020

	31.12.20	01.01.20
	£	£
Cash at bank and in hand	**450,821**	1,992,690

1. STATUTORY INFORMATION

The Bowland Charitable Trust is a charity registered with the Charities Commission in England. The registered charity number and address can be found in the Report of the Trustees on page one.

2. ACCOUNTING POLICES

Basis of preparation
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (issued in October 2019), the Charities Act 2011 and United Kingdom Generally Accepted Accounting Principles.

The Bowland Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation
The consolidated accounts of the group incorporate the accounts of the charity and its subsidiaries. The results of trading activities of the subsidiary have been included in the Consolidated Statement of Financial Activities.

Significant judgements and estimates
Preparation of the financial statements requires management to make significant judgements and estimates. The main area of estimation is in respect of the useful life of fixed assets. The depreciation and amortisation rates can be identified in the tangible and intangible asset accounting policies below.

Income
Donations and legacies are credited to the Statement of Financial Activities as they become due, gross of income tax where applicable.

Assets which have been gifted to the charity or acquired by the charity at an amount that is below their market value are included in the accounts at their fair value, with the excess of the fair value over consideration paid by the charity being recognised as donations received in the Statement of Financial Activities.

Income derived from the Group's commercial trading operations represents income generated by the Charity's four subsidiaries and is shown net of value added tax. This income comprises the sale of computer hardware and software licences, both of which are recognised as revenue at point of sale.

Specific grants receivable are credited to the Statement of Financial Activities as they become due.

Investment income is recognised as income in the Statement of Financial Activities on an accruals basis and represents interest receivable and dividends receivable on the Charity's investments that are held for an investment return.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis. To the extent that the expenditure is incurred by the Charity, this expenditure includes irrecoverable value added tax in the category under which the costs relate.

Expenditure on commercial trading operations represents expenditure incurred by the Charity's four subsidiaries, and is shown net of value added tax.

Expenditure on charitable activities represents expenditure incurred in furtherance of the Charity's objects. The majority of the expenditure relates to grants payable. Grants payable are recognised as expenditure in the Statement of Financial Activities once the payment has been made to its intended recipient.

2. ACCOUNTING POLICES (Continued)

Support costs
All support costs are allocated to educational activities on the basis that this is the main activity for which the charity exists and intends to support.

Fund accounting
Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are funds which the Trustees have set aside with the intention of making specific grant awards. The intended grant award is recognised within designated funds once a decision has been taken by the Trustees to make the award. However such decisions are not contractual nor binding and no obligation is created. The grant is removed from designated funds when either the payment is made to the recipient or the Trustees withdraw their intention to support that particular entity or individual.

Restricted funds are funds that can only be applied for particular purposes as stipulated by the entity or individual that remitted those funds.

Intangible assets
Intangible assets consist of software development costs capitalised at cost within the accounts of certain subsidiaries. The costs are being amortised over four years on a straight line basis from the date the software or significant enhancement thereto is operational, which is the period over which the Group expects economic benefits to flow to it from the release or significant enhancement. Amortisation is included in expenditure on commercial trading operations. Impairment reviews are performed annually and any impairment found to be required is debited to the Statement of Financial Activities.

Tangible assets
Tangible assets represent assets purchased for use in the business whose expected life is greater than two years. Such assets are capitalised at cost. Depreciation is provided at the following annual rates:

Freehold property - 33% on cost
Fixtures & fittings – 20% on cost
Computer equipment – 33% on cost

Investments
Listed investments are classified as current asset investments on the basis that it is the trustees' intention to hold them on a short term basis.

Any funds held on deposit by the charity's investment broker are included within cash in hand and at bank in the Balance Sheet on the basis that these funds are readily available and accessible by the charity.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks held by the parent charity are held to be donated to educational establishments in furtherance of the charity's objects. Stocks held by trading subsidiaries are held for resale.

Debtors
Short term debtors are measured at transaction price, less any impairment.

Creditors
Short term creditors are measured at transaction price.

2. ACCOUNTING POLICES (Continued)

Inter group balances
All inter group balances are repayable on demand and accordingly disclosed as current assets or creditors due within one year. Such balances are eliminated on consolidation in the Consolidated Balance Sheet.

Taxation
The Charity is exempt from the liability to income tax on its charitable activities to the extent its income is used for charitable purposes. Any income not used for charitable purposes is subject to income tax at the appropriate rates. The Charity's subsidiaries are liable to corporation tax to the extent that they make taxable profits that exceed tax losses.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
Certain subsidiaries within the group operate defined contribution pension schemes. Contributions payable to the pension schemes are recognised as an expense in the Statement of Financial Activities in the period to which they relate.

Foreign exchange movements
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating results.

3. EMPLOYEES AND DIRECTORS

	31.12.21	31.12.20 as restated
	£	£
Wages and salaries	**1,529,420**	1,724,562
Social security costs	**158,601**	188,046
Employer contributions to defined contribution pension schemes	**134,203**	148,161
	1,822,224	2,060,769

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

	31.12.21	31.12.20 as restated
Directors of subsidiaries	**6**	5
Staff	**47**	48
	53	53

Employees earning more than £60,000 during the year:

	31.12.21	31.12.20 as restated
£60,001 - £70,000	**4**	3

	31.12.21	31.12.20 as restated
		£
Key management personnel	**273,102**	243,201
Key management personnel employer contributions to defined contribution pension schemes	**27,095**	22,565

Key management personnel are deemed to consist of the trustees of the charity and the directors of all subsidiaries.

4. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned direct and indirect subsidiaries, the activities of which are disclosed in note 13.

The summary financial performance of the charity alone is:

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 as restated £
Donations and legacies	**500**	-	**500**	189,235
Investment income	**20,242**	-	**20,242**	57,764
Other income	-	-	-	-
	20,742	-	**20,742**	246,999
Expenditure on charitable activities	**(231,766)**	-	**(231,766)**	(1,319,949)
Net expenditure	**(211,024)**	-	**(211,024)**	(1,072,950)
Net gains/ (losses) on listed investment assets	**92,745**	-	**92,745**	(252,525)
Net movement in funds before taxation	**(118,279)**	-	**(118,279)**	(1,325,475)
Taxation	**(1,522)**	-	**(1,522)**	(72,596)
Net movement in funds after taxation	**(119,801)**	-	**(119,801)**	(1,398,071)
Total funds brought forward	**3,964,207**	-	**3,964,207**	5,362,278
Total funds carried forward	**3,844,406**	-	**3,844,406**	3,964,207
Represented by:				
Unrestricted income funds	**3,844,406**	-	**3,844,406**	3,964,207

5. DONATIONS AND LEGACIES

	2021 Group £	2021 Charity £	2020 as restated Group £	2020 as restated Charity £
Donations received	**500**	**500**	189,235	189,235
Grants received:				
Coronavirus Job Retention Scheme	-	-	26,316	-
COVID support grants	-	-	11,000	-
	500	**500**	226,551	189,235

All of the above, in both the current and preceding year, are unrestricted funds.

6. INVESTMENT INCOME

	2021		2020 as restated	
	Group	**Charity**	Group	Charity
	£	**£**	£	£
Dividends receivable on listed investments	**20,215**	**20,215**	57,302	57,302
Interest receivable on cash at bank	**27**	**27**	462	461
	20,242	**20,242**	57,764	57,763

All of the above, in both the current and preceding year, are unrestricted funds.

7. TOTAL RESOURCES EXPENDED

	Commercial trading operations	**Charitable activities**	**Total 2021**	Total 2020 as restated
	£	**£**	**£**	£
Costs directly allocated to activities:				
Grants awarded (see note 9)	**-**	**180,998**	**180,998**	1,012,793
Staff costs (see note 3)	**1,822,224**	**-**	**1,822,224**	2,060,769
Redundancy cost	**-**	**-**	**-**	151,498
Promotional costs	**136,238**	**-**	**136,238**	163,270
Product costs	**1,231,755**	**-**	**1,231,755**	1,528,110
Professional and consultancy fees	**123,400**	**-**	**123,400**	219,458
Office and administrative costs	**207,630**	**-**	**207,630**	197,905
Depreciation	**7,920**	**277**	**8,197**	27,803
Amortisation	**786,278**	**-**	**786,278**	783,182
Net losses on disposal of assets	**-**	**-**	**-**	7,109
Support costs (Note 8)	**-**	**50,491**	**50,491**	76,178
	4,315,445	**231,766**	**4,547,211**	6,228,075

All of the above, in both the current and preceding year, are unrestricted funds.

Professional and consultancy fees include auditor's remuneration in respect of accountancy services of £7,247 (2020: £4,849).

8. SUPPORT COSTS

	Commercial trading operations	Charitable activities	Total 2021	Total 2020 as restated
	£	£	£	£
Support costs allocated to activities:				
Bank charges	-	**60**	**60**	73
Legal and professional fees	-	**5,500**	**5,500**	19,123
Management charge	-	**34,731**	**34,731**	43,482
Auditor's remuneration – audit services	-	**10,200**	**10,200**	13,500
	-	**50,491**	**50,491**	76,178

9. ANALYSIS OF CHARITABLE ACTIVITIES

	2021	2020 as restated
	£	£
Educational activities	**45,007**	912,729
Religious activities	**100,755**	52,817
Recreational activities	-	3,588
Cultural activities	-	14,965
Support for activities of young people	**25,000**	25,000
Donations to other charities	**10,236**	3,694
	180,998	1,012,793

As permitted by charity law the trustees have elected to apply exemptions from disclosing the names of grant recipients and the amounts of such grants during the lifetime of the settlor who donated the funds.

Grants awarded consist of grants to individuals of £5,416 (2020: £4,876) and grants to institutions of £175,582 (2020: £1,007,917).

10. STAFF COSTS

No emoluments or reimbursements of expenses were paid to any trustee during the current nor previous financial years and no indemnity insurance was purchased.

The charity has no employees, however during the year, a related company charged £24,000 (2020: £24,000) for the cost of the charity's administration.

11. INTANGIBLE FIXED ASSETS

	Software development costs £
COST	
At 1st January 2021	**3,145,108**
Additions	-
Disposals	-
At 31st December 2021	**3,145,108**
AMORTISATION	
At 1st January 2021	**1,366,587**
Charge for the year	**786,278**
Eliminated on disposal	-
At 31st December 2021	**2,152,865**
NET BOOK VALUE	
At 31st December 2021	**992,243**
At 31st December 2020	1,778,521

Development costs comprise the creation and subsequent, significant enhancement of a classroom based application to enhance the delivery and effectiveness of education in schools.

At 31 December 2021, the carrying amount of costs capitalised in creating the initial release of the application were £344,223 (2020: £808,036). The remaining amortisation period in respect of these costs at the year end is 9 months.

A subsequent, significant enhancement to the application has been released in 2020, the carrying amount of which stands at £648,020 (2020: £970,485). The remaining amortisation period in respect of these costs at the year end is 2 years.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures & fittings £	Computer equipment £	Total £
COST				
At 1st January 2021	-	**6,743**	**126,601**	**133,344**
Additions	**166,276**	-	**7,030**	**173,306**
Disposals	-	-	-	-
At 31st December 2021	**166,276**	**6,743**	**133,631**	**306,650**
DEPRECIATION				
At 1st January 2021	-	**5,900**	**116,779**	**122,679**
Charge for the year	**277**	**235**	**7,685**	**8,197**
Eliminated on disposal	-	-	-	-
At 31st December 2021	**277**	**6,135**	**124,464**	**130,876**
NET BOOK VALUE				
At 31st December 2021	**165,999**	**608**	**9,167**	**175,774**
At 31st December 2020	-	843	9,822	10,665

13. FIXED ASSET INVESTMENTS- CHARITY

	Shares in group undertakings £
COST	
At 1st January 2021	-
Impairments	-
At 31st December 2021	-
NET BOOK VALUE	
At 31st December 2021	-
At 31st December 2020	-

Details of the subsidiary undertakings are as follows, the results of which are included in these consolidated financial statements:

Name of company	Proportion of nominal value of issued shares capital	Principal activity
Direct subsidiary:		
Learning by Questions Limited	77.6% Ordinary Shares	Educational support services
Subsidiaries of Learning by Questions Limited:		
Lancashire Digital Limited	100% Ordinary Shares	Software development
Learning Clip Limited	100% Ordinary Shares	Software development
LEB Partnership Limited	100% Ordinary Shares	Sale of educational products

The registered office address for all of the above subsidiaries is that of the parent charity and can be found on page one.

14. DEBTORS

	2021		2020 as restated	
	Group	**Charity**	Group	Charity
	£	**£**	£	£
Amounts falling due within one year:				
Trade debtors	**111,823**	**-**	492,127	-
Amounts owed by group undertakings	**-**	**1,590,000**	-	680,000
Other debtors	**35,692**	**-**	167,396	-
Prepayments	**58,282**	**-**	25,545	-
	205,797	**1,590,000**	685,068	680,000

15. LISTED INVESTMENTS- GROUP AND CHARITY

	2021	2020 as restated
	£	£
Market value at beginning of year	**3,323,652**	3,224,936
Additions during the year	**-**	4,501,742
Disposals during the year	**(1,007,667)**	(4,150,502)
Net gain/(loss) on revaluation	**92,745**	(252,524)
Market value at end of year	**2,408,730**	3,323,652

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021		2020 as restated	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	**47,837**	**-**	123,348	-
Other creditors	**811,530**	**300,000**	825,333	300,000
Other loans	**2,819,820**	**-**	2,700,316	-
Accruals	**140,426**	**44,400**	127,991	52,400
Social security and other taxes	**125,714**	**74,118**	417,665	72,596
	3,945,327	**418,518**	4,194,653	424,996

17.a ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Total restricted funds	Total unrestricted funds	Total funds 2021	Total funds 2020 as restated
	£	£	£	£
Fixed assets	**-**	**1,168,017**	**1,168,017**	1,789,186
Current assets	**-**	**3,032,087**	**3,032,087**	4,901,348
Current liabilities	**-**	**(3,945,327)**	**(3,945,327)**	(4,194,653)
Provisions for liabilities	**-**	**(118,836)**	**(118,836)**	(214,661)
	-	**135,941**	**135,941**	2,281,220

17.b ANALYSIS OF NET ASSETS BETWEEN FUNDS - CHARITY

	Total restricted funds	Total unrestricted funds	Total funds 2021	Total funds 2020 as restated
	£	£	£	£
Fixed assets	**-**	**165,999**	**165,999**	-
Current assets	**-**	**4,096,925**	**4,096,925**	4,389,203
Current liabilities	**-**	**(418,518)**	**(418,518)**	(424,996)
	-	**3,844,406**	**3,844,406**	3,964,207

18.a MOVEMENT IN FUNDS- GROUP

	At 1.1.21 as restated £	Net movement in funds £	Transfers between funds £	Changes in equity £	At 31.12.21 £
Restricted funds	-	-	-	-	-
Unrestricted funds:					
General	(1,011,348)	(2,076,688)	426,532	-	(2,661,504)
Capital	100	-	-	-	100
Designated:					
Grants payable	3,292,468	(68,591)	(426,532)	-	2,797,345
	2,281,220	(2,145,279)	-	-	135,941

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

	Incoming resources £	Resources expended £	Revaluations and gains on disposal of investments £	Taxation £	Net movement in funds £
Restricted funds	-	-	-	-	-
Unrestricted funds:					
General	2,310,709	(4,478,620)	92,745	(1,522)	(2,076,688)
Capital	-	-	-	-	-
Designated:					
Grants payable	-	(68,591)	-	-	(68,591)
Total	2,310,709	(4,547,211)	92,745	(1,522)	(2,145,279)

18.b MOVEMENT IN FUNDS- CHARITY

	At 1.1.21 as restated £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Restricted funds	-	-	-	-
Unrestricted funds:				
General	322,888	(51,210)	775,283	1,046,961
Capital	100	-	-	100
Designated:				
Grants payable	3,641,219	(68,591)	(775,283)	2,797,345
	3,964,207	(119,801)	-	3,844,406

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

	Incoming resources £	Resources expended £	Other gains and losses £	Taxation £	Net movement in funds £
Restricted funds	-	-	-	-	-
Unrestricted funds:					
General	20,742	(163,175)	92,745	(1,522)	(51,210)
Capital					
Designated:					
Grants payable	-	(68,591)	-	-	(68,591)
Total	20,742	(231,766)	92,745	(1,522)	(119,801)

Designated funds represent funds set aside from the unrestricted fund in relation to which the trustees have given an indication to the prospective donors of their intention to provide the funds over a period of time. The transfers between funds represent funds set aside for this purpose.

Unrestricted funds represent surplus donations and other incoming resources receivable in excess of grants and other outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

The unrestricted capital fund was established by an initial cash deposit made when the charity was set up.

19. PRIOR YEAR ADJUSTMENTS

In previous years, an investment and a loan were assigned to the charity for no consideration. As such these were omitted from the prior year financial statements. Furthermore a tax liability arising in the prior period was omitted as it only became apparent and was quantified after the financial statements were approved and filed.

As a consequence of the above, the comparative figures have been restated. The opening balances for loan debtors and reserves at 1 January 2019 have been restated at an amount that was £45,000 higher than previously reported. The comparatives for the year to 31 December 2020 have also been restated for the previously omitted investment and tax liability, the consequence of which is that the net expenditure after taxation is £8,361 higher than previously reported, and total funds are lower by the same amount.

The adjustments are in respect of the charity itself and therefore the comparatives restated are those of both the individual and consolidated financial statements.

20. RELATED PARTY DISCLOSURES

a. During the year, Whitebirk Finance Limited a company in which the trustee H A Cann is the director, recharged costs of £24,000 (2020: £24,000) for the cost of the charity's administration.

At 31st December 2021, the amount owed to this related party was £55,000 (2020: £55,000).

b. During the year, an interest free and unsecured loan subsisted between the charitable group and the Rushton No. 3 Trust, a trust which has mutual trustees with the charity.

At 31st December 2021, the charitable group owed £120,000 (2020: £120,000) to this related party.

c. During the year, an interest free and unsecured loan subsisted between the charitable group and the Rushton No. 4 Trust, a trust which has mutual trustees with the charity.

At 31st December 2021, the charitable group owed £90,000 (2020: £90,000) to this related party.

d. During the year interest free and unsecured loans subsisted between the charitable group and the Ketlam Trust, a trust which has mutual trustees with the charity.

At 31st December 2021, the charitable group owed £1,208,046 (2020: £1,088,542) to this related party.

e. During the year, there was an amount owed by the charitable group to Graphic Supply Network Limited, a company in which a director of a subsidiary company is a director.

At 31st December 2021, the charitable group owed £183,591 (2020: £183,591) to this related party.

f. During the year an interest free and unsecured loan subsisted between the charity and the HAC Grandchildren's Trust, a trust which has mutual trustees with the charity.

At 31st December 2021 this related party was owed £1,605,000 (2020: £1,605,000) by the charity.

21. EVENTS AFTER THE END OF THE REPORTING PERIOD

On the 30th of December 2022, the Charity's only direct subsidiary, Learning By Questions Limited, issued a further 5,809,436 Ordinary shares of £1 each at their nominal value in order to convert debts of the company into equity. The Charity did not purchase any of the new shares being issued and therefore its shareholding in the company reduced from 77.6% to 48.7%.

THE BOWLAND CHARITABLE TRUST

England & Wales - Charity number 292027

Accounts

THE BOWLAND CHARITABLE TRUST

REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

Ainsworths Limited
Chartered Accountants
& Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

THE BOWLAND CHARITABLE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2020

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REPORT OF THE TRUSTEES - REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST DECEMBER 2020

Registered charity number	292027
Registered office	Bowland House Philips Road Blackburn Lancashire BB1 5NA
Trustees and key management personnel	H A Cann CBE C Fahy H D Turner
Bankers	Lloyds Bank Plc Blackburn Lancashire BB2 1JQ
Auditors	Ainsworths Limited Chartered Accountants and Statutory Auditors Charter House Stansfield Street Nelson Lancashire BB9 9XY
Stockbrokers and investment advisers	Redmayne-Bentley 8-10 Victoria Street Harrogate North Yorkshire HG1 1ED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees present their report and the financial statements of the charity for the year ended 31st December 2020. The information on page one also forms part of this report.

The financial statements comply with 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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Bowland Charitable Trust ("the charity") was established on 26th February 1985 and is registered with the Charity Commissioners (registration number 292027). The charity is governed by a trust deed dated 26th February 1985.

The trustees themselves appoint new trustees to their own body. The new trustees are trained by the existing trustees.

ORGANISATIONAL STRUCTURE

The trustees who have served during the year and since the year end are set out on page one. Grant applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants.

The charity has no full-time employees, but an employee of a related company is involved in occasional assistance with the administration of the charity. The trustees take care of the day to day running and legal requirements of the charity.

RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES

Trustees are appointed to reflect the skills required to support the charity and its range of activities. The trustees themselves appoint new trustees to the Board and provide appointees with a full orientation of the services provided, the decision-making process of the Trust and the roles and responsibilities of a trustee, including their legal obligations under applicable laws.

RISK MANAGEMENT POLICY

The Trustees review the major risks faced by the charity during their regular meetings and confirm there are systems in place to mitigate them. Internal risks are minimised by segregation of duties and procedures for authorisation of all transactions.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to support individuals, charities and other charitable organisations, as detailed by the trust deed, supporting general charitable purposes and in particular the promotion of educational and character forming activities for young people and the reduction of inequality by improving the education of all children, in particular the disadvantaged, by way of making grants and gifting educational equipment.

In setting the objectives of the charity, the trustees have considered the guidance issued by the Charity Commission on delivering public benefit. The trustees feel this is achieved through their support of outdoor and character-building activities for young people, the advancement of educational, religious and cultural aims and purposes and through research into the operation of the criminal justice system in particular as it relates to young offenders.

As a significant proportion of the charitable projects which the trustees have been pursuing has already been substantially or totally completed but there remain two substantial projects which the trustees foresee as continuing for some time yet. As at the date of this report the cumulative total of donations made and expenditure on charitable projects by the charity exceeds £40 million. The Coronavirus pandemic effectively suspended the activities being supported by the charity from March 2020. The great majority of the grants made during the year were made before this suspension but the effect was that little progress was made during the year towards the fulfilment of the charity's objectives.

Grants of £1,012,793 (2019: £1,414,374) have been made during the year and are analysed by purpose in note eight to the accounts.

GRANT MAKING POLICY

The charity invites applications for funding of projects from individuals, charities and other charitable organisations in particular for the promotion of education. The applications are made directly to the trustees, who meet regularly to assess the applications. The trustees then approve or reject the grants. Projects may be funded over varying periods of time, but the majority are made as one off payments. The trustees also occasionally make grants to other appeals and charities.

FINANCIAL REVIEW

The Group has recorded net expenditure in the year of £4,726,749 (2019: £2,740,350). The majority of the increase in the deficit is due to the loss made by the Charity's trading subsidiaries. The subsidiaries were affected by the Coronavirus pandemic and they also incurred costs in restructuring so as to save on wage costs in future accounting periods.

The charity itself had net expenditure of £1,137,185 (2019: £1,302,350) arising from charitable activities performed whilst income was comparatively negligible. The net movement in funds of the charity was a deficit of £1,389,710 (2019: £920,043) which is worse than the prior year due to losses suffered on its investments as a result of the pandemic.

The Group's net assets were £2,289,581 at 31 December 2020 (2019: £7,016,330), of which more than £3.5m is held as bank balances and listed investments which are both liquid.

Subsidiaries
The aim of the Charity's subsidiary, Learning By Questions Limited, and its subsidiaries, continues to be that of harnessing generally available computer technology to deliver educational content which, by virtue of the speed of communication, can instantly mark or otherwise provide feedback to the benefit of both teacher and learner in that weaknesses are immediately apparent and can be addressed immediately. This produces a significant improvement in the effectiveness of learning, in the efficiency with which teachers' time is applied and in the satisfaction derived by both learners and teachers.

The costs incurred in developing such software are capitalised and amortised over the period which the Group aims to derive economic benefit from commercialising this content and such income is growing rapidly. The trustees are content to retain their investment in Learning By Questions Limited in view of the intention and ability of the trustees to provide further financial support from the settlor's family trusts in which the trustees are the same as those in the Group. The investment in Learning by Questions Limited is proceeding according to plan and the trustees expect it to achieve its objectives over the next few years. The trustees believe that the project has the potential to provide a very substantial financial return to the Charity and that the commercial success of the project will also produce results wholly consistent with the educational support objects of the Charity.

At the 31 December 2020, the unamortised cost of such software amounted to £1,778,521 (2019: £2,549,315). The trustees are confident that future economic benefits will flow to the Group in future years in excess of this amount and that no impairment is required.

IMPACT OF CORONAVIRUS

Coronavirus had an effect on the Group during the year. The main financial impact of Coronavirus on the charity was that of a reduction in the valuation of its investment portfolio in March 2020, when stocks reduced around the world. However the markets bounced back relatively quickly. Furthermore, a significant proportion of the charity's equities were transferred into cash prior to the fall which mitigated the impact of the decrease but nonetheless losses were realised on some of the Charity's investments.

The charity's subsidiaries have performed well since schools returned in September 2020, with strong growth experienced in the final four months of 2020. The in house software offering of the Group has made it well equipped to service the changing landscape within the education sector.

INVESTMENT POLICY

To the extent that the charity's funds have not been used to award grants, they have been held on deposit, invested in shares or other securities to generate a higher return than would otherwise be available on deposit.

Interest and dividends totalling £57,764 (2019: £165,390) has been earned by the charity in this reporting period. This is equivalent to 1.8% of the charity's opening investment value which is considered to be greater than would otherwise have been returned if the funds were held on deposit, therefore the trustees believe they have successfully achieved their investment objective, despite the investment return being lower than previous.

RESERVES POLICY

The charity was established with several large donations from the Cann family. The purpose of these donations was to provide capital from which grants could be made for a number of years to come.

At 31st December 2020 the Charity's total funds carried forward stood at £3,927,568 (2019: £5,317,278). Of this amount, £3,641,219 (2019: £4,624,194) was held as designated funds in respect of intentions made to award grants that have been communicated to beneficiaries.

At 31st December 2020, the charity has free reserves of £286,249 (2019: £692,984). This equates to approximately 2.6 months of expenditure. Although this is below the charity commission's guidance of holding reserves equivalent to 3 to 6 months of expenditure, the trustees are satisfied with the charity holding this level of free reserves given the total funds of the charity equate to almost three years typical expenditure in a year.

The total funds of the Group are £2,289,581 (2020: £7,016,330). A significant deficit has been recorded in the current year as a result of the Coronavirus pandemic and due to restructuring in order to save costs in future years. The deficit has reduced significantly in the following year as a consequence. The general fund of the Group is in deficit due to the Charity's sub-group being insolvent. The sub-group is supported and funded by other Cann family trusts with an interest in advancing education through the use of computer technology.

PRINCIPAL FUNDING SOURCES

The majority of the income of the Charity arises from donations from the settlor, Mr H A Cann CBE, and his family's trusts. Although no such income was received in the current year, the charity has in excess of £3.5m held at bank and in listed investments from which future charitable expenditure can be met. Based on charitable expenditure in 2020, such funds could meet charitable expenditure for a further three years following the year end without a requirement for further funding.

FUTURE PLANS

The charity will continue to support individuals, charities and other charitable organisations in the furtherance of its objects of supporting education, particularly for the benefit of young people.

STATEMENT OF TRUSTEES' RESPONSIBILITES

The trustees are responsible for preparing the report of the trustees' and the financial statements in accordance with 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).

The law applicable to charities in England and 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping sufficient 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 and Reports) Regulations 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as we are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Ainsworths Limited, will be proposed for re-appointment.

CHARITY REQUIREMENTS

This report has been prepared in accordance with requirements set down by the SORP 2015.

ON BEHALF OF THE BOARD:



H A Cann - Trustee

Dated 5th July 2022

OPINION

We have audited the financial statements of The Bowland Charitable Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31st December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the parent charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the Consolidated 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 group's and of the parent charity's affairs as at 31st December 2020 and of the groups incoming resources and application of resources, for the year 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 group 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 group's and the parent 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 section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, including the trustee's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 7], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Group's and parent 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 group or parent 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 auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having affect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the nature of the sector in which it operates, we have identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Charities Act 2011, the Companies Act 2006 and tax legislation.

We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the override of controls) and determined that the principal risks were related to inappropriate journal entries and management bias in accounting estimates and judgements. Our audit procedures designed to address these risks included, but were not limited to:

- Enquiries with management, regarding any known or suspected instances of non-compliance with laws and regulations and fraud;
- Agreement of the financial statements disclosures to the underlying supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to provisions and future performance in light of the impact of Coronavirus;
- Auditing the risk of management override of controls, including through the testing of journal entries and other adjustments for appropriateness;
- Obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- Obtaining an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment by misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 our auditor's report.

Ainsworths Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under 154 of that Act. 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ainsworths Limited
Statutory Auditor
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Dated 5th July 2022

THE BOWLAND CHARITABLE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	Unrestricted funds	Restricted funds	2020	2019
		£	£	£	£
Income from:					
Donations and legacies	5	**162,316**	-	**162,316**	-
Commercial trading operations in support of the charitable group's aims and objectives		**1,533,770**	-	**1,533,770**	1,771,149
Investment income	6	**57,764**	-	**57,764**	165,390
Total income		**1,753,850**	-	**1,753,850**	1,936,539
Expenditure on:					
Commercial trading operations in support of the charitable group's aims and objectives	7	**4,908,127**	-	**4,908,127**	3,478,737
Charitable activities	7	**1,319,948**	-	**1,319,948**	1,469,833
Total expenditure		**6,228,075**	-	**6,228,075**	4,948,570
Net gains/ (losses) on investments	15	**(252,524)**	-	**(252,524)**	382,307
Net expenditure and net movement in funds		**(4,726,749)**	-	**(4,726,749)**	(2,629,724)
Reconciliation of funds					
Total funds brought forwards		**7,016,330**	-	**7,016,330**	9,646,054
Total funds carried forwards	18	**2,289,581**	-	**2,289,581**	7,016,330
Net expenditure and movement in funds attributable to:					
Parent charity		**(3,953,922)**	-	**(3,953,922)**	(2,332,269)
Non-controlling interest		**(772,827)**	-	**(772,827)**	(408,081)
Total		**(4,726,749)**	-	**(4,726,749)**	(2,629,724)

All transactions relate to continuing operations.

There are no other recognised gains or losses for the year other than in the Consolidated Statement of Financial Activities.

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CONSOLIDATED BALANCE SHEET
AT 31ST DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		**1,778,521**		2,564,828
Tangible assets	12		**10,665**		25,078
			1,789,186		2,589,906
CURRENT ASSETS					
Stocks		**377,572**		678,578	
Debtors	14	**685,068**		906,560	
Listed investments	15	**3,323,652**		3,224,936	
Cash at bank and in hand		**450,821**		1,992,690	
		4,837,113		6,802,764	
CREDITORS					
Amounts falling due within one year	16	**4,122,057**		2,376,340	
NET CURRENT ASSETS			**715,056**		4,426,424
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,504,242**		7,016,330
PROVISIONS FOR LIABILITIES			**(214,661)**		-
NET ASSETS			**2,289,581**		7,016,330
FUNDS					
Restricted			**-**		-
Unrestricted	18		**2,681,533**		6,635,455
Non-controlling interests	18		**(391,952)**		380,875
Total			**2,289,581**		7,016,330

The financial statements were approved by the board of trustees on 5th July 2022 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CHARITY BALANCE SHEET
AT 31ST DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Investments	13		-		-
			-		-
CURRENT ASSETS					
Stocks		-		240,516	
Debtors	14	**635,000**		289,000	
Listed investments	15	**3,323,652**		3,224,936	
Cash at bank and in hand		**321,316**		1,901,726	
		4,279,968		5,656,178	
CREDITORS					
Amounts falling due within one year	16	**352,400**		338,900	
NET CURRENT ASSETS			**3,927,568**		5,317,278
NET ASSETS			**3,927,568**		5,317,278
FUNDS					
Restricted	18		-		-
Unrestricted	18		**3,927,568**		5,317,278
Total			**3,927,568**		5,317,278

The financial statements were approved by the board of trustees on 5th July 2022 and were signed on its behalf by:

H A Cann - Trustee

The notes form part of these financial statements.

THE BOWLAND CHARITABLE TRUST

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	31.12.20	31.12.19
		£	£
Cash flows from charitable activities			
Cash used in operating activities	1	**(2,674,957)**	(2,583,608)
Tax paid/ (received)		**-**	-
		(2,674,957)	(2,583,608)
Cash flows from investing activities			
Purchase of current asset investments		**(4,501,743)**	(392,515)
Purchase of intangible fixed assets		**(12,388)**	(1,049,390)
Purchase of tangible fixed assets		**(5,388)**	(11,867)
Sale of current asset investments		**4,150,502**	1,658,902
Interest received		**462**	1,596
Issue of ordinary share capital		**-**	-
Dividends received		**57,302**	163,794
Net cash from investing activities		**(311,253)**	370,520
Cash flows from financing activities			
Loan advances received		**1,444,341**	1,255,975
Net cash from financing activities		**1,444,341**	1,255,975
Decrease in cash and cash equivalents		**(1,541,869)**	(957,113)
Cash and cash equivalents at beginning of year	2	**1,992,690**	2,949,803
Cash and cash equivalents at end of year	2	**450,821**	1,992,690

CONSOLIDATED CASH FLOW STATEMENT NOTES FOR THE YEAR ENDED 31ST DECEMBER 2020

1. RECONCILIATION OF DEFICIT TO CASH GENERATED FROM ACTIVITIES

	31.12.20	31.12.19
	£	£
Net expenditure and net movement in funds	(4,726,749)	(2,629,724)
Finance income	(57,764)	(165,390)
Net losses on disposal of intangible assets	7,511	-
Net (gains)/losses on disposals of investment assets	(26)	9,652
Net losses/(gains) on investments assets	252,551	(391,959)
Depreciation and amortisation	810,985	493,387
Decrease/(Increase) in stocks	301,006	(49,385)
Decrease/(Increase) in trade and other debtors	221,492	(178,661)
Increase in trade and other creditors	516,037	328,472
Cash generated from charitable activities	(2,674,957)	(2,583,608)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2020

	31.12.20	01.01.20
	£	£
Cash at bank and in hand	450,821	1,992,690

Year ended 31st December 2019

	31.12.19	01.01.19
	£	£
Cash at bank and in hand	1,992,690	2,949,803

1 STATUTORY INFORMATION

The Bowland Charitable Trust is a charity registered with the Charities Commission in England. The registered charity number and address can be found in the Report of the Trustees on page one.

2 ACCOUNTING POLICES

Basis of preparation
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and United Kingdom Generally Accepted Practice as it applies from 1st January 2015.

The Bowland Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Basis of consolidation
The consolidated accounts of the group incorporate the accounts of the charity and its subsidiaries. The results of trading activities of the subsidiary have been included in the Consolidated Statement of Financial Activities.

Significant judgements and estimates
Preparation of the financial statements requires management to make significant judgements and estimates. The main area of estimation is in respect of the useful life of fixed assets. The depreciation and amortisation rates can be identified in the tangible and intangible asset accounting policies below.

Income
Donations and legacies are credited to the Statement of Financial Activities as they become due, gross of income tax where applicable.

Assets which have been gifted to the charity or acquired by the charity at an amount that is below their market value are included in the accounts at their fair value, with the excess of the fair value over consideration paid by the charity being recognised as donations received in the Statement of Financial Activities.

Income derived from the Group's commercial trading operations represents income generated by the Charity's four subsidiaries and is shown net of value added tax. This income comprises the sale of computer hardware and software licences, both of which are recognised as revenue at point of sale.

Specific grants receivable are credited to the Statement of Financial Activities as they become due.

Investment income is recognised as income in the Statement of Financial Activities on an accruals basis and represents interest receivable and dividends receivable on the Charity's investments that are held for an investment return.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis. To the extent that the expenditure is incurred by the Charity, this expenditure includes irrecoverable value added tax in the category under which the costs relate.

Expenditure on commercial trading operations represents expenditure incurred by the Charity's four subsidiaries, and is shown net of value added tax.

Expenditure on charitable activities represents expenditure incurred in furtherance of the Charity's objects. The majority of the expenditure relates to grants payable. Grants payable are recognised as expenditure in the Statement of Financial Activities once the payment has been made to its intended recipient.

2. ACCOUNTING POLICES (Continued)

Support costs
All support costs are allocated to educational activities on the basis that this is the main activity for which the charity exists and intends to support.

Fund accounting
Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds are funds which the Trustees have set aside with the intention of making specific grant awards. The intended grant award is recognised within designated funds once a decision has been taken by the Trustees to make the award. However such decisions are not contractual nor binding and no obligation is created. The grant is removed from designated funds when either the payment is made to the recipient or the Trustees withdraw their intention to support that particular entity or individual.

Restricted funds are funds that can only be applied for particular purposes as stipulated by the entity or individual that remitted those funds.

Intangible assets
Intangible assets consist of software development costs capitalised at cost within the accounts of certain subsidiaries. The costs are being amortised over four years on a straight line basis from the date the software or significant enhancement thereto is operational, which is the period over which the Group expects economic benefits to flow to it from the release or significant enhancement. Amortisation is included in expenditure on commercial trading operations. Impairment reviews are performed annually and any impairment found to be required is debited to the Statement of Financial Activities.

Tangible assets
Tangible assets represent assets purchased for use in the business whose expected life is greater than two years. Such assets are capitalised at cost. Depreciation is provided at the following annual rates:
Plant and Machinery etc - 33% on cost

Investments
Listed investments are classified as current asset investments on the basis that it is the trustees' intention to hold them on a short term basis.

Any funds held on deposit by the charity's investment broker are included within cash in hand and at bank in the Balance Sheet on the basis that these funds are readily available and accessible by the charity.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks held by the parent charity are held to be donated to educational establishments in furtherance of the charity's objects. Stocks held by trading subsidiaries are held for resale.

Debtors
Short term debtors are measured at transaction price, less any impairment.

Creditors
Short term creditors are measured at transaction price.

2. ACCOUNTING POLICES (Continued)

Inter group balances
All inter group balances are repayable on demand and accordingly disclosed as current assets or creditors due within one year. Such balances are eliminated on consolidation in the Consolidated Balance Sheet.

Taxation
The Charity is exempt from the liability to corporation tax on its charitable activities. The Charity's subsidiaries are liable to corporation tax to the extent that they make taxable profits that exceed tax losses.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
Certain subsidiaries within the group operate defined contribution pension schemes. Contributions payable to the pension schemes are recognised as an expense in the Statement of Financial Activities in the period to which they relate.

Foreign exchange movements
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating results.

3. EMPLOYEES AND DIRECTORS

	31.12.20	31.12.19
	£	£
Wages and salaries	**1,724,562**	883,708
Social security costs	**188,046**	76,413
Employer contributions to defined contribution pension schemes	**148,161**	83,158
	2,060,769	1,043,279

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

	31.12.20	31.12.19
Directors	**5**	8
Staff	**48**	47
	53	55

Employees earning more than £60,000 during the year:

	31.12.20	31.12.19
£60,001 - £70,000	**3**	2

	31.12.20	31.12.19
		£
Key management personnel	**243,201**	166,573
Key management personnel employer contributions to defined contribution pension schemes	**22,565**	17,132

Key management personnel are deemed to consist of the trustees of the charity and the directors of all subsidiaries.

4. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned direct and indirect subsidiaries, the activities of which are disclosed in note 13.

The summary financial performance of the charity alone is:

	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
Donations and legacies	**125,000**	**-**	**125,000**	-
Investment income	**57,764**	**-**	**57,764**	165,382
Other income	**-**	**-**	**-**	2,101
	182,764	**-**	**182,764**	167,483
Expenditure on charitable activities	**(1,319,949)**	**-**	**(1,319,949)**	(1,469,833)
Net expenditure	**(1,137,185)**	**-**	**(1,137,185)**	(1,302,350)
Net gains/ (losses) on listed investment assets	**(252,525)**	**-**	**(252,525)**	382,307
Net movement in funds	**(1,389,710)**	**-**	**(1,389,710)**	(920,043)
Total funds brought forward	**5,317,278**	**-**	**5,317,278**	6,237,321
Total funds carried forward	**3,927,568**	**-**	**3,927,568**	5,317,278
Represented by:				
Unrestricted income funds	**3,927,568**	-	**3,927,568**	5,317,278

5. DONATIONS AND LEGACIES

		31.12.20		31.12.19
	Group	Charity	Group	Charity
	£	£	£	£
Donations received		**125,000**	**125,000**	- -
Grants received:				
Coronavirus Job Retention Scheme		**26,316**	-	- -
COVID support grants		**11,000**	-	- -
	162,316	**125,000**	**-**	**-**

All of the above, in both the current and preceding year, are unrestricted funds.

6. INVESTMENT INCOME

	31.12.20		31.12.19	
	Group	Charity	Group	Charity
	£	£	£	£
Dividends receivable on listed investments	57,302	57,302	163,794	163,794
Interest receivable on cash at bank	462	461	1,596	1,588
	57,764	57,763	165,390	165,382

All of the above, in both the current and preceding year, are unrestricted funds.

7. TOTAL RESOURCES EXPENDED

	Commercial trading operations	Charitable activities	Total 2020	Total 2019
	£	£	£	£
Costs directly allocated to activities:				
Grants awarded (see note 9)	-	1,012,793	1,012,793	1,414,374
Staff costs (see note 3)	2,060,769	-	2,060,769	1,043,280
Redundancy cost	151,498	-	151,498	-
Promotional costs	163,270	-	163,270	143,482
Product costs	1,287,594	240,516	1,528,110	1,442,405
Professional and consultancy fees	219,458	-	219,458	123,143
Office and administrative costs	207,444	(9,539)	197,905	222,546
Depreciation	27,803	-	27,803	21,570
Amortisation	783,182	-	783,182	471,817
Net losses on disposal of assets	7,109	-	7,109	-
Support costs (Note 8)	-	76,178	76,178	65,953
	4,908,127	1,319,948	6,228,075	4,948,570

All of the above, in both the current and preceding year, are unrestricted funds.

Professional and consultancy fees include auditors remuneration in respect of accountancy services of £4,849 (2019: £2,810).

8. SUPPORT COSTS

	Commercial trading operations £	Charitable activities £	Total 2020 £	Total 2019 £
Support costs allocated to activities:				
Bank charges	-	**73**	**73**	80
Legal and professional fees	-	**19,123**	**19,123**	17,333
Management charge	-	**43,482**	**43,482**	40,440
Auditor's remuneration – audit services	-	**13,500**	**13,500**	8,100
	-	**76,178**	**76,178**	65,953

9. ANALYSIS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Educational activities	**912,729**	860,024
Religious activities	**52,817**	30,428
Recreational activities	**3,588**	50,000
Cultural activities	**14,965**	373,922
Support for activities of young people	**25,000**	41,300
Donations to other charities	**3,694**	58,700
	1,012,793	1,414,374

As permitted by charity law the trustees have elected to apply exemptions from disclosing the names of grant recipients and the amounts of such grants during the lifetime of the settlor who donated the funds.

Grants awarded consist of grants to individuals of £4,876 (2019: £34,879) and grants to institutions of £1,007,916 (2019: £1,365,419).

10. STAFF COSTS

No emoluments or reimbursements of expenses were paid to any trustee during the current nor previous financial years and no indemnity insurance was purchased.

The charity has no employees, however during the year, a related company charged £24,000 (2020: £24,000) for the cost of the charity's administration.

11. INTANGIBLE FIXED ASSETS

	Development costs £	Computer software £	Total £
COST			
At 1st January 2020	**3,132,720**	**40,011**	**3,172,731**
Additions	**12,388**	**-**	**12,388**
Disposals	**-**	**(40,011)**	**(40,011)**
At 31st December 2020	**3,145,108**	**-**	**3,145,108**
AMORTISATION			
At 1st January 2020	**583,405**	**24,498**	**607,903**
Charge for the year	**783,182**	**8,002**	**791,184**
Eliminated on disposal	**-**	**(32,500)**	**(32,500)**
At 31st December 2020	**1,366,587**	**-**	**1,366,587**
NET BOOK VALUE			
At 31st December 2020	**1,778,521**	**-**	**1,778,521**
At 31st December 2019	2,549,315	15,513	2,564,828

Development costs comprise the creation and subsequent, significant enhancement of a classroom based application to enhance the delivery and effectiveness of education in schools.

At 31 December 2020, the carrying amount of costs capitalised in creating the initial release of the application were £808,036 (2019: £1,271,851). The remaining amortisation period in respect of these costs at the year end is 1 year and 9 months.

A subsequent, significant enhancement to the application has been released in 2020, the carrying amount of which stands at £970,485 (2019: £1,277,464). The remaining amortisation period in respect of these costs at the year end is 3 years.

12. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Computer equipment £	Total £
COST			
At 1st January 2020	**1,176**	**69,335**	**70,511**
Additions	**-**	**5,388**	**5,388**
Disposals	**-**	**(2,116)**	**(2,116)**
At 31st December 2020	**1,176**	**72,607**	**73,783**
DEPRECIATION			
At 1st January 2020	**98**	**45,335**	**45,493**
Charge for the year	**235**	**19,566**	**19,801**
Eliminated on disposal	**-**	**(2,116)**	**(2,116)**
At 31st December 2020	**333**	**62,785**	**63,178**
NET BOOK VALUE			
At 31st December 2020	**843**	**9,822**	**10,665**
At 31st December 2019	**1,078**	**24,000**	**25,078**

13. FIXED ASSET INVESTMENTS- CHARITY

	Shares in group undertakings £
COST	
At 1st January 2020	-
Impairments	-
At 31st December 2020	-
NET BOOK VALUE	
At 31st December 2020	-
At 31st December 2019	-

Details of the subsidiary undertakings are as follows, the results of which are included in these consolidated financial statements:

Name of company	Proportion of nominal value of issued shares capital	Principal activity
Learning by Questions Limited	77.6% Ordinary Shares	Educational support services
Lancashire Digital Limited	100% Ordinary Shares	Software development
Learning Clip Limited	100% Ordinary Shares	Software development
LEB Partnership Limited	100% Ordinary Shares	Sale of educational products

The registered office address for all of the above subsidiaries is that of the parent charity and can be found on page one.

14. DEBTORS

	31.12.20		31.12.19	
	Group	**Charity**	Group	Charity
	£	**£**	£	£
Amounts falling due within one year:				
Trade debtors	**492,127**	-	436,000	-
Other debtors	**167,396**	-	304,361	289,000
Prepayments	**25,545**	-	166,199	-
	685,068	-	906,560	289,000
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	**635,000**	-	-
Aggregate amounts	**685,068**	**635,000**	906,560	289,000

15. LISTED INVESTMENTS- GROUP AND CHARITY

	2020	2019
	£	£
Market value at beginning of year	**3,224,936**	4,109,016
Additions during the year	**4,501,742**	392,515
Disposals during the year	**(4,150,502)**	(1,658,902)
Net gain/(loss) on revaluation	**(252,524)**	382,307
Market value at end of year	**3,323,652**	3,224,936

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

			31.12.20		31.12.19	
	Group		Charity	Group	Charity	
	£		£	£	£	
Trade creditors			**123,348**	-	65,525	-
Other creditors			**825,333**	**300,000**	812,779	300,000
Other loans			**2,700,316**	-	1,255,975	-
Accruals			**127,991**	**52,400**	166,621	38,900
Social security and other taxes			**345,069**	-	75,440	-
	4,122,057	**352,400**	2,376,340	338,900		

17.a ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Total restricted funds	Total unrestricted funds	Total funds 2020	Total funds 2019
	£			£
Fixed assets	-	**1,789,186**	**1,789,186**	2,589,906
Current assets	-	**4,837,113**	**4,837,113**	6,802,764
Current liabilities	-	**(4,122,057)**	**(4,122,057)**	(2,376,340)
Provisions for liabilities	-	**(214,661)**	**(214,661)**	-
	-	**2,289,581**	**2,289,581**	7,016,330

17.b ANALYSIS OF NET ASSETS BETWEEN FUNDS - CHARITY

	Total restricted funds	Total unrestricted funds	Total funds 2020	Total funds 2019
	£	£	£	£
Fixed assets	-	-	-	-
Current assets	-	**4,279,968**	**4,279,968**	5,656,178
Current liabilities	-	**(352,400)**	**(352,400)**	(338,900)
	-	**3,927,568**	**3,927,568**	5,317,278

18.a MOVEMENT IN FUNDS- GROUP

	At 1.1.20 £ as restated	Net movement in funds £	Transfers between funds £	Changes in equity £	At 31.12.20 £
Restricted funds	-	-	-	-	-
Unrestricted funds:					
General	2,392,036	(3,778,831)	383,808	-	(1,002,987)
Capital	100	-	-	-	100
Designated:					
Grants payable	4,624,194	(947,918)	(383,808)	-	3,292,468
	7,016,330	(4,726,749)	-	-	2,289,581

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

	Incoming resources £	Resources expended £	Revaluations and gains on disposal of investments £	Net movement in funds £
Restricted funds	-	-	-	-
Unrestricted funds:				
General	1,753,850	(5,273,048)	(252,524)	(3,778,831)
Capital	-	-	-	-
Designated:				
Grants payable	-	(947,918)	-	(947,918)
Total	1,753,850	(6,228,075)	(252,524)	(4,726,749)

Designated funds represent funds set aside from the unrestricted fund in relation to which the trustees have given an indication to the prospective donees of their intention to provide the funds over a period of time. The transfers between funds represent funds set aside for this purpose.

Unrestricted funds represent surplus donations and other incoming resources receivable in excess of grants and other outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

The unrestricted capital fund was established by an initial cash deposit made when the charity was set up.

18.b MOVEMENT IN FUNDS- CHARITY

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Restricted funds	-	-	-	-
Unrestricted funds:				
General	692,984	(441,792)	35,057	286,249
Capital	100	-	-	100
Designated:				
Grants payable	4,624,194	(947,918)	(35,057)	3,641,219
	5,317,278	(1,389,710)	-	3,927,568

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

	Incoming resources £	Resources expended £	Other gains and losses £	Net movement in funds £
Restricted funds	-	-	-	-
Unrestricted funds:				
General	182,764	(372,031)	(252,525)	(441,792)
Capital				
Designated:				
Grants payable	-	(947,918)	-	(947,918)
Total	182,764	(1,319,949)	(252,525)	(1,389,710)

Designated funds represent funds set aside from the unrestricted fund in relation to which the trustees have given an indication to the prospective donors of their intention to provide the funds over a period of time. The transfers between funds represent funds set aside for this purpose.

Unrestricted funds represent surplus donations and other incoming resources receivable in excess of grants and other outgoing resources payable and available for use by the trustees in accordance with the charitable objects.

The unrestricted capital fund was established by an initial cash deposit made when the charity was set up.

19. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unrestricted funds £	Non-controlling interests £	Total £
Balance at 1 January 2020	6,635,455	380,875	7,016,330
Total comprehensive expenditure for the year	(3,953,922)	(772,827)	(4,726,749)
Balance at 31 December 2020	2,681,533	(391,952)	2,289,581

20. RELATED PARTY DISCLOSURES

a. During the year, Whitebirk Finance Limited a company in which the trustee H A Cann is the director, recharged costs of £24,000 (2019: £33,451) for the cost of the charity's administration.

At 31st December 2020, the amount owed to this related party was £55,000 (2019: £55,000).

b. During the year, an interest free and unsecured loan subsisted between the charitable group and the Rushton No. 2 Trust, a trust which has mutual trustees with the charity.

At 31st December 2020, the charitable group owed £45,000 (2019: £45,000) to this related party.

c. During the year, an interest free and unsecured loan subsisted between the charitable group and the Rushton No. 3 Trust, a trust which has mutual trustees with the charity.

At 31st December 2020, the charitable group owed £120,000 (2019: £120,000) to this related party.

d. During the year, an interest free and unsecured loan subsisted between the charitable group and the Rushton No. 4 Trust, a trust which has mutual trustees with the charity.

At 31st December 2020, the charitable group owed £90,000 (2019: £90,000) to this related party.

e. During the year interest free and unsecured loans subsisted between the charitable group and the Ketlam Trust, a trust which has mutual trustees with the charity.

At 31st December 2020, the charitable group owed £2,493,542 (2019: £1,255,975) to this related party.

f. During the year, there was an amount owed by the charitable group to Graphic Supply Network Limited, a company in which a director of a subsidiary company is a director.

At 31st December 2020, the charitable group owed £183,591 (2019: £183,591) to this related party.

g. During the year, an interest free and unsecured loan subsisted between the charity and the Brantwood Trust, a charity in which Mr H A Cann is a trustee.

At 31st December 2020, the charitable group was owed £nil (2019: £289,000) by this related party.

h. During the year an interest free and unsecured loan was advanced to the charitable group from the HAC Grandchildren's Trust, a trust which has mutual trustees with the charity.

At 31st December 2020 this related party was owed £300,000 (2019: £nil) by the charitable group.

21. CONTINGENT LIABILITIES

The charity has guaranteed one of the purchase ledger creditors of LEB Partnership Limited, which is one of its subsidiaries. The outstanding liability in respect of this creditor at 31st December 2020 was £nil (2019: £28,960).