

The Harris Charity

Financial Statements

For The Year Ended

5 April 2024

THE HARRIS CHARITY

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THE HARRIS CHARITY

CHARITY DETAILS

Trustees:	E J Booth CBE DL LLD - (Chairman) P R Metcalf MBE FCA DChA - (Vice Chairman) Dr A W Andrews Mrs J Coulston—Herrmann BA Hons M.Ed JP Mrs N M Fielden Rev P Hamborg S W J Huck LLB K G Mellalieu T J Scott FCSI S B R Smith (Resigned 31 August 2023)
Honorary Vice President	W S Huck
Secretary	D M Ingram FCA
Registered Address	Richard House 9 Winckley Square Preston PR1 3HP
Charity Number	526206
Independent Examiner	A Mills FCA MAAT Chartered Accountant James Todd & Co (NW) Ltd Greenbank House 141 Adelphi Street Preston PR1 7BH
Investment Advisers	Brown Shipley U K Authorised Private Bank 3 Hardman Street Spinningfields Manchester M3 3HF
Endowment Fund	Incorporates Permanent Endowments from the following charities: Jacson Memorial Fund Jacson Special Bequest Victor Gatty Prize Fund Rogerson Scholarship Trust Lancashire Council for Voluntary Youth Service

THE HARRIS CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2024

The Trustees present their report and financial statements of the charity for the year ended 5 April 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Constitution, objectives and activities for the public benefit

The charity, which was originally known as "The Harris Orphanage" regulated by a scheme of the High Court of Justice of 23 January 1883, was re-organised in 1985 following the disposal of the Harris Orphanage premises in Garstang Road, Preston, to the Lancashire Polytechnic (now renamed University of Central Lancashire).

The proceeds of sale together with previously held investments have resulted in a substantial endowment which has been invested for the future benefit of young people under the age of twenty-five years resident in the County of Lancashire, with preference given to persons living in the City of Preston (formerly the Borough of Preston).

The Harris Charity is a registered charity governed by a scheme of arrangement dated 8 August 1985 approved by the Charity Commissioners. The Trustees' powers of investment are determined by the Trustee Act 2000.

Financial assistance is given to relieve hardship or distress, for promoting training and education and to assist in the provision of facilities for recreation and leisure activities.

The trustees generally meet on a quarterly basis to address the business of the charity. The secretary handles the day to day running of the charity from the registered office.

Trustees and appointment of new trustees

The trustees who have served during the year and since the year end are set out on page 1 and are appointed in accordance with the trust scheme.

Trustees are appointed for five years by resolution of the body of trustees passed at a special meeting of which not less than twenty-one days' notice has been given. The trustees look to appoint new trustees with expertise and knowledge and who have an involvement with the care of children and activities for which grants are sought. Any Trustee who is absent from all meetings of the trustees during a period of two consecutive years is considered to have determined their trusteeship.

The trustees, Mr T J Scott and Mr P Metcalf were re-elected during the year.

Investment policy

An Investment Sub-Committee meets quarterly to review the investment portfolio of the charity and to discuss any proposals made by the investment advisers, Brown Shipley.

The trustees agree with the investment adviser that a realistic income target in the present circumstances is £100,000 per annum rather than the £120,000 figure that has been previously requested with an anticipation that the new income target will not be achieved in the short term as dividends continue to recover. The trustees continue to take a long term view on the investment portfolio and will keep the target figure under review as market conditions change.

THE HARRIS CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

Investment policy (continued)

The current Brown Shipley mandate in measuring investment performance is 'Growth' using the MSCI PIMFA Private Investor Growth Index as a benchmark. Investments are avoided where their products are harmful to children and young people who the charity serves. The policy is to generate income for the making of grants whilst maintaining capital growth to protect the value of the investments in real terms.

Grant-making policy

The charity invites applications from individuals under the age of 25 years and organisations which support persons under the age of 25 years, twice yearly in March and September. Applicants are invited to submit a summary of their proposals on a specific form. Each application is perused and grants are awarded at the trustees discretion. Each applicant is informed as to whether or not a grant has been awarded and if successful is asked to provide the Trustees with the relevant documents/invoices in order that funds may be released.

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant-making policy for the year. Financial assistance is given to relieve hardship or distress, for promoting training and education and to assist in the provision of facilities for recreation and leisure activities for those under the age of twenty five years resident in the county of Lancashire, with preference given to persons living in the city of Preston. An analysis of the assistance provided is shown in note 5.

Review of activities – achievements and performance

During the year 32 grants awards (2023:23) have been made by the charity totalling £107,553 (2023:£64,684). Grants amounting to £224,322 (2023:£209,262) had been approved but not paid at the year end.

The Harris Charity continues to explore ways to provide help to young people in the Lancashire area who are living in challenged circumstances. It works closely with two local charities, Preston Relief in Need and Guild Initiative for Furniture Trust (Gift 92) in supporting young people and families setting up home.

Financial review

The charity's income during the year amounted to £121,150 (2023:£100,764).

Total resources expended during the year amounted to £138,112 (2023:£102,295). Grants payable during the year totalled £89,863 (2023: £56,644). The overall result was an increase in the value of the unrestricted fund of £24,052 (2023:increase of £16,218) to £389,450 (2023:£365,398) at 5 April 2024 after adding (2023:deducting) the unrealised gain of £16,123 (2023:loss of £5,282) on investments and current asset investments held.

During the year the value of the endowment fund increased by £376,661 (2023:decrease of £249,100) to £4,384,552 (2023:£4,007,891) at 5 April 2024. This occurred as a result of gains of £401,552 (2023: gains of £249,100) and after deducting investment management costs of £24,891 (2023:£22,953).

THE HARRIS CHARITY
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2024

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level that provides sufficient funds to cover grants payable and administration costs and to respond to emergency applications for grants which arise from time to time. The endowment fund is invested in order to generate the income necessary to provide for the grants that are awarded.

The trustees confirm that the free reserves of the charity at the year end were £389,450 (2023: £365,398).

This report was approved by the Trustees on October 25, 2024 and signed on its behalf:

Edwin Booth

E J Booth CBE DL LLD
Chairman of the Board of Trustees

THE HARRIS CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE

TRUSTEES OF THE HARRIS CHARITY

I report to the trustees on my examination of the accounts of The Harris Charity for the year ended 5 April 2024 set out on pages 6 to 15.

Responsibilities and basis of report

As the charity trustees of The Harris Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

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

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



A Mills FCA MAAT
Chartered Accountant
James Todd & Co (NW) Ltd
Greenbank House
141 Adelphi Street
Preston
PR1 7BH

Dated: October 29, 2024

THE HARRIS CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2024

		Unrestricted funds	Endowment funds	Total 2024	<i>Total 2023</i>
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	1,031	-	1,031	<i>1,000</i>
Investments	3	120,119	-	120,119	<i>99,764</i>
Total incoming resources		121,150	-	121,150	<i>100,764</i>
Expenditure on:					
Raising funds	4	-	24,891	24,891	<i>24,310</i>
Charitable activities	5	113,221	-	113,221	<i>77,985</i>
Total expenditure		113,221	24,891	138,112	<i>102,295</i>
Net income/(expenditure) before gains/(losses) on investments		7,929	(24,891)	(16,962)	<i>(1,531)</i>
Gains/(losses) on investments	6/7	16,123	401,552	417,675	<i>(254,382)</i>
Net movement in funds		24,052	376,661	400,713	<i>(255,913)</i>
Reconciliation of funds					
Total funds brought forward		365,398	4,007,891	4,373,289	<i>4,629,202</i>
Total funds carried forward		389,450	4,384,552	4,774,002	<i>4,373,289</i>

THE HARRIS CHARITY
BALANCE SHEET
AS AT 5 APRIL 2024

		Unrestricted funds	Endowment funds	Total 2024	Total 2023
	Note	£	£	£	£
Fixed assets					
Investments	6	-	4,343,289	4,343,289	3,930,976
Total fixed assets		-	4,343,289	4,343,289	3,930,976
Current assets					
Debtors	7	18,627	-	18,627	17,477
Investments	8	433,820	-	433,820	239,722
Cash at bank and in hand		181,568	41,263	222,831	414,380
Total current assets		634,015	41,263	675,278	671,579
Liabilities					
Creditors: amounts falling due within one year	9	(244,565)	-	(244,565)	(229,266)
Net current assets		389,450	41,263	430,713	442,313
Net assets		389,450	4,384,552	4,774,002	4,373,289
Charity Funds					
<i>Unrestricted funds:</i>					
General fund		389,450	-	389,450	365,398
<i>Endowment funds</i>		-	4,384,552	4,384,552	4,007,891
Total charity funds	10,11	389,450	4,384,552	4,774,002	4,373,289

Approved by the Board of Trustees on October 25, 2024 and signed on its behalf by:

Edwin Booth

E J Booth CBE DL LLD – Chairman of Trustees

Peter Metcalf

P R Metcalf MBE FCA DChA – Vice Chairman

David Ingram

D M Ingram FCA - Secretary

The notes on pages 8 to 15 form part of these financial statements.

THE HARRIS CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies

Basis of preparation

The Harris Charity is a charity registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2 of the trustees report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainty exists that casts doubt on the charity's ability to continue to operate. The trustees have considered the level of funds held and the expected level of income and expenditure for the twelve months from the date of the authorising of these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income recognition

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

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Investment income is recognised in the period in which the charity is entitled to receipt.

THE HARRIS CHARITY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

1 Accounting policies (continued)

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been allocated to the fund to which it relates. Expenditure is recognised where there is a legal or constructive obligation to make payment, it is probable that settlement will be required and the amount of the obligation can be measured reliably. The charity is not registered for VAT, consequently, input VAT incurred is charged against the expenditure heading to which it relates.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Allocation of support and governance costs

Support costs are those costs incurred that assist the work of the charity but do not directly represent charitable activities. They are in sustained support of expenditure on the objects of the charity.

Governance costs are those costs relating to the public accountability of the charity and its compliance with regulations and good charity practices. The trustees have decided that all such costs be met from unrestricted funds.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted mid market price as quoted on the London Stock Exchange and, in the case of foreign investments, on their respective stock exchanges.

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 sale 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 cost, if acquired during the year, their fair value at the previous year end and their fair value at the current year end.

Unrestricted fund

The unrestricted fund is a fund which is available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which has not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The charity currently has no designated funds.

Endowment fund

The endowment fund is a fund representing those assets which must be held permanently by the charity, principally investments. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund.

THE HARRIS CHARITY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2024

2 Donations and legacies – unrestricted

	2024 £	2023 £
Donations	1,031	1,000
	<u>1,031</u>	<u>1,000</u>

3 Investment - unrestricted

	2024 £	2023 £
Investment dividends and interest	116,927	99,307
Bank interest	3,192	457
	<u>120,119</u>	<u>99,764</u>

4 Raising funds -

	2024 £	2023 £
Investment management costs	24,891	24,310
	<u>24,891</u>	<u>24,310</u>

£24,891 (2023: £22,953) of expenditure is allocated to the endowment fund and £Nil (2023: £1,357) to unrestricted.

THE HARRIS CHARITY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2024

5 Charitable activities

	2024 £	2023 £
Grants expenditure:		
Grants (see note 5b)	89,863	56,644
	<u>89,863</u>	<u>56,644</u>
Grant related support costs:		
Secretarial fees	14,573	15,720
Information commissioner's charges	35	113
Trustee insurance	3,048	-
Accountancy fees - governance	2,850	2,800
Independent examiners fees - governance	2,796	2,708
Bank charges	56	-
	<u>113,221</u>	<u>77,985</u>

£Nil (2023: £78) of expenditure is allocated to the endowment fund, the rest is unrestricted.

Note 5b	2024 £	2023 £
Balance payable brought forward	209,262	190,696
Previously awarded grants released	(17,670)	(8,040)
New grants awarded in the year	<u>107,533</u>	<u>64,684</u>
Net grant cost in the year (note 5c)	<u>89,863</u>	<u>56,644</u>
	299,125	247,340
Grants paid in the year	<u>(74,803)</u>	<u>(38,078)</u>
Balance payable carried forward (note 9)	<u>224,322</u>	<u>209,262</u>

THE HARRIS CHARITY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2024

5 Charitable activities (continued)

Note 5c	Preston Area £	Lancashire Area £	5 April 2024 £	5 April 2023 £
Institutional				
Charitable organisations	6,030	2,199	8,229	16,646
Educational	-	3,900	3,900	7,600
Recreational – scouts, youth clubs etc	-	5,000	5,000	4,289
Recreational – sports, playgroups etc	36,941	50,077	87,018	30,786
Individuals	860	2,526	3,386	5,363
Previously awarded grants released	(13,445)	(4,225)	(17,670)	(8,040)
	30,386	59,477	89,863	56,644

6 Fixed asset investments

	2024 £	2023 £
Market value at 5 April 2023	3,930,976	4,202,333
Additions	426,809	802,437
Disposal proceeds	(416,048)	(824,694)
Net investment (losses)/gains	401,552	(249,100)
Market value at 5 April 2024	4,343,289	3,930,976
Historical cost at 5 April 2024	4,057,783	3,773,459
Investments at fair value comprised:	2024 £	2023 £
Equities	3,556,145	3,371,503
Bonds and gilts	601,422	385,329
Hedge and structured funds	69,426	63,945
Property funds	116,296	110,199
	4,343,289	3,930,976

THE HARRIS CHARITY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2024

7 Debtors

	2024 £	2023 £
Accrued Income	5,602	4,452
Loans	13,025	13,025
	<u>18,627</u>	<u>17,477</u>

The loans are interest free and will be repaid or reviewed before the 25th birthday of the recipient

8 Current asset investments

	2024 £	2023 £
Market value at 5 April 2023	239,722	245,004
Additions	177,975	-
Disposal proceeds	-	-
Net investment (losses)/gains	<u>16,123</u>	<u>(5,282)</u>
Market value at 5 April 2024	<u>433,820</u>	<u>239,722</u>
Historical cost at 5 April 2024	<u>250,000</u>	<u>250,000</u>
Investments at fair value comprised:	2024 £	2023 £
Cash funds	<u>433,820</u>	<u>239,722</u>
	<u>433,820</u>	<u>239,722</u>

9 Creditors – amounts falling due within one year

	2024 £	2023 £
Creditors and accrued charges	20,243	20,004
Grants payable (note 5b)	224,322	209,262
	<u>244,565</u>	<u>229,266</u>

THE HARRIS CHARITY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2024

10 Analysis of charitable funds

The unrestricted fund is available for use at the direction of the trustees in furtherance of the general objectives of the charity and which has not been designated for other purposes.

The investment fund is established from previously owned investments together with the proceeds from the disposal of the Harris Orphanage premises in 1985. The fund is kept as a permanent endowment with investments being held for their capital appreciation and also to generate revenue for the unrestricted fund.

	Balance at 6 April 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 5 April 2024 £
Unrestricted funds:	365,398	121,150	(113,221)	-	16,123	389,450
Endowment funds:	4,007,891	-	(24,891)	-	401,552	4,384,552
	<u>4,373,289</u>	<u>121,150</u>	<u>(138,112)</u>	<u>-</u>	<u>417,675</u>	<u>4,774,002</u>

Analysis of charitable funds - previous year

	Balance at 6 April 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 5 April 2023 £
Unrestricted funds:	349,180	100,764	(79,264)	-	(5,282)	365,398
Endowment funds:	4,280,022	-	(23,031)	-	(249,100)	4,007,891
	<u>4,629,202</u>	<u>100,764</u>	<u>(102,295)</u>	<u>-</u>	<u>(254,382)</u>	<u>4,373,289</u>

THE HARRIS CHARITY
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2024

11 Analysis of net assets between funds – previous year

	Unrestricted funds £	Endowment funds £	At 5 April 2023 £
Fund balances at 5 April 2023 are represented by:			
Investments	-	3,930,976	3,930,976
Current assets	594,664	76,915	671,579
Creditors falling due within one year	(229,266)		(229,266)
	<hr/>	<hr/>	<hr/>
	365,398	4,007,891	4,373,289
	<hr/>	<hr/>	<hr/>

12 Related party transactions

Fees of £17,423 (2022: £18,520) for secretarial and accountancy services were payable to MHA Moore & Smalley LLP, Chartered Accountants, of which the secretary, Mr D M Ingram was a consultant during the year. The amount shown as outstanding at the year end was £17,543 (2023: £17,400).

Mr P R Metcalf is a trustee of the charities, Preston Relief in Need and the Guild Initiative for Furniture Trust (Gift92), with whom The Harris Charity works closely with, both charities supporting persons under the age of 25 years. Grants awarded to Preston Relief in Need during the year were £nil (2023: £nil) and Gift 92 £nil (2023: £250) for appliances supplied by them to applicants who were grant aided by the Harris Charity.

13 Trustees' remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2023: £nil).

The trustees did not have any expenses reimbursed during the year (2023: £nil).