

THE BARRY & PEGGY HIGH FOUNDATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
5 APRIL 2022

BAKER WATKIN AUDIT LLP
Chartered Accountants
Statutory Auditor
Middlesex House
Rutherford Close
Stevenage
Hertfordshire
SG1 2EF

The Barry & Peggy High Foundation
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

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The Barry & Peggy High Foundation

TRUSTEES

FOR THE YEAR ENDED 5 APRIL 2022

Registered Charity No:

801518

Trustees

A N How

I G Lewis (deceased 29.12.21)

R J F Wortley (appointed 7.4.22)

P R H Trim (appointed 7.6.22)

H M Taylor-Brown

W R Holme

D Preston

Registered Office and Principal Address

Howes Percival LLP

Flint Buildings

1 Bedding Lane

Norwich

NR3 1RG

Bankers

Svenska Handelsbanken AB

Sherwood House

5 Bluecoats Avenue

Hertford

SG14 1PB

Auditors

Baker Watkin Audit LLP

Chartered Accountants

Statutory Auditor

Middlesex House

Rutherford Close

Stevenage

Hertfordshire

SG1 2EF

The Barry & Peggy High Foundation

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2022

Overview

The trustees present their report and financial statements for the year ended 5 April 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019)

OBJECTIVES AND ACTIVITIES

The charitable purposes of the Trust are set out in clause 4 of the Trust Deed which states that the Trustees shall hold the Trust Fund to pay or apply the capital or annual income to or for such charitable purposes as the Trustees from time to time think fit.

ACHIEVEMENT AND PERFORMANCE

The Trust continues to support a range of charities and educational initiatives, financed from income from its property and investments.

In the making of all donations the Trustees have complied with Section 17 of the Charities Act 2011 regarding guidance on public benefit as published by the Charity Commission and during the financial year the Trust had made donations of £460,000 to various charities.

FINANCIAL REVIEW

Reserves policy

The capital account is a general fund which is expendable at the discretion of the Trustees. However, the present intention of the Trustees is to keep the capital funds intact to generate income for charitable purposes. Investment income from the capital fund is credited to unrestricted funds to which the donations and administration expenditure is charged. At the end of the financial year the surplus on the capital account stood at £36,895,918.

The income account is a general fund which is fully expendable. The Trustees regularly monitor the balance on unrestricted funds to ensure that there will always be sufficient reserves available to be able to continue to donate at a similar level each year. At the end of the financial year the surplus on the income account stood at £686,821.

Investment policy

In accordance with the Trust Deed, the Trustees have the power to invest in such cash, quoted stocks, shares, investments and property as they see fit.

The investment policy of the Trustees during the year has been to follow the advice of the Foundation's investment advisors, Close Brothers and Brewin Dolphin. The portfolio is run on a discretionary basis with an objective of a balance between income and capital growth with a medium risk strategy. It does however have an equity bias.

Financial controls

The Trust has maintained detailed financial procedures for the initiation, administration and control of the Trust's assets and expenditure.

Risk management

In accordance with current best practice, the Trustees have continued to regularly review the actual and potential risks which affect the operations and administration of the Trust and are satisfied with the procedures and other safeguards they have put in place.

The Barry & Peggy High Foundation

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was established by a trust deed dated 3 May 1989.

The Trust is registered by the Charity Commission as The Barry and Peggy High Foundation, charity number 801518.

The original Trustees were appointed by the 1989 Deed and subsequent appointments have been made by the Founder. The power of appointing new Trustees is vested in the Founders during their joint lives and in the survivor of the Founders during his or her life as stipulated in the Trust Deed governing the Foundation.

The Trustees do not have a training policy, but one of the Trustees is an expert in charity law.

The trustees who served during the year and up to the date of signature of the financial statements were:

A N How
R J F Wortley
H M Taylor-Brown
W R Holme
D Preston

Trustee, I G Lewis deceased on 29/12/2021.

R J F Wortley was appointed as trustee on 07/04/2022.

P R H Trim was appointed as trustee on 07/06/2022.

Approved by order of the board of trustees on 1/2/2023 and signed on its behalf by:

.....
A N How - Trustee

The Barry & Peggy High Foundation
Statement of Trustees' Responsibilities
For The Year Ended 5 APRIL 2022

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The 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.

The Barry & Peggy High Foundation

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 5 APRIL 2022**

Opinion

We have audited the financial statements of The Barry and Peggy High Foundation (the 'parent charity') and its subsidiaries (the 'group') for the year ended 5 April 2022 which comprise the Group Statement of Financial Activities, incorporating and income and expenditure account, the Group and the Charity Balance Sheets, a Group Consolidated Cashflow 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 group's and parent charity's affairs as at 5 April 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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.

The Barry & Peggy High Foundation
INDEPENDENT AUDITOR'S REPORT (Continued)
FOR THE YEAR ENDED 5 APRIL 2022

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 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 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.

Auditor's responsibilities for the audit of the financial statements

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

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.

Other matter

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

The Barry & Peggy High Foundation
INDEPENDENT AUDITOR'S REPORT (Continued)
FOR THE YEAR ENDED 5 APRIL 2022

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.

Baker Watkin Audit LLP

Dated:1/2/2023

Baker Watkin Audit LLP

Chartered Accountants

Middlesex House

Rutherford Close

Stevenage

Hertfordshire

SG1 2EF

Baker Watkin Audit LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE BARRY & PEGGY HIGH FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

		For the Year ended on 5 April 2022			For the Year ended on 5 April 2021		
	Note	Unrestricted Funds Income £	Unrestricted Funds Capital £	Total Funds 2022 £	Unrestricted Funds Income £	Unrestricted Funds Capital £	Total Funds 2021 £
Income							
<i>Donations</i>							
Donations and legacies		-	-	-	-	-	-
Charitable activities		-	-	-	-	-	-
Other trading activities	2	498,242	-	498,242	137,888	-	137,888
Investments	3	2,117,277	-	2,117,277	1,983,566	-	1,983,566
Total Income		2,615,519	-	2,615,519	2,121,454	-	2,121,454
Expenditure							
Charitable expenditure	4	789,293	-	789,293	761,736	-	761,736
Other	4	570,888	-	570,888	592,650	-	592,650
Total Expenditure		1,360,181	-	1,360,181	1,354,386	-	1,354,386
Net gains / (losses) on investments	7	(252,876)	2,192,876	1,940,000	(277,898)	2,003,227	1,725,329
Net income before tax		1,002,462	2,192,876	3,195,338	489,170	2,003,227	2,492,397
Tax on profit	10	721,675	-	721,675	550,611	-	550,611
Net income before transfers		280,787	2,192,876	2,473,663	(61,441)	2,003,227	1,941,786
Transfers between reserves		-	-	-	-	-	-
Other recognised gains/(losses)		-	-	-	-	-	-
Net movement in funds	19	280,787	2,192,876	2,473,663	(61,441)	2,003,227	1,941,786
Reconciliation of funds:							
Balance brought forward	19	1,586,070	34,703,042	36,289,112	1,647,511	32,699,815	34,347,326
Total funds carried forward:	19	1,866,857	36,895,918	38,762,775	1,586,070	34,703,042	36,289,112

All income and expenditure derive from continuing activities.

All gains and losses recognized in the year are included above.

The notes on pages 14 to 25 form part of these financial statements.

THE BARRY & PEGGY HIGH FOUNDATION

CONSOLIDATED BALANCE SHEET

	Note	5 APRIL 2022		5 APRIL 2021	
		£	£	£	£
Fixed Assets					
Tangible Assets			-		-
Investments	11		37,384,509		31,193,330
Current Assets					
Debtors and prepayments	14	1,324,738		1,004,639	
Cash at bank and in hand		<u>1,976,839</u>		<u>5,484,714</u>	
		3,301,577		6,489,353	
Creditors: Amounts falling due within one year	15	<u>(868,365)</u>		<u>(885,828)</u>	
Net Current Assets			2,433,212		5,603,525
Total assets less current liabilities			39,817,721		36,796,855
Provisions for liabilities	16		<u>(1,054,946)</u>		<u>(507,743)</u>
Net Assets			<u>38,762,775</u>		<u>36,289,112</u>
Capital and Reserves					
Designated Funds			-		-
Unrestricted Funds	19		<u>38,762,775</u>		<u>36,289,112</u>
			38,762,775		36,289,112
Restricted Funds			-		-
			<u>38,762,775</u>		<u>36,289,112</u>

The consolidated financial statements were approved by the Board of Trustees and authorised for issue on 11/11/2022 and were signed on its behalf by:

A N How, Trustee

The notes on pages 14 to 25 form part of these financial statements.

Charity registration number: 801518

THE BARRY & PEGGY HIGH FOUNDATION

BALANCE SHEET

	Note	5 APRIL 2022		5 APRIL 2021	
		£	£	£	£
Fixed Assets					
Tangible Assets			-		-
Investments					
Investments	11	36,448,307		34,277,103	
Investment property	11	<u>377,500</u>	36,825,807	<u>377,500</u>	34,654,603
Current Assets					
Debtors and prepayments	14	242,061		-	
Cash at bank and in hand		<u>539,151</u>		<u>550,565</u>	
		781,212		550,565	
Creditors: Amounts falling due within one year	15	<u>(24,280)</u>		<u>(96,093)</u>	
Net Current Assets			756,932		454,472
Total assets less current liabilities			37,582,739		35,109,075
Net Assets			<u><u>37,582,739</u></u>		<u><u>35,109,075</u></u>
Capital and Reserves					
Designated Funds					
Unrestricted Funds:					
Unrestricted Funds Income		686,821		406,033	
Unrestricted Funds Capital		<u>36,895,918</u>		<u>34,703,042</u>	
		37,582,739		35,109,075	
Restricted Funds					
		<u><u>37,582,739</u></u>		<u><u>35,109,075</u></u>	

The financial statements were approved by the Board of Trustees on 1/11/2023 and are signed on its behalf by:

A N How, Trustee

The notes on pages 14 to 25 form part of these financial statements.

Charity registration number: 801518

THE BARRY & PEGGY HIGH FOUNDATION

GROUP CONSOLIDATED CASHFLOW STATEMENT

		For the Year Ended 5 April 2022		For the Year Ended 5 April 2021	
	Note	£	£	£	£
Operating activities					
Net cash (Outflow)/Inflow from operating activities	18		632,295		344,682
Investing activities					
Income from listed investment disposal		171,911		153,544	
Investment Management Fees		(39,230)		(34,121)	
Purchase of fixed assets		(4,272,851)		(591,387)	
Disposal of fixed assets		-		2,500,000	
<i>Cash flow from investing activities</i>			<u>(4,140,170)</u>		<u>2,028,036</u>
Net change in cash and cash equivalents			<u>(3,507,875)</u>		<u>2,372,718</u>
Cash and cash equivalents at start of year			<u>5,484,714</u>		<u>3,111,996</u>
Cash and cash equivalents at the end of the year			<u>1,976,839</u>		<u>5,484,714</u>

The notes on pages 14 to 25 form part of these financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) General Information and basis of preparation

The financial statements 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 charity is a Public Benefit Entity as defined by FRS 102.

The consolidated financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

These consolidated financial statements include the results of the Market Harborough (Valley Way) Estates Limited. The Company, Market Harborough (Valley Way) Estates Limited's year end date is 31 March 2022. The result of the registered charity alone for the year was a surplus of £2,473,664 (2021: £1,941,785). The shares in Market Harborough (Valley Way) Estates Limited were gifted to the charity by trustee B L High upon the date of his death (14 June 2019). A custodian company, MH(VW)E Custodian Trustee Company Ltd, has been established for the purpose of holding these shares on behalf of the charity. The shares are reflected in the accounts of the charity at fair value.

The accounts have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) INCOME

The trading subsidiary of charity, Market Harborough (Valley Way) Estates Limited's turnover is measured at the fair value of the consideration received or receivable for rental income, insurance recharges, management fee recharges and other recharged income in the normal course of business, and is shown net of discounts and VAT.

Rental income

Operating lease income from investment properties is recognised in profit and loss on a straight-line basis over the lease term.

Other recharge income

Income relating to expense amounts recharged to tenants is recognised in profit and loss at the time the expenditure was originally incurred.

c) **Taxation**

The charity is exempt from tax on its charitable activities.

The tax expense represents the sum of the tax currently payable and deferred tax of the company.

Current tax

The tax currently payable is based on taxable profit of the company for the year. Taxable profit differs from net profit as reported in the profit and loss account of the company because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities of the company are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account.

d) **Charitable Funds**

Unrestricted funds consist of the Income Account and the Capital Account and are available for use at the discretion of the trustees in furtherance of their charitable objectives with the present intention of the Trustees to keep the Capital Account intact to generate income for charitable purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

e) **Incoming Resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Income from listed investments and interest receivable is recognised on a receipts basis.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

f) Investment Properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation of Investment Properties of Charity is recognised in the Capital Account within net income/(expenditure) for the year.

g) Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the Capital Account within net income/(expenditure) for the year. Transaction costs are expensed as incurred.

h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

i) Financial Instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

j) Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

k) Basic Financial Liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

l) Compound instruments

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of the issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

m) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

n) Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies, the trustees are required to make judgements estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

o) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising 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.

2. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2022	£	£	2021
Income from recharges	498,242	-	498,242	112,888	-	112,888
Sundry income	-	-	-	25,000	-	25,000
	498,242	-	498,242	137,888	-	137,888

3. INCOME FROM INVESTMENTS

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2022	£	£	2021
Rental income	1,967,037	-	1,967,037	1,839,792	-	1,839,792
Income from listed investments	150,240	-	150,240	139,800	-	139,800
Other interest receivable	-	-	-	3,974	-	3,974
	2,117,277	-	2,117,277	1,983,566	-	1,983,566

4. EXPENDITURE

	Grant	Charitable	Other	Total	Total
	to	activities	costs	2022	2021
	institutions				
Grant funding of activities (Note 5)	460,000	-	-	460,000	680,000
Market Harborough (Valley Way) Estates Limited	-	-	560,888	560,888	592,650
Exceptional investment property repairs	-	252,060	-	252,060	-
Support costs (Note 6)	-	72,308	-	72,308	77,176
Governance costs (Note 6)	-	4,925	-	4,925	4,560
Bad debt provision	-	-	10,000	10,000	-
	460,000	329,293	570,888	1,360,181	1,354,386

5. GRANTS PAYABLE

	2022	2021
	£	£
Charitable activities	460,000	680,000

GRANTS PAYABLE continued

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

	2022	2021
	£	£
Brathay Trust (1021586)	60,000	50,000
Childline (1003758)	-	200,000
London's air ambulance limited (801013)	-	50,000
MQ: transforming mental health (1139916)	-	110,000
RNLI life saving endowment (1184013)	60,000	60,000
St John ambulance association, Nelson centre (255743)	-	50,000
The Samaritans (219432)	-	50,000
Wings South West (1082938)	80,000	30,000
YES- Youth education service (289848)	60,000	80,000
The John Merricks Sailing Trust (1076036)	5,000	-
The Honeypot Children's Charity (1184132)	60,000	-
Ahoy (1084122)	60,000	-
NSPCC (216401)	25,000	-
Disasters Emergency Committee (1062638)	50,000	-
	460,000	680,000

Grants are all payable to institutions.

6. SUPPORT COSTS

	Support costs	Governance costs	2022	2021
	£	£	£	£
Trustee expenses - travel and subsistence for 3 Trustees (2021 : 3 Trustees)	1,754	-	1,754	1,054
Insurances	-	-	-	348
Legal and professional fees	28,672	-	28,672	38,271
Bank charges	147	-	147	155
Investment management fees	39,230	-	39,230	34,120
Accountancy	2,505	-	2,505	3,228
Audit fees	-	4,925	4,925	4,560
	72,308	4,925	77,233	81,736

7. NET GAINS/(LOSSES) ON INVESTMENTS

	Unrestricted Funds Income £	Unrestricted Funds Capital £	Total Funds 2022 £	Unrestricted Funds Income £	Unrestricted Funds Capital £	Total Funds 2021 £
Revaluation of investments	(252,876)	1,897,002	1,644,126	(277,898)	1,876,581	1,598,683
Gain/(loss) on sale of investments	-	295,874	295,874	-	126,646	126,646
	<u>(252,876)</u>	<u>2,192,876</u>	<u>1,940,000</u>	<u>(277,898)</u>	<u>2,003,227</u>	<u>1,725,329</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

A trustee named Helen Margaret Taylor-Brown received £1,001 (2021: £1,111) from the charity in relation to bookkeeping and administration work.

Mr A N How, one of the charity's trustees, and his wife received salaries from Market Harborough (Valley Way) Estates Limited during the year ended 5 April 2022 which were purely in respect of their respective directorship and employment with that company. The total of their combined salaries relating to year ended 5 April 2022 amounted to 116,000 (for the period from 15 December 2020, when the charity took control of the company's shares, to 5 April 2021- £32,667).

9. Employees

There average number of persons (including directors) employed by company during the year was 6 (2021- 5). All employees are involved in administration work.

There were no employees during the year (2021 – Nil) employed by Charity.

10. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2022 £	2021 £
Current tax:		
UK corporation tax	174,472	196,699
Corporation tax prior period Adjustment	-	-
Total current tax	<u>174,472</u>	<u>196,699</u>
Deferred tax	<u>547,203</u>	<u>353,912</u>
Tax on profit	<u>721,675</u>	<u>550,611</u>

11. FIXED ASSETS INVESTMENTS – GROUP

<u>Investments</u>	05.04.2022	05.04.2021
NET BOOK VALUES	£	£
Fixed Asset Investments	6,283,349	6,075,830
Investment Property	31,101,160	25,117,500
	<u>37,384,509</u>	<u>31,193,330</u>

MOVEMENTS IN YEAR

<u>Cost or valuation</u>	Opening Balances £	Additions £	Valuation changes £	Disposals £	Closing Balances £
<i>Fixed Asset Investments</i>					
Listed investments	6,075,830	150,240	229,190	(171,911)	6,283,349
Investment property	25,117,500	4,272,851	1,710,809	-	31,101,160
	<u>31,193,330</u>	<u>4,423,091</u>	<u>1,939,999</u>	<u>(171,911)</u>	<u>37,384,509</u>

Investment property of £377,500 held by Charity is consists of reversionary interests in freehold property.

The investment properties were valued as at 5 April 2017 by Davis Brown Limited, Chartered Surveyors, of which the charity's trustee, Mr A N How, is a director. These external valuations were carried out on the basis of Market Value in accordance with the latest edition of the Valuation Standards published by the Royal Institution of Chartered Surveyors. Mr A N How was not involved in preparing this valuation.

A valuation has not been carried out at 5 April 2022 as the trustees consider the valuation at 5 April 2017 to approximate to their fair values at 5 April 2022.

Investment property of £30,723,660 is held by Market Harborough (Valley Way) Estates Limited.

The investment properties were valued by Lambert Smith Hampton Limited, Chartered Surveyors, as at 14 June 2019 on an open market value basis.

The directors have, using their professional expertise, renewed the valuation previously provided by Lambert Smith Hampton Limited and made adjustments to the valuation as at 31.03.2022.

FIXED ASSETS INVESTMENTS – CHARITY

	05.04.2022	05.04.2021
NET BOOK VALUES	£	£
Investment property	377,500	377,500
<i>Fixed Asset Investments</i>		
Listed investments	6,283,349	6,075,830
Other investments (Note 12)	30,164,958	28,201,273
	<u>36,825,807</u>	<u>34,654,603</u>

MOVEMENTS IN YEAR

<u>Cost or valuation</u>	Opening Balances £	Additions £	Valuation changes £	Disposals £	Closing Balances £
Investment property	377,500	-	-	-	377,500
<i>Fixed Asset Investments</i>					
Listed investments	6,075,830	150,240	229,190	(171,911)	6,283,349
Other investments	28,201,273	-	1,963,685	-	30,164,958
	<u>34,654,603</u>	<u>150,240</u>	<u>2,192,875</u>	<u>(171,911)</u>	<u>36,825,807</u>

12. SUBSIDIARY

Name of undertaking	Address	Class of shares held	% Held
Market Harborough (Valley Way) Estates Limited (company registration number 01117121)	1 Margaret Street, London, UK, W1W 8RB	Ordinary Equity shares and Preference shares	100

Details of Subsidiary Undertakings

	2022 £
Gross income	3,924,029
Expenditure	1,960,344
Profit for the period	1,963,685
Aggregate amount of assets, liabilities and funds at the end of the reporting period	3,0164,958

13. FINANCIAL INSTRUMENTS – GROUP

	2022	2021
	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value	6,283,349	6,075,830
Debt instruments measured at amortised cost	1,324,738	1,004,639
	<u>7,608,087</u>	<u>16,080,469</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>868,365</u>	<u>885,828</u>

Equity instruments consist of Listed investments. Listed investments are measured at fair value, which is the mid-market price at the close of business from the appropriate Stock Exchange

FINANCIAL INSTRUMENTS – CHARITY

	2022	2021
	£	£
Carrying amount of financial assets		
Equity instruments measured at fair value	36,448,307	34,277,103
Debt instruments measured at amortised cost	242,061	-
	<u>36,690,368</u>	<u>34,277,103</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>24,280</u>	<u>96,093</u>

Equity instruments consist of Listed investments and other investments. Listed investments are measured at fair value, which is the mid-market price at the close of business from the appropriate Stock Exchange. Other investments are measured at fair value.

14. DEBTORS AND PREPAYMENTS: AMOUNTS DUE WITHIN ONE YEAR

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Trade debtors	398,006	-	304,817	-
Other debtors	926,732	242,061	699,822	-
	<u>1,324,738</u>	<u>242,061</u>	<u>1,004,639</u>	<u>-</u>

15. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Taxation and social security	267,268	-	234,744	-
Other creditors	28,290	-	558,033	3,042
Deferred income	497,290	-	-	-
Accruals	75,517	24,280	93,051	93,051
	868,365	24,280	885,828	96,093

16. PROVISIONS FOR LIABILITIES - GROUP

	Deferred tax	
	2022	2021
Opening balance as at 6 April	507,743	153,831
Add: Debits to Statement of Financial Activities	547,203	353,912
Balance at 5 April	1,054,946	507,743

17. RELATED PARTIES

In the year ended 5 April 2022, Market Harborough (Valley Way) Estates Limited (company registration number 01117121), the trading subsidiary of the Charity, made charitable donations of £650,000 (2021: £560,000) to Charity. Also, a non-equity dividend of £27,781 (2021: £nil) has been paid by the company to Charity. These amounts have been eliminated in these financial statements on the basis they are a consolidation of the two entities.

Two directors of Market Harborough (Valley Way) Estates Limited are also directors of Davis Brown Limited. Also, Mr A N How, charity's trustee, is able to exert significant influence over Market Harborough (Valley Way) Estates Limited by virtue of his shareholding. During the year, Market Harborough (Valley Way) Estates Limited incurred expenses of £85,144 (2021 - £96,422) with regards to property management fees. Davis Brown Limited also collects money on behalf of Market Harborough (Valley Way) Estates Limited. At the year end £626,306 (2021 - £649,092) was held by Davis Brown in a client account in respect of rental monies collected but not yet paid over to Market Harborough (Valley Way) Estates Limited. The charity paid £18,957 in relation to Exceptional investment property repairs to Davis Brown Limited (2021: £nil) which is subsequently recharged by the charity from the property lease holders. At the year end, the charity owed Davis Brown Limited £nil (2021: £nil).

A director of Market Harborough (Valley Way) Estates Limited is also a director of Karslakes Solicitors Limited. During the year, Market Harborough (Valley Way) Estates Limited incurred expenses of £26,009 (2021 - £10,590) with regards to legal fees and advice.

18. RECONCILIATION OF NET MOVEMENT IN FUNDS

	2022 £	2021 £
Net movement in funds	2,473,663	1,941,786
Adjustments for:		
Add back deferred tax timing difference	547,203	353,912
Income from listed investment	(150,240)	(139,800)
Management charges from listed investment	39,230	34,121
Gain/(loss) on investments	(1,940,000)	(1,725,329)
Decrease/(increase) in trade and other receivables	(320,098)	(157,649)
Increase/(decrease) in trade and other payables	(17,463)	37,641
Net cash from operating activities	632,295	344,682

19. MOVEMENT IN FUNDS

Group	Balance at 06 April-21 £	Income £	Expenditure £	Transfers £	Balance at 05 April-22 £
Unrestricted General Funds					
General - Income Fund	1,586,070	2,362,643	(2,081,856)	-	1,866,857
General - Capital Fund	34,703,042	2,192,876	-	-	36,895,918
General Funds	36,289,112	4,555,519	(2,081,856)	-	38,762,775
Total Funds	36,289,112	4,555,519	(2,081,856)	-	38,762,775

Charity	Balance at 06 April-21 £	Income £	Expenditure £	Transfers £	Balance at 05 April-22 £
Unrestricted General Funds					
General - Income Fund	406,033	1,080,082	(799,294)	-	686,821
General - Capital Fund	34,703,042	2,192,876	-	-	36,895,918
General Funds	35,109,075	3,272,958	(799,294)	-	37,582,739
Total Funds	35,109,075	3,272,958	(799,294)	-	37,582,739