

REGISTERED CHARITY NUMBER: 222142

MELTON MOWBRAY TOWN ESTATE

REPORT OF THE FEOFFES AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED

31 MARCH 2020

**tc** accounts · tax · legal · financial planning

3 Acorn Business Centre  
Northarbour Road  
Cosham  
Portsmouth  
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**MELTON MOWBRAY TOWN ESTATE**

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FOR THE YEAR ENDED 31 MARCH 2020**

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## MELTON MOWBRAY TOWN ESTATE

### CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The Board of Feoffees wish to thank the Town Estate Bailiff and all the staff for their hard work, support and help in maintaining the towns parks, gardens and sport fields, to a high standard throughout the year, and through the autumn and winter months of adverse weather conditions.

The Board are extremely grateful to Alastair Benton and his team, for their professional services and time in overseeing the Town Estates property portfolio, at no cost to the charity.

The finances of the Town Estate have suffered a downturn in the general economy, due to the cancellation of markets, extreme levels of rain, together with the high winds of 'Storms Dennis and Ciara'. From Weathering the Storms to global pandemics - resulting in the curtailing of the street market in March, when the Country was placed in lock-down, due to the Covid-19 pandemic outbreak; when only a handful of stalls selling fruit and vegetables, meat, fish and bread were allowed to trade. All staff at Sysonby Acres had to be furloughed, along with the Market Administrator, and thankfully, the remaining staff continued to work to keep the parks grass cut and the golf course in good order.

The Town Estate are pleased to announce, that following a request from the Town Meeting of October 2018 for better play provision for older children, grants were applied for and we can now confirm, the Town Estate have been awarded grants towards 'creating a destination play park in The Queen Elizabeth II Fields – Play Close', which is scheduled to be constructed during the summer of 2020. The scheme will be undertaken in phases and we are grateful to the FCC Communities Foundation for a generous award, to phase one, without which the project would not have been able to go ahead. The Town Estate would also like to thank the other collaborators to the scheme and third party support from Melton BID and M.B.C. The Romaney Fugill Memorial Fund have awarded a grant towards phase two, to provide play equipment for children in wheel chairs. This phase will allow more children to play together and to benefit from the play provision in the town centre parks. We are looking forward when the lock-down can be relaxed, when hopefully, the parks will re-open and the street market gets back to full strength.

It is with regret that we report that former Feoffee, Mr. John Rudman passed away at the Jasmine Court Care Home, Loughborough, on 7 January 2020. He served on the Board of Feoffees for over 20 years and made a significant contribution to the Town Estate through his extensive knowledge and experience of tree and land management.

#### **OBJECTIVES AND ACTIVITIES** **Objectives and public benefit**

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

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

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

## MELTON MOWBRAY TOWN ESTATE

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#### **How the public have benefitted in the year ending 31<sup>st</sup> March 2020 – is exemplified**

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

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

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

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

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

- Improved the series of thirteen Sunday Band Concerts we provide in New Park.
- Extend the range of products and events associated with the Town Markets.
- Successfully been awarded a £ 100k Grant for new play equipment in Play Close.

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

The main income streams of the charity derive from outdoor activities and are therefore directly affected by the weather. The wet, cold and extremely windy weather this winter, has resulted in a fall of income from the loss of markets and sports facilities during the year ended 31 March 2020.

The value of the investment portfolio has decreased to £2,033,332. The additional return from the investment in the Ethical Investment Fund has improved the Town Estate's ability to provide for the benefit of the town and its inhabitants.

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

##### **Reserves policy**

The Feoffees maintain investments in cash or easily realisable assets. The prime purpose of these investments is to provide income that finances charitable activities. However, they do provide a reserve that can be available to meet unplanned expenditure or cover shortfalls in income. At the balance sheet date £2,033,332 was held in investment portfolios. This is shown under the fixed assets heading.

## MELTON MOWBRAY TOWN ESTATE

### CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### FUTURE PLANS

The possible programme of projects and initiatives for the year beginning 1 April 2020 are:-

- Complete Phase 2 of the Town Market Refurbishment.
- To implement Phase 2 of the 'Inspiring Destination Play Park' in Wilton Park.
- Ensure income from trading and investments is sufficient to meet costs and continue to seek ways to increase and control expenditure to ensure the long-term future of the Town Estate and its facilities and services.
- Extend the range of products and events associated with the Town Markets.
- Negotiate the surrender of the 299 year lease of King Street College.
- Work to secure some of the longer term development of Melton's housing need on land owned by the Town Estate to the south of the town.
- Safeguard the continued provision of facilities and services for the people of Melton Mowbray by re-investing in the town.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Constitution

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

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

##### Recruitment and appointment of new Feoffees

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

##### Induction and training of new Feoffees

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

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**FOR THE YEAR ENDED 31 MARCH 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Charity number:** 222142

**Principal address**

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

**Feoffees**

Mr. I. P. Wilkinson	Senior Townwarden
Mr T. Webster	Junior Townwarden

Lt. Col. P. A. Roffey OBE DL

Mr. R. J. Sage

Mr. G. Bett

Mr. K. Hallam

Mrs. A. Holland

Mr. D. Whitehouse MBE

Mr. J. Southerington

Chairman of Feoffees

Mrs. D. Hickling

Mr. I. Neale

Mr. E. Smethurst

**Town Bailiff**

Mr. A. I. R. Cooper	Town Bailiff/CEO
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**Auditors**

TC Group

Statutory Auditors

3 Acorn Business Centre

Northharbour Road

Cosham

Portsmouth

PO6 3TH

**Accountants**

TC Group, Pera Business Park, Nottingham Road, Melton Mowbray, Leicestershire, LE13 0PB

**Bankers**

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

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**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**STATEMENT OF FEOFFEEES RESPONSIBILITIES**

The Feoffees (who are also trustees of Melton Mowbray Town Estate for the purposes of charity law) are responsible for preparing the Report of the Feoffees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the Feoffees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Feoffees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Feoffees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Mr. J. Southerington**  
Chairman of Feoffees'

## MELTON MOWBRAY TOWN ESTATE

### REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 MARCH 2020

#### Opinion

We have audited the financial statements of Melton Mowbray Town Estate (the 'charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure account), the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020, and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Feoffees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Feoffees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The Feoffees' are responsible for the other information. The other information comprises the information included in the Feoffees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

## MELTON MOWBRAY TOWN ESTATE

### REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31 MARCH 2020

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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Feoffees' report; 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 Feoffees'**

As explained more fully in the Feoffees' responsibilities statement [set out on page 5], the feoffees' are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Feoffees' 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 Feoffees' are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Feoffees' either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act.

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**MELTON MOWBRAY TOWN ESTATE**

**REPORT OF THE INDEPENDENT AUDITORS  
FOR THE YEAR ENDED 31 MARCH 2020**

**Use of our report**

This report is made solely to the charity's Feoffees', as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Feoffees' those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Feoffees' as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group  
Statutory Auditor  
3 Acorn Business Centre  
Northharbour Road  
Cosham  
Portsmouth  
PO6 3TH

*Date:*

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

MELTON MOWBRAY TOWN ESTATE

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted Funds	Restricted Funds	Endowment Fund	Total funds 2020	Total Funds 2019
	Note	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	-	-	-	-	3,072
<b>Charitable activities</b>						
Other trading activities	3	161,294	-	-	161,294	162,956
Investment income	4	142,601	-	-	142,601	197,155
Parks and sports grounds	5	117,530	-	-	117,530	132,304
Other income	6	150,000	-	-	150,000	6,851
<b>TOTAL</b>		<u>571,424</u>	<u>-</u>	<u>-</u>	<u>571,424</u>	<u>502,338</u>
<b>EXPENDITURE ON</b>						
Raising funds	7	201,270	-	-	201,270	191,943
<b>Charitable activities</b>						
Parks and sports grounds	8	407,860	3,602	-	411,462	431,328
<b>TOTAL</b>		<u>609,130</u>	<u>3,602</u>	<u>-</u>	<u>612,732</u>	<u>623,271</u>
<b>Net gains/(losses) on investments</b>		<u>(109,193)</u>	<u>-</u>	<u>-</u>	<u>(109,193)</u>	<u>76,884</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(146,899)</u>	<u>(3,602)</u>	<u>-</u>	<u>(150,501)</u>	<u>(44,049)</u>
Transfer between funds		<u>(177,610)</u>	<u>(177,610)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>30,711</u>	<u>(181,212)</u>	<u>-</u>	<u>(150,501)</u>	<u>(44,049)</u>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		<u>4,405,724</u>	<u>182,478</u>	<u>203,000</u>	<u>4,791,202</u>	<u>4,835,251</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>4,436,435</u>	<u>1,266</u>	<u>203,000</u>	<u>4,640,701</u>	<u>4,791,202</u>

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

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BALANCE SHEET  
FOR THE YEAR ENDED 31 MARCH 2020

					2020 £	2019 £
<b>FIXED ASSETS</b>						
Tangible assets	<b>14</b>	2,113,763	144,748	203,000	2,461,511	2,484,169
Investments	<b>15</b>	2,033,332	-	-	2,033,332	2,290,490
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		4,147,095	144,748	203,000	4,494,843	4,774,659
<b>CURRENT ASSETS</b>						
Stocks	<b>16</b>	2,513	-	-	2,513	1,597
Debtors	<b>17</b>	162,434	-	-	162,434	17,694
Cash at bank		9,454	1,266	-	10,720	40,065
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		174,401	1,266	-	175,667	59,626
<b>CREDITORS</b>						
Amounts falling due within one year	<b>18</b>	(29,809)	-	-	(29,809)	(43,083)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET CURRENT ASSETS/LIABILITIES</b>		144,592	1,266	-	145,858	16,543
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,291,687	146,014	203,000	4,640,701	4,791,202
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET ASSETS</b>		<b>4,291,687</b>	<b>146,014</b>	<b>203,000</b>	<b>4,640,701</b>	<b>4,791,202</b>
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUNDS</b>						
Unrestricted funds					<b>4,291,687</b>	4,409,843
Restricted general funds					<b>146,014</b>	178,359
Endowment funds					<b>203,000</b>	203,000
					<hr/>	<hr/>
<b>TOTAL FUNDS</b>					<b>4,640,701</b>	4,791,202
					<hr/>	<hr/>

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

.....  
Mr. J. Southerington  
Chairman of Feoffees

Registered Charity Number: 222142

## MELTON MOWBRAY TOWN ESTATE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 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.

##### **Income**

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

##### **Expenditure**

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

##### **Allocation and apportionment of costs**

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

##### **Tangible fixed assets**

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

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

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

##### **Stocks**

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

## MELTON MOWBRAY TOWN ESTATE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### Taxation

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

##### Fund accounting

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

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

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

##### Pension costs and other post-retirement benefits

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

##### Adjustments for value added tax

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

##### Investments

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

##### Endowment funds

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

#### 2. INCOME FROM DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations and small grants	-	-
Grants	-	3,072
Total	<u>-</u>	<u>3,072</u>

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Saturday markets	33,790	32,021
Tuesday markets	96,714	101,576
Craft and antique markets	6,754	3,121
Sundry market charges	3,884	4,378
Market charter rights	20,151	21,860
Total	<u>161,294</u>	<u>162,956</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Income from investments	79,877	112,410
Deposit account interest	-	2
Land rents	62,724	84,741
Total	<u>142,601</u>	<u>197,153</u>

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

5. INCOME FROM CHARITABLE ACTIVITIES

Income from parks and sports grounds £117,530 (2019 - £132,304)

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

6. OTHER INCOME

Other income resources include gains on disposals of fixed assets amounting to £150,000 (2019 - £6,851).

The charity sold land in 2017 for property development, the consideration on which included an element that was contingent on the final outcome of the development. The above amounts were contingent on total costs incurred by the developer and when completed Melton Mowbray Town Estate would receive 75% of any over costings relating to the abnormal foundation costs. As required by FRS102 the Feoffees annually review their estimate of the consideration receivable based on the information available and conditions that exist at the balance sheet date. At 31<sup>st</sup> March 2020 the Feoffees have concluded that sufficient certainty now exists to recognise £150,000 of the contingent consideration receivable to the charity.

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

7. RAISING FUNDS

Raising from trading activities

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Staff costs	82,658	79,941
Donations	330	-
Rates	4,864	1,396
Insurance	4,800	4,950
Repairs and street cleaning	5,625	11,412
Fuel and oil	4,928	3,656
Vehicle tax and insurance	1,573	1,550
Vehicle maintenance	2,227	3,294
Work clothing	856	612
Car park costs	252	969
Depreciation	12,355	15,670
Loss on sale of assets	-	-
Support costs	70,862	68,169
	<u>191,328</u>	<u>191,619</u>

Investment management costs

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Portfolio management fees	9,942	324
	<u>          </u>	<u>          </u>
<b>Aggregate amounts</b>	<u>201,270</u>	<u>191,943</u>

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

8. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 9) £	Support costs (See note 10) £	Total
Parks and sports grounds	340,600	70,862	411,462

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff costs	192,868	186,528
Purchases, refreshments etc...	4,012	9,361
Rates and water	2,537	2,659
Insurance	24,000	25,750
Plants, seeds, fertilisers etc...	3,568	6,313
Repairs, renewals and maintenance	50,199	75,553
Implements and workshop expenditure	2,639	2,866
Electricity and gas	16,003	17,220
Band hire	3,160	3,360
Unrelieved value added tax	19,012	9,390
Telephone	-	(40)
Fuel and oil	4,928	3,656
Vehicle tax and insurance	1,573	1,550
Vehicle maintenance	2,227	3,294
Work clothing	856	612
Television subscription	-	-
Depreciation	13,019	15,088
	<u>340,600</u>	<u>363,160</u>

10. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Total £
Other trading activities	58,132	-	12,730	70,862
Parks and sports grounds	58,132	-	12,730	70,862
	<u>116,264</u>	<u>-</u>	<u>25,460</u>	<u>141,724</u>

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

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

10. SUPPORT COSTS - continued

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

Management

	Other trading activities	Parks and sports grounds	2020 Total activities	2019 Total activities
	£	£	£	£
Wages	36,030	36,030	72,060	65,716
Social security	3,125	3,126	6,251	5,427
Pensions	1,775	1,775	3,550	3,230
Rates and water	2,345	2,344	4,689	4,439
Insurance	678	678	1,356	5,086
Gas and electricity	1,321	1,321	2,641	1,669
Telephone	2,885	2,885	5,770	5,670
Postage and stationery	897	897	1,793	2,874
Sundries	5,792	5,792	11,583	12,442
Computer maintenance	2,245	2,245	4,490	1,926
Bank charges	1,041	1,041	2,081	2,695
	<u>58,132</u>	<u>58,132</u>	<u>116,264</u>	<u>111,174</u>

Governance

	Other trading activities	Parks and sports grounds	2020 Total activities	2019 Total activities
	£	£	£	£
Wages	1,575	1,575	3,150	3,150
Auditors' remuneration	2,500	2,500	5,000	5,000
Insurance	2,400	2,400	4,800	4,950
Postage and stationery	-	-	-	1,000
Accountancy and legal fees	6,255	6,255	12,510	11,063
	<u>12,730</u>	<u>12,730</u>	<u>25,460</u>	<u>25,163</u>

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

11. FEOFFEEES' REMUNERATION AND BENEFITS

There were no Feoffees' remuneration or other benefits for the year ended 31 March 2020 nor for the period ended 31 March 2019.

**Feoffees' expenses**

There were no feoffees' expenses paid for the year ended 31 March 2020 nor for the period ended 31 March 2019.

12. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	326,317	312,301
Social security costs	19,777	18,311
Other pension costs	14,443	13,378
	<u>360,537</u>	<u>343,990</u>

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

	2020	2019
General staff	16	16
Administration staff	4	4
	<u>20</u>	<u>20</u>

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

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	-	3,072	-	3,072
<b>Charitable activities</b>				
Parks and sports grounds	132,304	-	-	132,304
Other trading activities	162,956	-	-	162,956
Investment income	197,153	2	-	197,155
Other income	6,851	-	-	6,851
<b>Total</b>	<u>499,264</u>	<u>3,074</u>	<u>-</u>	<u>502,338</u>
<b>EXPENDITURE ON</b>				
Raising funds	191,943	-	-	191,943
<b>Charitable activities</b>				
Parks and sports grounds	422,941	8,387	-	431,328
<b>Total</b>	<u>614,884</u>	<u>8,387</u>	<u>-</u>	<u>623,271</u>
Net gains/(Losses) on investments	76,884	-	-	76,884
	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
<b>NET INCOME/(EXPENDITURE)</b>	(38,736)	(5,313)	-	(44,049)
<b>Transfers between funds</b>	(4,119)	4,119	-	-
<b>Net movement in funds</b>	<u>(42,855)</u>	<u>(1,194)</u>	<u>-</u>	<u>(44,049)</u>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	4,448,579	183,672	203,000	4,835,251
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,405,724</u>	<u>182,478</u>	<u>203,000</u>	<u>4,791,202</u>

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Miniature railway £	Sports ground – Capital expenditure £	Sports ground – equipment £
<b>COST</b>				
At 1 April 2019	2,079,966	7,320	263,209	193,099
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2020	2,079,966	7,320	263,209	193,099
<b>DEPRECIATION</b>				
At 1 April 2019	7,466	-	-	131,984
Charge for the year	3,733	-	-	9,286
Charge on disposals	-	-	-	-
At 31 March 2020	11,199	-	-	141,270
<b>NET BOOK VALUE</b>				
At 31 March 2020	2,068,767	7,320	263,209	51,829
At 31 March 2019	2,072,500	7,320	263,209	61,115
	Machinery and implements £	Market stalls £	Office equipment £	Totals £
<b>COST</b>				
At 1 April 2019	168,449	93,296	10,690	2,816,029
Additions	1,850	867	-	2,717
Disposals	-	-	-	-
At 31 March 2020	170,299	94,162	10,690	2,818,745
<b>DEPRECIATION</b>				
At 1 April 2019	129,796	52,236	10,379	331,861
Charge for the year	8,100	4,193	62	25,374
Charge on disposals	-	-	-	-
At 31 March 2020	137,896	56,429	10,441	357,235
<b>NET BOOK VALUE</b>				
At 31 March 2020	32,403	37,733	249	2,461,510
At 31 March 2019	38,653	41,060	311	2,484,168

The freehold land and buildings are included at deemed cost.

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

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

15. FIXED ASSET INVESTMENTS

	2020	2019
	£	£
Shares	779,788	1,003,230
COIF Charities Investment Fund (CCLA)	1,243,843	1,282,197
Cash balances (HSBC)	9,071	5,063
	<u>2,032,702</u>	<u>2,290,490</u>

15. FIXED ASSET INVESTMENTS – continued

Additional information as follows:

	2020	2019
	£	£
<b>MARKET VALUE - Investments</b>		
Brought forward	1,003,227	1,083,005
Additions	426,967	327,254
Disposals	(578,761)	(423,696)
Revaluations	(71,645)	16,664
	<u>779,788</u>	<u>1,003,227</u>

Investment cash balances at the year-end were £9,701 (2019: £5,063)

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

	2020	2019
	£	£
Brought forward	1,282,197	1,186,449
Additions	-	-
Disposals	-	-
Revaluations	(38,354)	95,748
	<u>1,243,843</u>	<u>1,282,197</u>

16. STOCKS

	2020	2019
	£	£
Refreshments for resale	1,071	737
Garage stock	1,443	860
	<u>2,514</u>	<u>1,597</u>

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	7,059	12,080
VAT	-	5,884
Prepayments	5,375	-
Accrued income (Note 6)	150,000	-
	<u>162,434</u>	<u>17,964</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	12,971	28,286
Other creditors	7,559	7,559
Taxation and social security	9,279	7,238
	<u>29,809</u>	<u>43,083</u>

19. MOVEMENT IN FUNDS

	At 1 April 2019	Net movement in funds	Transfers between funds	At 31 March 2020
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	4,405,724	(146,899)	177,610	4,436,435
<b>Restricted funds</b>				
The Big Picture Appeal	52,499	(1,007)	(50,226)	1,266
Gym equipment	12,210	(1,630)	(10,580)	-
Tracing Footsteps	7,573	(965)	(6,608)	-
Egerton Park Community & Sports Pavilion	110,196		(110,196)	-
	<u>182,478</u>	<u>(3,602)</u>	<u>(177,610)</u>	<u>1,266</u>
<b>Endowment funds</b>				
Priors Close	203,000	-	-	203,000
<b>TOTAL FUNDS</b>	<u>4,791,202</u>	<u>(150,501)</u>	<u>-</u>	<u>4,640,701</u>

During the year the Feoffees reviewed the conditions on which the amounts reported as restricted funds are included in the financial statements. Following their review the Feoffees have concluded that the purposes, specified by the donors for the use of these funds, have been met previously by the charity, funded out of the unrestricted funds of the charity. Accordingly a transfer between the restricted and unrestricted funds has been made within these financial statements, to reflect the expenditure of the charity incurred in previous years, in completing the purposes specified by the original donor's restricted donation.

MELTON MOWBRAY TOWN ESTATE

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

20. MOVEMENT IN FUNDS (Comparative)

	At 1 April 2018 £	Net movement in funds £	Transfers between funds £	At 31 March 2019 £
<b>Unrestricted funds</b>				
General fund	4,448,579	(38,736)	(4,119)	4,405,724
<b>Restricted funds</b>				
The Big Picture Appeal	53,693	(2,259)	1,065	52,499
Gym equipment	12,210	(1,918)	1,918	12,210
Tracing Footsteps	7,573	(1,136)	1,136	7,573
Egerton Park Community & Sports Pavilion	110,196	-	-	110,196
	<u>183,672</u>	<u>(5,313)</u>	<u>4,119</u>	<u>182,478</u>
<b>Endowment funds</b>				
Priors Close	203,000	-	-	203,000
<b>TOTAL FUNDS</b>	<u>4,835,251</u>	<u>(44,049)</u>	<u>-</u>	<u>4,791,202</u>