



The Enrolled Freemen of the Borough of Great Grimsby

Annual Report and Financial Statements

for the Year Ended 29 February 2020

The Enrolled Freemen of the Borough of Great Grimsby

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The Enrolled Freeman of the Borough of Great Grimsby

Reference and Administrative Details

Charity Registration Number	219207
Trustees	Stephen P White Richard A Bellamy Robert E Cullum Rosemary Laver Sara J Meller Holly A North Tony M North David Pearce Edward Sherriff James R Steer Stephen T Wakefield
Clerk (Solicitor)	Wilkin Chapman LLP Cartergate House 26 Chantry Lane Grimsby DN31 2LJ
Treasurer (Chartered Accountant) and Principal Office	Forrester Boyd 26 South St Mary's Gate Grimsby DN31 1LW
Property Surveyor and Valuer (Chartered Surveyor)	Jackson Green & Preston 19 West St Mary's Gate Grimsby DN31 1LE
Bankers	HSBC Bank plc 55 Victoria Street Grimsby N E Lincolnshire DN31 1UX
Investment Advisers	Brewin Dolphin 1st Floor Olympic House 995 Doddington Road Lincoln LN6 3SE
Auditors	Weaver Wroot Burlington House 28 Dudley Street Grimsby DN31 2AB

The Enrolled Freeman of the Borough of Great Grimsby

Chairman's report

I started my report last year by explaining that Peter Fearn, our Treasurer was standing down and I am pleased to say that Carrie Jensen, one of his partners at Forrester Boyd Chartered Accountants, has proved to be a very worthy successor.

At the time of writing this we are some 6-7 weeks into the Government-imposed lockdown owing to the COVID-19 Pandemic. Whilst the effects of this have been experienced following our financial year-end I do just need to take a few moments to explain what effect this is having on us.

The market stalls, other than a few meat and fresh produce, are closed for trading, as are the food outlets, and the businesses in The Courtyard and The Hub. It is a very difficult time for everybody and we are allowing rent "holidays" in the hope that when things get back to normal traders and businesses will return and re-open.

The value of our stocks and shares have also taken a hit, as have everybody's, but it is hopeful that these will "bounce back" in due course.

Meanwhile, our Treasurer and her team are busy applying for any grants and concessions that are available to us in order to help with our cashflow.

So, now that the bad news is out of the way I can reflect on the year since February 2019 which has been busy as usual.

The biggest news item of the year concerns the demolition of the northern end of the former Freeman Way shopping precinct which we completed in June. Whilst this work was on-going we were approached by the YMCA who were looking for a site to relocate to from Peaks Lane. A deal was struck, as reported in the Grimsby Evening Telegraph, and work commenced on site on the new £8m building in early April with a completion date set for the summer of 2021.

There have also been subsequent reports of a new Community Stadium being built for Grimsby Town on the former high-rise flats site from both the club and North East Lincolnshire Council who are keen to regenerate the area, all subject to funding of course but at least we are on the map.

The Business and Digital Hub, officially opened in January 2014, is now home to a number of varied tenants. At the end of February all units were let, which is very pleasing since we knew that it would take some time to reach this position. Rooms, including the large seminar room on the ground floor which opens out onto the market, were being used regularly for training purposes, video-conferencing, general meetings, our Saturday Kid's Club and the GAP Theatre activities and special events such as art exhibitions and others during the Christmas period.

The Pastures Development Company Ltd. (PDC), a wholly-owned subsidiary, continues its' role of the management and promotion of The Hub and any other initiative which otherwise might fall outside of the purely charitable objectives of the Enrolled Freeman. The PDC comprises four Directors drawn from the Pastures Committee, Sara Meller, Richard Bellamy, Stephen Wakefield and myself, and we meet regularly as a group and with our Clerk and Treasurer on a monthly basis. There is a Facebook Page at <https://www.facebook.com/The-Pastures-Development-Company-of-the-Enrolled-Freemen-of-Grimsby-170951346435206> or just search for The Pastures Development Company.

Renovation and improvements to the market have been generally on-going; the latest area receiving a makeover being the Food Court. These improvements are almost complete and have been greatly appreciated by traders and shoppers alike but we have struggled to let all of the stalls as falling footfall has affected a number of businesses; we also see levels rise and fall at various times during the year. All of the Solar PV panels on the roof are now working to their full potential.

During the year admissions to the Freedom were slightly less than those removed with the result that the number of Freeman on the Roll now stands at 924, (was 948 last year). I, along with Stephen Wakefield, (Vice-Chairman), and Jonathan Goolden, (Clerk), attended the Admission Courts last year and will continue to do so in order to add to the sense of ceremony of the occasion.

I would remind you of The result of the Ballot, held in 2017, under the provisions of the "Local Democracy, Economic Development and Construction Bill (HL)" was in favour of admitting women who marry sons of Freeman to the Roll in the same way that men who marry daughters of Freeman are admitted.

The Enrolled Freeman of the Borough of Great Grimsby

Chairman's report

Please encourage all members of your family to apply for Admission if you think that they may be eligible. It is not the case that only the first-born can apply, admission is open to all children, including legally adopted children, of Freeman parents – father or mother and **previously admitted widows** of Freeman can now apply in their own right.

I would like to thank all members of the Pastures Committee and The Pastures Development Company Ltd for their diligence and hard work over the last year. **We do have several vacancies though that we urgently need to fill** on the Committee, to be elected at the AGM, and it will be up to you, the Freeman of Grimsby, to decide who the fourteen will be since the entire Committee has to be elected annually.

There is a list of current Committee Members in the Trustees' Report together with the number of meetings each has attended during the year; this is something that we have always done, without comment. All I would say is, is that a number of our members have to try to fit in around their working arrangements and others around family commitments. Each one makes a valuable contribution to the work of the Committee.

Our Committee is under strength so it is very important that at least three Freeman (male **or female**) offer themselves for election this year; we would particularly like to see **more younger** people put themselves forward. Any person whose name is on the Pastures Roll, with the exception of Widows of Freeman, may propose themselves for inclusion on the Committee. If you wish to be considered **please apply, in writing, to The Clerk's Office no later than Wednesday, 27th May**. Please include your full name and brief details of your education and employment history outlining what relevant skills and knowledge you could offer. In the event that we have more than fourteen candidates then a vote will be taken at the AGM, if we have the exact number required then they will be automatically appointed. Nominations from the floor will not be accepted on the day, nor can we co-opt afterwards.

This is a very exciting time to be a part of the committee as we are very involved in the future development of Freeman Street.

It is now twelve years since I first wrote about the plans for the regeneration of Freeman Street. The report of EC Harris, which was commissioned by North East Lincolnshire Council, is a public document and the NELC Cabinet have adopted the Report and Plan as one of their Primary Regeneration Projects. Most of you will be aware that Shoreline Housing Partnership merged with Boston Mayflower producing Lincolnshire Housing Partnership and following the demolition of the high-rise flats and Comber Place. The Chief Executive of LHP has indicated that the former high-rise flats site may be looked at in conjunction with our site in any redevelopment plans and no doubt you will have seen the various reports in the Grimsby Telegraph as to what "might" be built there. There is a long way to go though but we continue to enjoy a very positive relationship with the Council and we are delighted to have been offered this opportunity to work alongside them and their investors in what may be viewed as a spin-off to the Town Deal arrangements. This has meant that those of us from the Committee, as Trustees, have had to put additional time in to attend the various meetings, and to carry out research etc., along with our Clerk, Treasurer and Surveyor. We would not have achieved a fraction of what we have without their willingness and, again, I would like to express my gratitude to them on your behalf.

Much has happened since we held the workshop in April 2018 to discuss the future of The Freeman Centre. We thought that we had a possible client and then the interest waned but we subsequently attracted the interest of the YMCA as mentioned earlier. If you wish to keep up to date with what is happening see our dedicated Facebook page <https://www.facebook.com/FreemanStRegen/>. The Freeman Street Regeneration Company which we had registered has been wound up with the duties transferred to the PDC.

Our general news items may be seen on our Facebook Page, <https://www.facebook.com/EnrolledFreemenofGrimsby/>.

We are members of the Grimsby Renewables Partnership and have also been supportive of the Ice Factory/Prince's Regeneration Trust collaboration for the possible positive effects that these could have on the Freeman Street/East Marsh Regeneration.

The Enrolled Freemen of the Borough of Great Grimsby

Chairman's report

Turning now to the Financial Activities and, in particular, the Market. Trading conditions continue to be very difficult which hasn't been helped by the loss of the local residents and reduced footfall. It is difficult to compare exactly like for like in each year for a variety of reasons. For example, income from stall rents, The Skills Centre and the Solar PV FIT show some ups-and-downs whilst costs have increased, (a large amount of which is depreciation), so that the loss here for the year is greater than the previous year. We have also had to include some of the costs, and income, associated with The Freeman Centre. The Council's 1/20 share has reduced to zero since it is related to specific elements of income. However, the losses incurred on all trading activities are more than offset by income generated from the sale of ground leases and the increased value of investments which produces a net increase in the Freeman's Funds of just over £615,000 (boosted by a Revaluation of Investment Properties). If you have any specific questions regarding the accounts the Treasurer will be attending the Annual General Meeting to answer them.

The Solar Panels, mentioned earlier, yielded a Feed in Tariff of £33,820 over the year, (£32,763 previously), and also helped to keep our electricity bills down. We haven't applied for any more awards since we haven't added anything further to our installation or extended our other "green" credentials.

The Skills & Craft Centre, also known as "The Courtyard", took a long time to recover from the loss of Minimatt from the recording studio and others. We have gradually let out the vacant units again but the recording studio was difficult to let and the new tenants are not using it as a studio but simply as an office suite; the work on converting what was the remainder of the woodworking shop has now been completed to allow GAP Theatre to move in having relocated from The Hub. The hairdressers and Custom-Funky, an outlet for printed mugs, tee-shirts and workwear continue to do well. The whole of the market has Wi-Fi and The Courtyard Bistro, which is under new ownership, have extended their opening hours to non-market days and is very popular with shoppers who like the atmosphere that we have created. We are always open to ideas and suggestions for other possible uses within the Courtyard area. The current occupancy was 100% at the end of February.

As with last year, we have once again held stall rents in an effort to retain our traders until the economy picks up. The stall occupancy rate currently stood at 83% at the end of February.

We held our usual Act of Remembrance for Poppy Day on 9th November presided over by our Chaplain, Revd Mary Vickers with The Mayor in attendance and representatives from the local Army Reserve; Danny Fleming played the highland pipes for us. The Freeman were represented at the Civic Service at the Minster and a wreath was laid at The Cenotaph on Remembrance Sunday.

I would repeat my appeal for names that we can include on a permanent memorial to Freeman who have died in service to their country; so far only two names have been put forward, surely there must be others? This appeal is now extended to include those men who would have become Freeman but lost their lives before the age of twenty-one or before they had a chance to be admitted.

None of this could have been achieved without our dedicated staff and I would like to take this opportunity to thank our General Manager and his team, including our newly recruited apprentice, for their hard work on the Market in helping to transform it and for steadily improving its internal appearance. Those of you with access to the internet may care to visit www.freemomarket.co.uk, or www.enrolledfreemenofgrimsby.org. In addition, both the Market and The Enrolled Freeman now have Facebook pages so do take a look for the latest news. My thanks, on behalf of the Committee, also go to our Clerk and Treasurer and their respective staff who work most diligently to keep our legal and financial affairs in good order. I would also like, again, to thank the Members of the Committee for the time they have given to the affairs of the Freeman on your behalf.

I would urge you all to support the Market, if you have not seen the improvements we have carried out do go and have a look; I think that you will be surprised.

As has been said in previous reports, if you require any assistance please apply to the Benevolent Fund through either the Clerk or the Treasurer. The criteria for applying to the Fund are, in the case of extreme financial hardship, the payment of a household utility bill, (usually gas or electricity), the replacement/repair of cooking facilities, (e.g. a new basic cooker if your existing one is not able to be repaired, to enable one to keep warm, (e.g. a portable heater), and essential repairs to property. Each case will be considered on its own merits. The Fund is not available for general financial assistance. Please do not be afraid to ask, there were no requests last year.

If you move home kindly inform either the Clerk or the Treasurer of your new address.

The Enrolled Freemen of the Borough of Great Grimsby

Chairman's report

The Annual General Meeting was due to be held on Monday, 1st June 2020 but has been postponed because the COVID-19 Lockdown Regulations and Social Distancing Measures. We hope to hold the meeting in November but will notify all Freemen and Women by post in advance.

Stephen P White

Chairman

The Enrolled Freemen of the Borough of Great Grimsby

Trustees' Report

The affairs of the Enrolled Freemen of Grimsby are managed by the Pastures Committee, as Trustees of the Charity, and they present their annual report for the year ended 29 February 2020, together with the audited accounts for the year. The accounts have been prepared in accordance with the Charities Act 2011, the Governing Instruments 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) issued on 16 July 2014 (as updated through the second edition in October 2019).

Pastures Committee (Trustees)

The Pastures Committee comprised of the following members during the year:

Meeting Attendances (maximum 10):

S P White (Chairman) - 10

R Bellamy - 9

R E Cullum - 6

R A Laver (Appointed 3 June 2019) - 7

S J Meller - 9

H A North - 6

T North - 9

D Pearce - 8

E J Pywell (Resigned 3 June 2019) - 0

E Sherriff - 9

J Steer - 9

S T Wakefield (Vice Chairman) - 9

Objectives and Activities

The object of the Charity is to distribute the income generated from the assets held for the benefit of the Enrolled Freemen on the annual Roll.

It is the aim of the Pastures Committee with the assistance of its professional advisers to maximise the income available for distribution to the Enrolled Freemen, whilst also being mindful of the maintenance of the assets of the Charity for the future.

The objectives and aims of the Charity have not changed during the year and further detail of the activities carried out can be seen in the Chairman's Report.

Public Benefit

In planning, setting objectives and determining activities, the Pastures Committee have paid due regard to the Charity Commission's 'General Guidance on Public Benefit'.

The objectives and aims of the Charity are set out above and our achievements in the year have focused on continuing to provide financial benefit in the form of a bi-annual moiety to the Enrolled Freemen of the Borough of Great Grimsby.

The Enrolled Freemen of the Borough of Great Grimsby

Trustees' Report

The aims and objectives of the Charity are clearly defined within the Governing Instruments, previously referred to and compared to the duties and responsibilities of the freemen prior to the Municipal Act of 1835 are much diminished. Before 1835 the freemen had the total responsibility for providing the local government and voting in elections. We do, however, still hold and manage vast areas of land acquired prior to 1835 and one such area is within the East Marsh where our market is situated. The East Marsh Ward has historically been in the top 5 worst deprived wards in the whole of Europe, Government statistics are damning and the area remains in dire need of urgent regeneration. It would not be in the interests of the Enrolled Freemen to be left managing an area of dereliction. It is for this reason that we initially embarked upon The Freemen's Community and Craft Project within the market, working with partners to start and tackle the issues of worklessness in the area and, on a much larger scale, why we continue to actively work with the Local Authority and Lincolnshire Housing Partnership on the broader issues of regeneration in order to ensure that we create a thriving and sustainable community for the future. It is also for this reason why a successful application for funding was made to the ERDF in 2011 for the creation of the Business Hub that is now complete and occupies what was a vacant, semi-derelict area of the Market building. It is also the reason why the Trustees applied for and were granted ownership of the block of semi-derelict land on Freeman Street to the north of the Market, now referred to as the Freeman Centre, with a view to this being an important part of the future regeneration of the East Marsh. The first stage of this began during the year and a lease with the YMCA has now been signed, with commencement of the build imminent. This takes the Freemen back to the very heart and soul of their original purpose as set out in the town's first Royal Charter of 1201, to be of public service and benefit.

Achievements and Performance

One of the challenges for this year continued to be the effective letting and management of the Business and Digital Hub within the north east corner of the market. With the majority of the eighteen units having been let during the year, the focus is now on raising the level of rents as reviews and opportunities arise.

Although the Hub continued to be loss making for the year, the directors remain focussed on the letting and management of the Hub in order that the Pastures Development Company (PDC) be in a position to provide the Freemen with a return on this investment, although this is unlikely for the foreseeable future.

The Hub is included on the Freemen's balance sheet as Programme Related Investment in subsidiary undertaking.

Another key achievement in the year was the work completed on the Freeman Centre site. The demolition is now complete and we have secured our first tenant, Grimsby, Cleethorpes and Humber Region YMCA, who have now commenced their build project. The Freeman Centre site as a whole is running at a deficit of £39k this year due to some exceptional costs, despite receiving a lease surrender of £43k in lieu of future rents. These include professional fees and site costs relating to potential further development projects and regeneration of the site. We hope these costs will represent an investment and we will reap the benefits of this going forward.

Although investments are primarily held to provide an investment return for the Charity, the Trustees would class this particular regeneration project as a Programme related investment. Although it should generate some financial return, the primary motivation, as described in the 2015 accounts, is to further the object of the Charity in the longer term. This is achieved by investing in the East Marsh Ward to encourage and facilitate regeneration on a wider scale, to ensure that the improvement of the community is reflected in maintaining and hopefully raising the future value of the Charity's freehold land and thereby securing a future income stream appropriate to the value of that asset.

The principal sources of income of the Charity remain the investment properties, the quoted investments and Freeman Street Market.

The net income receivable from investment properties has decreased by approximately £5,000 during the year, mainly due to an increase in insurance premiums due to re-possession of a vacant property, additional repair costs and increased professional fees mainly due to a portfolio valuation being carried out. A local firm of solicitors continue to assist with the recovery of any overdue debts in respect of ground rents. At the year end the ground rent debtor have increase to £49,605 (2019: £35,814). There are some slow payers and debts are being actively chased for recovery.

The income from quoted investments has reduced in the year by 18% to £40,583. See below for more detail on the quoted investments.

The Enrolled Freemen of the Borough of Great Grimsby

Trustees' Report

Sundry investment income, which historically has principally been interest received on monies held on deposit, amounted to just £337 reflecting the continued minimal return received on cash balances. Funds held at the year-end have increased from £117,000 to £189,000 as cash has been drawn down from the investment portfolio to pay for some large expenses relating to the regeneration projects.

Further detail of the charity's achievements and performance can be found in the Chairman's Report.

The value of the Charity's quoted equity investments including cash held by the broker, decreased by £346,942 or 18% as at 29th February 2020 compared to the previous year end. It should be noted that £400,000 has been withdrawn from the fund to pay for the demolition and other regeneration costs at the Freeman Centre. There was a large reduction of 18.9% in the fund in the month to 16th March 2020 due to the impact of the COVID-19 pandemic on the economic markets. At the time of writing this report, the portfolio has not made any significant improvements.

In the previous nine years we reported on funds that we had deposited with Kaupthing Singer and Friedlander Bank (a UK bank that entered Administration as a result of the failure of its Icelandic parent). Although the House of Commons Treasury Committee recommended that "all charities should be compensated for losses incurred as a consequence of the failures of the Icelandic Banks" the Government decided not to follow its Committee's recommendation. So despite valiant efforts by various charity pressure groups (there are many charities similarly affected) our redress was limited to proving as a creditor in the Bank's administration. Whilst this is inevitably a time consuming process we have now recovered £347,655 being 88.5% of the original capital including the £9,500 FCA payment described below. It is now unlikely that we will receive any further material sums as the administration comes to a close. An impairment provision of £235,738 being 60% of the balance invested was included in the 2009 accounts which has now been reduced to 11.5%, £45,143 being the amount unrecovered at the year end.

During the 2015 year, the Financial Conduct Authority (FCA) made an offer of payment of compensation in relation to the default of Kaupthing Singer and Friedlander Limited. The offer of a sum equivalent to the compensation that we would have received from the Financial Services Compensation Scheme had our original claim been allowed was accepted by the Trustees and a payment of £9,500 plus £2,152 as compensation for late payment, was received in the 2016 year.

As in recent years, Markets throughout the UK are continuing to experience tough trading conditions. As seen at notes 4 and 7, Freeman Street Market is no exception.

We have previously looked to address the historic reduction in stall occupancy and rents by implementing a general improvement programme together with increased marketing of the Market and, following the completion of the final phase of stall renewals in 2015, we saw an improvement in occupancy levels and rent receipts with the Trustees having created a much improved retail environment. Unfortunately the clearance of Cumber Place and the vacating of the tower blocks at the rear of the Market has severely reduced the local population that previously frequented the Market. As a consequence, there has been a reduction in stall rents over the past 3 years. However, due to the introduction of the various food stalls, and excellent marketing around this, we have started to see an increase in footfall and hope to continue this good work when restrictions due to COVID-19 have been lifted.

The investment in renewable energy with four previous installations of solar panels has resulted in the Market benefitting from Solar Feed in Tariff income of £33,820 in the year, and a continuing saving on market electric costs of approximately £17,000 from the use of self-generated power.

The Skills Centre remains an important element of the redevelopment of the Market, and increased occupancy has caused an increase in income of £2,255, or 10%.

It continues to be our intention to put the Market right in the centre of the community and for the Business Hub, Skills Centre and the original Market to complement and 'feed' off each other both economically and socially. We still hope the updated Market Site will encourage our regeneration partners (Lincolnshire Housing Partnership and NELC) and private developers to further invest in the area for the benefit of our Estate as a whole. Only by having taken such steps do we have any hope of stemming decades of economic decline and ensuring economic and social renewal for the benefit of future generations of Freemen. Gaining YMCA as a tenant on the Freeman Centre land is a huge achievement, and we look forward to continuing to work with them as their build project progresses.

The Enrolled Freemen of the Borough of Great Grimsby

Trustees' Report

The Pastures Committee would like to express its thanks to the General Manager and Market Superintendent for their endeavours during the year.

Financial Review

Overall, the net income/(expenditure) on unrestricted funds, before transfers, was £(50,491) (2019: £27,429), as set out in the Statement of Financial Activities.

The reduction in net income in recent years, compared to what was achieved historically, has obviously continued to have an effect on the distributions and the Treasurer announced in November 2019 that the distributions to the Enrolled Freemen in December 2019 and May 2020 would amount to £19.97 for each distribution, compared to £19.39 for the previous year's distributions. The calculation of the amount available for distribution is based on the strict receipts and payments of the Charity in the year ended 31st October. The number of Enrolled Freemen on the Roll for 2019/20 reduced slightly in comparison with the previous year from 948 to 924.

The Charity does though remain in a sound financial position as evidenced by the total funds held as at 28 February 2020 increasing from £7,217,069 to £7,832,556, after accounting for unrealised gains of £20,497 on the quoted investment portfolio and the increase in valuation of the investment properties of £694,079.

Previously, the fixed assets of the Charity have been valued appropriately, as detailed in the Accounting Policies, with the exception of the remainder of the original land acquired in 1849, which has been included at a nominal value of £1,000 with the agreement of the Charity Commission. It was previously felt that the cost of having this land professionally valued on a periodic basis would be worthwhile in the context of the Charity's Accounts and as such, for the 2020 accounts, the Property Surveyor to the Enrolled Freemen was asked to value this original land, being the Freemen's commercial and residential freehold estate mainly situated within the East Marsh. The Trustees are satisfied the valuation provided of £3,708,319 is sufficient.

The Trustees had also previously asked the Property Surveyor to assist with a programme of residential freehold disposals to unlock the value within these, which was not represented by the small amounts of ground rent basis received. The Trustees felt that they could better utilise the funds generated from the disposal of the residential freehold reversions towards achieving their main objectives and aims. As a consequence the Trustees were successful in disposing of seven freehold reversions during the year, which realised consideration of £93,480. The Trustees are hopeful that more disposals can be made in the current year.

The Trustees' investment policy is to take appropriate professional advice before any purchase or sale of assets or other investments are considered. The Property Surveyor advises on all matters in connection with the land and properties owned, and she also advises on the suitability of any prospective land and property purchases. The Discretionary Investment Manager manages the investment portfolio, endeavouring to achieve a balance between capital growth and income producing investments, whilst having regard to the interests of both present and future Enrolled Freemen.

As a consequence of the ongoing volatile market conditions and an increase in investment management charges and as reported in the 2016 year, the Trustees previously handed responsibility for the management of the quoted investment portfolio to their Investment Advisers, Brewin Dolphin who are now engaged on a full discretionary management basis.

The Enrolled Freeman of the Borough of Great Grimsby

Trustees' Report

Reserves Policy

The Pastures Committee does not have a specific reserves policy because all unrestricted funds other than the specifically designated special repair fund are required to be paid to the Enrolled Freeman on the Roll, by way of the bi-annual moiety. The balance of the special repair fund was fully utilised in the 2010/11 year to assist with the funding of the ongoing market improvement programme. Previously, the Trustees considered that the fund had been utilised for its intended purpose; having assisted with funding the on-going repair programme for the Market. With the previous receipt of the substantial rates refund, the Trustees had considered it appropriate to replenish the special repair fund and agreed to transfer an amount of £144,000 from the General funds as at 29 February 2013, which used the allowances available for 2004/05 to 2012/13.

Following a transfer for the 2013/14 year and the allocation of stall renovation costs in 2013/14, the Trustees considered it necessary to utilise some of this fund for urgent roof repairs, leaving a balance at 29th February 2020 of £49,206. The total of the fund utilised was £33,372.

Total reserves, after accounting for funds that can only be realised by disposing of tangible fixed assets or programme related investments, stand at £2,319,714. This includes unrestricted funds of £119,320, with the remaining balance of £2,200,394 being endowment funds.

Risk Management

The Pastures Committee regularly monitors the risks to which the Charity is exposed, with the assistance of its advisers, to ensure that all risks are mitigated as far as possible. The General Manager carries out a regular risk review of all aspects of the operation of Freeman Street Market. The Business Hub is operated through the Pastures Development Company and the General Manager also carries out regular risk reviews of this operation.

No fundraising activities are carried out by the charity.

Plans for Future Periods

The Pastures Committee is committed to maintaining the assets currently held for the benefit of current and future Enrolled Freeman and to increase the annual amount available for distribution.

The current year, 2020/21, will continue to focus on improving and managing the recently acquired block of land to the north of the market. YMCA have now commenced their build and we will be actively looking at opportunities to further development.

However, the key focus will be on recovering from the impact of the COVID-19 pandemic, ensuring we support all stallholders to get back up and running when it is safe to do so, to enable the market to continue generating an income.

In addition to this, the charity will focus on improving the rent rate of the Business and Digital Hub, whilst reducing associated costs within the Market and Hub.

Structure, Governance and Management

Governing Instruments

The governing instruments of the Charity are the Grimsby Pastures Acts 1849 and 1949 as amended by the Humberside Act 1982. The Enrolled Freeman of Grimsby is registered as a charity with the Charity Commission for England and Wales under its full charitable name of Grimsby Pastures for the Benefit of the Enrolled Freeman of Grimsby.

Appointment, Induction and Training of the Pastures Committee.

The Pastures Committee is elected annually at the Annual General Meeting, and additional members may be co-opted during the year, if the Pastures Committee deems the appointment to be appropriate.

New Trustees are inducted at their first Pastures Committee meeting when the operation of the Charity is explained to them. They are also given copies of the minutes of previous meetings and relevant Charity Commission publications.

The Enrolled Freeman of the Borough of Great Grimsby

Trustees' Report

New Trustees are familiar with the annual accounts as they are required to be Enrolled Freeman on the current Roll when they are appointed and whilst they serve on the Pastures Committee.

Organisational Structure

The Pastures Committee meets eleven times during the year on the third Tuesday of each month, except in August, when there is no meeting. The Committee is responsible for the strategy and policies of the Charity. The Clerk and the Treasurer assist with the day to day running of the Charity and also attend and report to the Pastures Committee meetings. It is the view of the Trustees that there are no key management personnel other than the members of the Pastures Committee.

All members of the Pastures Committee give their time freely and no remuneration is paid by the Enrolled Freeman to any trustee. The directors of the Pastures Development Company Limited, who are also members of the Pastures Committee, raise fee invoices in respect of work undertaken as disclosed in note 11 to these accounts.

There are three sub-committees of the Pastures Committee, the Estates Committee and Finance Committee and the Market Committee, which meet on an as required basis during the year. Each sub-committee consists of members of the Pastures Committee and reports to the Pastures Committee meeting immediately following the sub-committee meeting. The Estates Committee monitors the properties owned by the Enrolled Freeman and receives advice from the Property Surveyor, the Clerk and the Treasurer, as appropriate. The Finance Committee oversees the finances, accounts and investments of the Enrolled Freeman and mainly receives advice from the Treasurer and the Investment Advisors. The Market Committee oversees the running of Freeman Street Market, Grimsby and the day to day running thereof is delegated to the General Manager who also attends and provides a report to each Pastures Committee meeting.

The Charity has previously formed a wholly owned subsidiary company named the Pastures Development Company Limited (PDC). As advised in previous reports, this company was required to be formed as part of the application process for the European Regional Development Fund (ERDF) funding. The directors of this company are all members of the Pastures Committee and report directly to the Pastures Committee. With the ERDF funding having been previously approved and work on the construction of the Business Hub having been completed, the continued management and letting of the Hub has required that the directors have and continue to meet on a regular basis together with their fixed monthly meetings on the first Tuesday of each month.

The Charity has another wholly owned subsidiary called Freeman Street Regeneration Limited, which is currently dormant and in the process of being struck off at Companies House. It was not deemed necessary to use this subsidiary to manage the regeneration of the Freeman Centre land. Instead, ownership will remain with the charity, with some delegated authority given to the Pastures Development Company to manage the process.

Approved by the Pastures Committee on 12th May 2020 and signed on its behalf by:

S P White

Chairman

The Enrolled Freemen of the Borough of Great Grimsby

Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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 the trustees of the charity on and signed on its behalf by:

.....
Stephen P White
Chairman

The Enrolled Freemen of the Borough of Great Grimsby

Independent Auditors' Report to the Members of The Enrolled Freemen of the Borough of Great Grimsby

Opinion

We have audited the financial statements of The Enrolled Freemen of the Borough of Great Grimsby (the 'charity') for the year ended 29th February 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 29th February 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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 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 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.

The Enrolled Freemen of the Borough of Great Grimsby

Independent Auditors' Report to the Members of The Enrolled Freemen of the Borough of Great Grimsby

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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.

Weaver Wroot
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Chartered Certified Accountants
Statutory Auditors
28 Dudley Street
Grimsby
N E Lincolnshire
DN31 2AB

Date: 12th May 2020

The Enrolled Freeman of the Borough of Great Grimsby

Statement of Financial Activities for the Year Ended 29 February 2020

		Unrestricted funds			Endowment funds		
	Note	Designated £	General £	Restricted funds £	Expendable £	Total 2020 £	Total 2019 £
Income and Endowments from:							
Freeman Centre	2	1,201	103,679	-	-	104,880	87,627
Income from investment properties	3	-	160,499	-	-	160,499	160,647
Trading activity - Freeman Street Market	4	-	252,656	646	-	253,302	252,658
Interest receivable and similar income	5	-	337	-	-	337	129
Other income from fixed asset investments	5	-	40,583	-	-	40,583	49,595
Total Income		1,201	557,754	646	-	559,601	550,656
Expenditure on:							
Freeman Centre	6.1	(44,645)	(142,957)	-	-	(187,602)	(71,317)
Freeman Street Market	6	-	(398,792)	(646)	-	(399,438)	(367,241)
Investment management costs	7	-	-	-	(17,942)	(17,942)	(20,971)
Investment properties	8	-	(37,040)	-	(9,488)	(46,528)	(41,648)
Support costs	9	-	(29,456)	-	-	(29,456)	(35,210)
Share of NELC income		-	-	-	-	-	(3,099)
Dividends payable	22	(34,675)	-	-	-	(34,675)	(35,973)
Total Expenditure		(79,320)	(608,245)	(646)	(27,430)	(715,641)	(575,459)
Realised gains on investment properties		-	-	-	21,800	21,800	79,345
Revaluation of investment properties		-	-	-	694,079	694,079	-
Realised gains/(losses) on quoted investments		-	-	-	44,469	44,469	7,771
Revaluation of quoted investments		-	-	-	20,497	20,497	52,647
Net (expenditure)/income		(78,119)	(50,491)	-	753,415	624,805	114,960
Gross transfers between funds		32,999	(32,999)	-	-	-	-
Other recognised gains and losses							
Release of impairment provision		-	-	-	2,582	2,582	861
Revaluation of Programme related investment in subsidiary		-	-	-	(11,900)	(11,900)	(16,203)
Net movement in funds		(45,120)	(83,490)	-	744,097	615,487	99,618
Reconciliation of funds							
Total funds brought forward		118,465	129,465	-	6,969,139	7,217,069	7,117,451
Total funds carried forward	22	73,345	45,975	-	7,713,236	7,832,556	7,217,069

The Enrolled Freeman of the Borough of Great Grimsby

Statement of Financial Activities for the Year Ended 29 February 2020

		Unrestricted funds		Endowment funds	Total
	Note	Designated £	General £	Expendable £	2019 £
Income and Endowments from:					
Freeman Centre		10,072	77,555	-	87,627
Income from investment properties	3	-	160,647	-	160,647
Trading activity - Freeman Street Market	4	-	252,658	-	252,658
Investment income	5	-	49,724	-	49,724
Total Income		<u>10,072</u>	<u>540,584</u>	<u>-</u>	<u>550,656</u>
Expenditure on:					
Freeman Centre		-	(71,317)	-	(71,317)
Freeman Street Market	6	-	(367,241)	-	(367,241)
Investment management costs	7	-	-	(20,971)	(20,971)
Investment properties	8	-	(36,288)	(5,360)	(41,648)
Support costs	9	-	(35,210)	-	(35,210)
Share of NELC income		-	(3,099)	-	(3,099)
Dividends payable	22	(35,973)	-	-	(35,973)
Total Expenditure		<u>(35,973)</u>	<u>(513,155)</u>	<u>(26,331)</u>	<u>(575,459)</u>
Realised gains on investment properties		-	-	79,345	79,345
Realised gains/(losses) on quoted investments		-	-	7,771	7,771
Revaluation of quoted investments		-	-	52,647	52,647
Net (expenditure)/income		(25,901)	27,429	113,432	114,960
Gross transfers between funds		37,317	(37,317)	-	-
Other recognised gains and losses					
Release of impairment provision		-	-	861	861
Revaluation of Programme related investment in subsidiary		-	-	(16,203)	(16,203)
Net movement in funds		11,416	(9,888)	98,090	99,618
Reconciliation of funds					
Total funds brought forward		<u>107,049</u>	<u>139,353</u>	<u>6,871,049</u>	<u>7,117,451</u>
Total funds carried forward	22	<u>118,465</u>	<u>129,465</u>	<u>6,969,139</u>	<u>7,217,069</u>

The Enrolled Freeman of the Borough of Great Grimsby

(Registration number: 219207) Balance Sheet as at 29 February 2020

	Note	2020 £	2019 £
Fixed assets			
Goodwill	15	1,000	2,000
Tangible assets	16	4,499,988	3,410,948
Programme related investments in group undertakings and participating interests	17	1,011,855	1,023,755
Other investments	17	1,578,532	1,892,188
Cash held as part of quoted investment portfolio	17	19,798	53,083
		<u>7,110,173</u>	<u>6,379,974</u>
Debtors	18		
- due within one year		152,224	406,294
- due after one year		466,729	444,678
Cash at bank and in hand		189,425	117,120
		<u>808,378</u>	<u>968,092</u>
Creditors: Amounts falling due within one year	19	<u>(86,995)</u>	<u>(132,997)</u>
Net current assets		<u>721,383</u>	<u>835,095</u>
Net assets		<u>7,832,556</u>	<u>7,217,069</u>
Funds of the charity:			
Endowment funds		<u>7,713,236</u>	<u>6,969,139</u>
Unrestricted income funds			
Designated funds	22	73,345	118,465
General funds		45,975	129,465
Total unrestricted funds		<u>119,320</u>	<u>247,930</u>
Total funds	22	<u>7,832,556</u>	<u>7,217,069</u>

The financial statements on pages 15 to 36 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Stephen P White
Trustee

The Enrolled Freeman of the Borough of Great Grimsby
Cash Flow Statement for the Year Ended 29 February 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		615,487	99,618
Adjustments to cash flows from non-cash items			
Depreciation	6	60,179	56,612
Amortisation	6	1,000	1,000
Investment income	5	(40,920)	(49,724)
Profit on disposal of tangible fixed assets		(21,800)	(79,345)
Profit on disposal of investments		(44,469)	(7,771)
Revaluation of investments		<u>(702,676)</u>	<u>(36,444)</u>
		(133,199)	(16,054)
Working capital adjustments			
Decrease/(increase) in debtors	18	232,019	(153,541)
Decrease in creditors	19	<u>(46,002)</u>	<u>(5,405)</u>
Net cash flows from operating activities		<u>52,818</u>	<u>(175,000)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	337	129
Purchase of tangible fixed assets	16	(526,820)	(8,309)
Sale of tangible fixed assets		93,480	79,345
Purchase of investments	17	(403,476)	(390,520)
Sale of investments		782,098	444,237
Income from dividends	5	40,583	49,595
Movement in cash investment deposit		<u>33,285</u>	<u>(38,584)</u>
Net cash flows from investing activities		<u>19,487</u>	<u>135,893</u>
Net increase/(decrease) in cash and cash equivalents		72,305	(39,107)
Cash and cash equivalents at 1 March		<u>117,120</u>	<u>156,227</u>
Cash and cash equivalents at 29 February		<u><u>189,425</u></u>	<u><u>117,120</u></u>
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash		72,305	(39,107)
Net funds at 1 March 2019		<u>117,120</u>	<u>156,227</u>
Net funds at 29 February 2020		<u><u>189,425</u></u>	<u><u>117,120</u></u>

The Enrolled Freemen of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

1 Accounting policies

General information

The Enrolled Freemen of Grimsby is an unincorporated charity registered in England and Wales. Its principle office address is 26 South St Marys Gate, Grimsby DN31 1LW.

The main operations are carried out from Freeman Street Market, Grimsby, DN32 7DS.

The financial statements cover the individual charity and are not group accounts.

Statement of compliance

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 (FRS 102) (issued on 16 July 2014 and updated with the second edition in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity is a public benefit entity.

Basis of preparation

The Enrolled Freemen of the Borough of Great Grimsby meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling and are rounded to the nearest pound.

Going concern

The impact of the COVID-19 pandemic on the charity has been carefully considered and cash flows forecasts have been prepared for the coming months where it is expected the market will be hardest hit. Trustees believe the charity has sufficient reserves to see them through this period and therefore consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Exemption from preparing group accounts

The charity has taken advantage of the exemption provided by section 139(2) of the Charities Act 2011 (group accounts) Regulations 2015 (SI2015/322) and has not prepared consolidated accounts.

Reclassification of comparative amounts

In previous years ground rent debtors have been included in 'Other Debtors'. For the year ended 29 February 2020 it was decided appropriate to include this balance within 'Trade Debtors' and the 2019 balance of £35,814 has been reclassified accordingly.

Income and endowments

All income is recognised once the Charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount can be measured reliably.

Freeman Street Market and Freeman Centre - Income represents the amount receivable for the year exclusive of V.A.T.

Investment properties - Income represents ground rents and property rents receivable for the year.

Quoted investments - Income is recognised when dividends and interest become payable.

Other income - Other income is recognised as it is received.

Grants receivable - All grants, including those for the purchase of fixed assets are recognised in full in the SOFA in the year in which they are receivable.

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. They include governance costs.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

North East Lincolnshire Council

In accordance with the Grimsby Pastures Acts 1849 and 1949, as amended, North East Lincolnshire Council is entitled each year to a one twentieth share of the net income before taxation of the Charity and, also, to one twentieth share from certain surpluses derived from the sale of assets within the Permanent Endowment Fund.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Goodwill

Amortisation method and rate

equal installments over 10 years

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Freeman Street Market Building alterations

Fixtures, Fittings & Equipment

Depreciation method and rate

over 10 to 25 years

over 5 to 25 years

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

Investment properties

i) Freehold Land - Hay Croft, Little Field and East Marsh Estates. This land originally acquired in 1849 and previously the Charity commission had agreed that it may be included at a nominal value. Most of this land is let on ground leases of varying terms. Following a change of policy in 2016 Freehold Land and Freehold Reversions are now valued at fair value.

ii) Freehold Reversions - Little Field and Yarborough Estates. These reversions are valued at fair value.

iii) Freehold Land and Buildings - Other. Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value recognised in "Net gains and losses on investments".

Programme related investments

Programme related investments are made in furtherance of the charity's objects and any investment return is secondary to the charitable purpose supported by the investment. Such investments are included at their cost. Any loss or impairment arising from such investments is charged as part of charitable activities within the Statement of Financial Activities.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity. The General Fund represents the net income received by the charity which will be allocated to the Dividend Fund in due course.

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

There are five designated funds, as follows;

- i) Dividend Fund - This fund represents the amounts set aside from the General Fund in May and December each year for payment to the Enrolled Freeman on the Roll.
- ii) Unclaimed Dividend Fund - On 30th April and 31st October in each year the balance of the Dividend Fund is transferred to this fund. If the dividends remain unclaimed after six years, the amount unclaimed is returned to the General Fund.
- iii) Special Repair Fund - This fund was created to assist in the future financing of major repairs to Freeman Street Market. It is the subject of a specific order of the Charity Commission. The current authorised annual contributions are £15,000 plus approximately 3% of the annual amount of stall rents received subject to annual consideration by the trustees.
- iv) Fixed Asset Fund - This fund represents the net book value of tangible assets funded originally by grant funding or other capital funding.
- v) Freeman Centre Roof Repair Fund - This fund represents monies received from property tenants to contribute towards the cost of future roof repairs.

The Permanent Endowment Fund represents 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. Investment Management charges relating to the fund are charged against the fund. The trustees do not have any power to convert this fund into income and apply it as such.

Irrecoverable V.A.T.

The Charity is registered for V.A.T. purposes but part of its income is regarded as exempt from V.A.T. which means that a partial exemption calculation is prepared quarterly and averaged on an annual basis to ascertain whether all or part of the V.A.T. input tax incurred can be reclaimed by the Charity. Any irrecoverable V.A.T. is added to the relevant expenditure in the accounts.

Pension Contributions

The Charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable. It also makes employer contributions into an employee's personal pension scheme.

2 Freeman Centre

	Unrestricted funds		Total 2020	Total 2019
	Designated £	General £	£	£
Car park income	-	20,546	20,546	27,701
Property rental income	-	83,133	83,133	49,854
Roof repair contributions	1,201	-	1,201	10,072
	<u>1,201</u>	<u>103,679</u>	<u>104,880</u>	<u>87,627</u>

3 Income from investment properties

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Ground rent	134,229	134,229	134,325
Rental property income	25,632	25,632	25,828
Car park site income	638	638	494
	<u>160,499</u>	<u>160,499</u>	<u>160,647</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

4 Freeman Street Market income

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	General £	£	£	£
Stall rents	168,222	-	168,222	170,785
Skills Centre income	25,572	-	25,572	23,017
ATM income	1,188	-	1,188	2,717
Electricity charges	20,326	-	20,326	16,773
Solar Feed-in tariff income	33,820	-	33,820	32,763
Hub room rent	2,138	-	2,138	2,804
Peabung capital contribution	-	-	-	2,000
Other income	1,390	646	2,036	1,799
	<u>252,656</u>	<u>646</u>	<u>253,302</u>	<u>252,658</u>

5 Investment income

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Interest receivable and similar income;			
Bank and building society	337	337	129
Other income from fixed asset investments	40,583	40,583	49,595
	<u>40,920</u>	<u>40,920</u>	<u>49,724</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

6 Freeman Street Market

	Unrestricted funds		Total 2020	Total 2019
	General £	Restricted funds £	£	£
Salaries and wages	82,323	-	82,323	77,198
Pension costs - Contribution into employee's personal pension schemes	4,927	-	4,927	3,245
Share of officials salaries	59,816	-	59,816	58,444
Rent	6,695	-	6,695	7,882
Rates, water and sewerage	2,264	-	2,264	255
Light, heat and power	26,084	-	26,084	21,466
Insurance	12,898	-	12,898	13,647
Repairs and maintenance	25,900	-	25,900	28,575
Security expenses	22,938	-	22,938	21,079
Telephone, printing and postage	4,369	-	4,369	3,671
Sundry expenses	4,640	-	4,640	5,976
Cleaning and waste disposal	37,399	-	37,399	33,400
The audit of the charity's annual accounts	2,103	-	2,103	2,025
Bank charges	802	-	802	1,443
Licences and IT support	1,583	646	2,229	1,367
Bad debts written off	-	-	-	4,469
Professional fees - payroll & VAT	7,358	-	7,358	6,136
Professional fees - property and other	20,154	-	20,154	7,375
Marketing and publicity	15,770	-	15,770	11,976
Depreciation, amortisation and other similar costs	60,769	-	60,769	57,612
	<u>398,792</u>	<u>646</u>	<u>399,438</u>	<u>367,241</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

a) Freeman Centre

	Unrestricted funds		Total 2020	Total 2019
	Designated £	General £	£	£
Publicity costs	-	9,006	9,006	-
Other site costs	-	42,480	42,480	-
Car park costs	-	26,055	26,055	19,496
Honorarium costs	-	3,996	3,996	667
Insurance cost	-	7,040	7,040	20,639
Professional fees	-	44,566	44,566	10,011
Roof repairs	44,645	-	44,645	-
Property expenses	-	5,499	5,499	16,060
Property management charges	-	3,905	3,905	4,444
Depreciation, amortisation and other similar costs	-	410	410	-
	<u>44,645</u>	<u>142,957</u>	<u>187,602</u>	<u>71,317</u>

7 Investment management costs

	Endowment funds	Total 2020	Total 2019
	Expendable £	£	£
Other investment management costs;			
Costs of obtaining investment advice	17,942	17,942	20,971
	<u>17,942</u>	<u>17,942</u>	<u>20,971</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

8 Expenditure on Investment properties

	Unrestricted funds	Endowment funds	Total 2020	Total 2019
	General £	Expendable £	£	£
Insurance	5,912	-	5,912	2,503
Repairs and maintenance	3,379	-	3,379	561
Printing, postage and stationery	485	-	485	258
Sundry expenses	525	-	525	1,200
Management costs	716	-	716	702
Professional fees - other property	-	9,488	9,488	5,360
Professional fees - general property	23,783	-	23,783	22,055
Professional fees - administration	2,172	-	2,172	1,766
Professional fees - old debt collection fees	67	-	67	508
Bad debts written off	1	-	1	6,735
	<u>37,040</u>	<u>9,488</u>	<u>46,528</u>	<u>41,648</u>

The Enrolled Freemen of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Licenses and IT support	446	446	1,773
Share of officials salaries	11,963	11,963	11,689
Trustee Indemnity insurance	802	802	738
Telephone, printing and postage	4,472	4,472	3,905
Professional fees	5,476	5,476	7,777
Sundry expenses	3,392	3,392	5,859
The audit of the charity's annual accounts	2,103	2,103	2,025
Bank charges	802	802	1,444
	<u>29,456</u>	<u>29,456</u>	<u>35,210</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020	2019
	£	£
Audit fees	4,206	4,050
Loss on disposal of tangible fixed assets	21,800	79,345
Loss on disposal of investments	44,469	7,771
Depreciation of fixed assets	60,179	56,612
Amortisation of goodwill	<u>1,000</u>	<u>1,000</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

The four members of the Pastures Committee who are also directors of the Pastures Development Company Limited have raised fee invoices in the year totalling £26,000 (2019:£26,000) for specialist services rendered in respect of the on-going management and promotion of the the Business Hub and associated activity.

The four members being S.P. White, S.T. Wakefield, R.A. Bellamy and S.J. Meller, are engaged under the terms of self-employed service agreements previously authorised by the Pastures Committee.

The Enrolled Freemen of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

12 Staff costs

The aggregate payroll costs were as follows:

	2019	2018
	£	£
Salaries and wages	82,822	73,935
Social security costs	3,826	3,263
Pension costs - contributions into employee's personal pension schemes	2,390	2,338
Defined contributions pension costs	2,537	907
Totals	<u>91,575</u>	<u>80,443</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020 No	2019 No
Average number of employees	<u>4</u>	<u>3</u>

No employee received emoluments of more than £60,000 during the year

13 Auditors' remuneration

	2020 £	2019 £
Audit of financial statements	<u>4,206</u>	<u>4,050</u>

14 Loss on investment asset - Impairment of bank balance

In 2008 the Charity held £392,898 invested in a ninety day notice deposit account with Kaupthing Singer and Friedlander Limited, which was effectively frozen when the bank was placed into administration by the High Court on 8th October 2008. It was not apparent at 28th February 2009, whether this investment would be returned in full and an impairment provision of £235,738 was, therefore, included in the 2009 accounts, being 60% of the funds invested. Subsequently 88.5% of the funds have been recovered from the banks' administrators and the Financial Conduct Authority (FCA) and the provision reduced to 11.5%, thereby releasing a further £2,582 (2019:£861) to the statement of Financial Activities in this financial year. Please refer to the 2020 Trustees Annual report for further information.

The Enrolled Freemen of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

15 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 March 2019	<u>10,000</u>	<u>10,000</u>
At 29 February 2020	<u>10,000</u>	<u>10,000</u>
Amortisation		
At 1 March 2019	8,000	8,000
Charge for the year	<u>1,000</u>	<u>1,000</u>
At 29 February 2020	<u>9,000</u>	<u>9,000</u>
Net book value		
At 29 February 2020	<u>1,000</u>	<u>1,000</u>
At 28 February 2019	<u>2,000</u>	<u>2,000</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

16 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Investment Properties £	Total £
Cost				
At 1 March 2019	814,334	715,063	2,625,000	4,154,397
Revaluations	-	-	694,079	694,079
Additions	-	65,900	460,920	526,820
Disposals	-	-	(71,680)	(71,680)
Transfers	(1)	-	1	-
At 29 February 2020	<u>814,333</u>	<u>780,963</u>	<u>3,708,320</u>	<u>5,303,616</u>
Depreciation				
At 1 March 2019	464,573	278,876	-	743,449
Charge for the year	<u>21,365</u>	<u>38,814</u>	<u>-</u>	<u>60,179</u>
At 29 February 2020	<u>485,938</u>	<u>317,690</u>	<u>-</u>	<u>803,628</u>
Net book value				
At 29 February 2020	<u>328,395</u>	<u>463,273</u>	<u>3,708,320</u>	<u>4,499,988</u>
At 28 February 2019	<u>349,761</u>	<u>436,187</u>	<u>2,625,000</u>	<u>3,410,948</u>

Investment properties

Land and buildings

The Trustees consider that the valuation report prepared in April 2019 by the property surveyors, Jackson Green and Preston who are external to the organisation, is still appropriate at the year end. This class of assets have a fair value of £3,708,319 and were previously included at a cost of £311,785 including a nominal value of £6,152 for the Freehold Land and Building Reversions. The depreciation on the historical costs is £Nil.

17 Fixed asset investments

	2020 £	2019 £
Programme related investments in group undertakings and participating interests	1,011,855	1,023,755
Other investments	<u>1,578,532</u>	<u>1,892,188</u>
	<u>2,590,387</u>	<u>2,915,943</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

Programme related investments in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 March 2019	<u>1,072,312</u>	<u>1,072,312</u>
At 29 February 2020	<u>1,072,312</u>	<u>1,072,312</u>
Provision for impairment		
At 1 March 2019	48,557	48,557
Charge for year	<u>11,900</u>	<u>11,900</u>
At 29 February 2020	<u>60,457</u>	<u>60,457</u>
Net book value		
At 29 February 2020	<u>1,011,855</u>	<u>1,011,855</u>
At 28 February 2019	<u>1,023,755</u>	<u>1,023,755</u>

Other investments

	UK Listed investments £	Total £
Cost or Valuation		
At 1 March 2019	1,892,188	1,892,188
Revaluation	64,966	64,966
Additions	403,476	403,476
Disposals	<u>(782,098)</u>	<u>(782,098)</u>
At 29 February 2020	<u>1,578,532</u>	<u>1,578,532</u>
Net book value		
At 29 February 2020	<u>1,578,532</u>	<u>1,578,532</u>
At 28 February 2019	<u>1,892,188</u>	<u>1,892,188</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation and Co number	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Pastures Development Company Limited	UK 7336611	Ordinary	100%	Property/project management and development
Freeman Street Regeneration Limited	UK 10461298	Ordinary	100%	Dormant

18 Debtors

	2020 £	2019 £
Trade debtors	57,246	58,850
Due from group undertakings	466,729	444,678
Deferred expenditure	-	326,499
Prepayments	92,863	1,990
Other debtors	2,115	18,955
	<u>618,953</u>	<u>850,972</u>

Debtors includes £466,729 (2019: £444,678) receivable after more than one year.

	2020 £	2019 £
Due from group undertakings	<u>466,729</u>	<u>444,678</u>

19 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	50,328	67,654
Other taxation and social security	2,679	2,653
VAT	(15,815)	(6,019)
Other creditors	3,444	5,328
Accruals	46,359	63,381
	<u>86,995</u>	<u>132,997</u>

20 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,537 (2019 - £907).

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

21 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2019 - £149,892).

22 Funds

	Balance at 1 March 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 29 February 2020 £
Unrestricted funds						
General						
Unrestricted general fund	129,465	557,754	(608,245)	(32,999)	-	45,975
Designated						
Fixed asset fund	6,667	-	-	(1,087)	-	5,580
Dividend fund	2,365	-	(33,760)	33,731	-	2,336
Special repair fund	82,578	-	(33,372)	-	-	49,206
Unclaimed dividend fund	16,783	-	(915)	355	-	16,223
Freeman Centre roof repair fund	10,072	1,201	(11,273)	-	-	-
	<u>118,465</u>	<u>1,201</u>	<u>(79,320)</u>	<u>32,999</u>	<u>-</u>	<u>73,345</u>
Total unrestricted funds	247,930	558,955	(687,565)	-	-	119,320
Restricted funds						
Restricted fund	-	646	(646)	-	-	-
Expendable						
Endowment fund	<u>6,969,139</u>	<u>-</u>	<u>(27,430)</u>	<u>-</u>	<u>771,527</u>	<u>7,713,236</u>
Total funds	<u><u>7,217,069</u></u>	<u><u>559,601</u></u>	<u><u>(715,641)</u></u>	<u><u>-</u></u>	<u><u>771,527</u></u>	<u><u>7,832,556</u></u>

The Enrolled Freemen of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

	Balance at 1 March 2018 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 28 February 2019 £
Unrestricted funds						
<i>General</i>						
Unrestricted general fund	139,353	540,584	(513,155)	(37,317)	-	129,465
<i>Designated</i>						
Fixed asset fund	5,667	-	-	1,000	-	6,667
Dividend fund	2,571	-	(35,051)	34,845	-	2,365
Special repair fund	82,578	-	-	-	-	82,578
Unclaimed dividend fund	16,233	-	(922)	1,472	-	16,783
Freeman Centre roof repair fund	-	10,072	-	-	-	10,072
	<u>107,049</u>	<u>10,072</u>	<u>(35,973)</u>	<u>37,317</u>	<u>-</u>	<u>118,465</u>
Total unrestricted funds	246,402	550,656	(549,128)	-	-	247,930
Endowment funds						
<i>Expendable</i>						
Endowment fund	<u>6,871,049</u>	<u>-</u>	<u>(26,331)</u>	<u>-</u>	<u>124,421</u>	<u>6,969,139</u>
Total funds	<u><u>7,117,451</u></u>	<u><u>550,656</u></u>	<u><u>(575,459)</u></u>	<u><u>-</u></u>	<u><u>124,421</u></u>	<u><u>7,217,069</u></u>

Purpose of the designated funds:

Please refer to the accounting policies for details of each of the designated funds.

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

23 Analysis of net assets between funds

	Unrestricted funds		Endowment funds	Total funds
	General	Designated	Expendable	
	£	£	£	£
Intangible fixed assets	-	-	1,000	1,000
Tangible fixed assets	-	-	4,499,987	4,499,987
Fixed asset investments	-	-	2,590,387	2,590,387
Programme related investments	-	-	19,798	19,798
Current assets	45,975	73,345	689,058	808,378
Current liabilities	-	-	(86,994)	(86,994)
Total net assets	<u>45,975</u>	<u>73,345</u>	<u>7,713,236</u>	<u>7,832,556</u>

	Unrestricted funds		Endowment funds	Total funds at 28 February 2019
	General	Designated	Expendable	
	£	£	£	£
Intangible fixed assets	-	-	2,000	2,000
Tangible fixed assets	-	-	3,410,948	3,410,948
Fixed asset investments	-	-	2,915,943	2,915,943
Programme related investments	-	-	53,083	53,083
Current assets	129,465	118,465	720,162	968,092
Current liabilities	-	-	(132,997)	(132,997)
Total net assets	<u>129,465</u>	<u>118,465</u>	<u>6,969,139</u>	<u>7,217,069</u>

24 Analysis of net funds

	At 1 March 2019	Cash flow	At 29 February 2020
	£	£	£
Cash at bank and in hand	117,120	72,305	189,425
Net debt	<u>117,120</u>	<u>72,305</u>	<u>189,425</u>

The Enrolled Freeman of the Borough of Great Grimsby

Notes to the Financial Statements for the Year Ended 29 February 2020

25 Related party transactions

During the year the charity made the following related party transactions:

The Pastures Development Company Limited (PDC)

(Wholly owned Subsidiary undertaking))

The PDC leases two sites known as the Market Car Park and Freeman Street Community Hub from the charity. The 125 year leases commenced 1st August 2012 for a total premium of £120,000 and an annual peppercorn rental.

In the year, costs of £66,735 (2019: £62,678) relating to establishment and salary costs and the administration of the Business Hub were recharged to the PDC.

During the year, the Enrolled Freeman occupied three offices within the Business Hub from the PDC on tenancies at Will, for a combined annual rental of £6,695 (2019:£7,882).

At the balance sheet date the amount due from the PDC was £466,729 (2019 - £444,678).

26 Non-adjusting events after the financial period

Since the year ended 29th February 2020 the government have imposed restrictions to prevent the spread of coronavirus. The market has been able to stay open during this period, but for essential food stalls only. This has clearly had an impact on the income received from stall holders, although the full financial impact is not yet known.