

**Howard Watson Symington Memorial Charity**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**Charity Registered Number 512708**



**Edward Thomas Peirson & Sons**

**CHARTERED ACCOUNTANTS**

**Howard Watson Symington Memorial Charity**  
**Report and Financial Statements**  
**for the year ended 31 March 2019**

**CONTENTS**

	Page
Report of the Trustees	1
Report of the Independent Examiner	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10

# Howard Watson Symington Memorial Charity

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report along with the financial statements of the Charity for the year ended 31 March 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing documents, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016).

### REFERENCE AND ADMINISTRATIVE DETAILS

**Charity Name:** The Charity's full name is the Howard Watson Symington Memorial Charity

**Charity Number:** 512708

**Principal Address:** 86, St. Mary's Road, Market Harborough, Leicestershire, LE16 7DX

**Website Address:** www.hwscharmity.org.uk

**Independent Examiner:** Adrian A. Bentley ACA  
Edward Thomas Peirson & Sons, Chartered Accountants, 21 The Point,  
Rockingham Road, Market Harborough, Leicestershire, LE16 7NU

**Bankers:** Lloyds TSB, 40 The Square, Market Harborough, Leicestershire, LE16 7PA

**Investment Managers:** Cazenove Capital, 12 Moorgate, London, EC2R 6DA  
CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**Trustees:** The Trustees as at the date of this report and who served during the year are:

Roger Dunton	Chairman
Peter Buckingham	Appointed 19 June 2019
John Feavours QPM	
Andrew James Granger DL	Retired 10 April 2019
Dr Sarah Hill	
Barbara Johnson	Appointed 19 June 2019
Pamela Roberts	

Except as noted above, all of the trustees were appointed on 16 October 2017. They replaced Harborough District Council ("HDC") who, as a corporate body, was the sole trustee of the Charity until that date. During this time administration of the Charity was undertaken by the Executive of HDC which is the main decision-making body within the council and is chaired by the leader of the council. Mrs Anne Cowan acted as Clerk to the Trustee during the period of HDC's tenure.

### OBJECTIVES AND ACTIVITIES

#### Objectives

The objects of the Charity are to further such charitable purposes for the general benefit of the inhabitants of the former Urban District of Market Harborough, Leicestershire, in one or more of the following ways, or in such other ways as the Trustees see fit:

- In relieving persons who are in need, hardship or distress;
- In relieving persons who are sick;
- In providing and supporting with the object of improving the conditions of life for the said inhabitants in the interest of social welfare, facilities for recreation and other leisure time occupation; and
- In providing and supporting educational facilities.

# **Howard Watson Symington Memorial Charity**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019**

### **OBJECTIVES AND ACTIVITIES (continued)**

#### **Objectives (continued)**

The Charity may apply its income in accordance with these objects either directly or by way of grants to individuals or organisations which undertake to apply the whole or part of their income for such charitable purposes.

#### **Activities**

The Charity furthers its charitable purposes for the public benefit through the payment of grants, in accordance with the grant making policy set out below.

#### **Grant Making Policy**

The aim of the Charity is to use the income that it raises to make grants to individuals and organisations that will be for the public benefit and which will improve the quality of life for all or certain sections of the population within its defined area of benefit.

The Charity has devised a standard form for applications for financial assistance, which is accessible through its website, and all applications are subjected to a validation process undertaken by the Trustees. This process, amongst other things: ensures compliance with the Charity's governing documents; confirms that all necessary and relevant supporting documentation is available; and checks the probity of the applicants and their history of previous applications. The Trustees reserve unto themselves the option to consider applications other than on the standard form, provided that an equivalent level of validation can be completed.

Valid applications are placed on the agenda for the next meeting of the Trustees who make a decision based on the resources available to the Charity and the perceived public benefit of the proposed use of the funds.

The progress of projects that are supported will be monitored subsequently, on an informal basis, to ensure that the level of public benefit claimed in the original application has been met.

#### **Statement on Public Benefit**

The Trustees are mindful that it is of paramount importance that the Charity's activities are carried out for the public benefit and the rigorous grant making policy and subsequent monitoring, as described above, ensures that grants are only awarded where the public benefit criteria are satisfied and delivered. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities and in setting the grant making policy for the year.

### **ACHIEVEMENTS AND PERFORMANCE**

During the year the Charity awarded grants totalling £33,430 to ten institutions to be applied primarily for the purpose of social welfare, education, recreation and other leisure activities. A further grant of £1,350 was awarded to an individual for relief in need.

A designated reserve is maintained, by transfer from the general fund, for grants which have been pledged by the Trustees where payment is conditional upon the fulfilment by the applicants of certain conditions. Upon payment of these grants, or in the event of failure to satisfy the conditions, the designated reserve is released back to the general fund. During the year there was a net transfer of £17,000 to the designated reserve, such that at 31 March 2019 the balance of grants conditionally pledged was £19,800.

# Howard Watson Symington Memorial Charity

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

### ACHIEVEMENTS AND PERFORMANCE (continued)

Details of the grants paid in the year are shown at Note 3 to the financial statements and the principal institutions to have benefited from the Charity's support included the following:

**Voluntary Action South Leicestershire** ("VASL") is a charity, based in Market Harborough, which provides an integrated voluntary action centre to co-ordinate and support the activities of volunteers for the benefit of the town and surrounding district. Amongst its many activities VASL provides transport for elderly, disabled or rurally isolated people who cannot use, or have no access to public transport and regularly provides over 5,000 passenger journeys per annum. The scheme relies on the support of volunteer drivers but annual running costs are in the region of £100,000. The Trustees were delighted to support the scheme with a grant of £7,500.

**Home-Start South Leicestershire** ("Home-Start"), is a registered charity based in Market Harborough which offers assistance to parents in the many challenges that they face in bringing up their children particularly where these are exacerbated by issues such as: illness/disability; mental health problems; loneliness and isolation; family/relationship breakdowns; bereavement; and financial hardship. In thirty-five years of operation, Home-Start has supported over 3,000 local families and 4,500 pre-school children.

Home-Start assists such families through four principal projects involving a combination of home-visiting support, groups and courses. The Charity provided a grant of £5,000 specifically to support two of those projects: the Family Know-How project, which focuses on the needs of some of the most complex families that they support, particularly those struggling to cope with their young children; and the Post Natal Illness project which supports those families who are finding it difficult to cope following the birth of a child.

**Harborough FM** is a, not for profit, community radio station covering Market Harborough, South Leicestershire and North Northamptonshire which began in November 1994. The radio station is run, staffed and engineered almost entirely by a band of volunteers from the local community who are co-ordinated by an administrator. New volunteers are actively sought, encouraged and welcomed. They are offered training in all aspects of the station management and broadcasting and for many in the young or unemployed sectors of the community this provides valuable work experience and is an important addition to their C.V.

Whilst the Trustees recognise that broadcasting is not, of itself, a charitable object we believe that the activities that the Charity has helped to fund with a grant of £5,000, particularly the public information broadcasts covering traffic problems, local crime, sports and recreational events and local activity publicity together with the education and training, are furthering a charitable purpose and, therefore, meet the public benefit criteria.

**South Leicestershire Mobile Toy Library** is a registered charity providing individuals, schools, nurseries, playgroups and childminders with a range of therapeutic, educational and stimulating toys from its library, which can help children in all areas of their development. The charity also has a range of specialist toys for children with specific disabilities and additional learning needs.

The Trustees were pleased to be able to support this valuable community resource with a grant of £5,000 towards the charity's annual running costs which are in excess of £20,000.

Further support for the educational needs of the community were met by grants of: £3,730 to **Market Harborough CofE Academy** for the purchase of laptop computers; and £2,100 for library books at **Farndon Fields Primary School**. These are two of the largest primary schools in the town of Market Harborough with a large catchment area.

**Harborough & District Children & Young People's Charity** is a charity serving Harborough and District which is established to focus specifically on the needs of children, young people and their carers. It currently runs three projects to support this objective and the Trustees approved a grant of £2,000 to support their "Speak Out" Magazine Project. This project involves young people between the ages of 11 and 18 in the creation and publication of a youth led, youth views magazine on a termly basis, which is distributed for local young people.

# Howard Watson Symington Memorial Charity

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

### ACHIEVEMENTS AND PERFORMANCE (continued)

In addition to providing an opportunity for young people's views and interests to be heard in the community, the magazine also provide its contributors with the opportunity to develop their ideas, writing and design skills.

**Elderberries** is a community garden that has been created on waste land around and to the rear of the Lenthall House Care Home in Market Harborough. Its aims are: to involve local people in growing organic fruit and vegetables for use by the care home and to give away to others; to provide an attractive green space for the elderly residents to sit in and chat with the volunteer gardeners; to provide the elderly people with contact with children – a group of local nursery school children visit the garden every week to 'help' with the gardening and learn about plants and growing things; and to provide meaningful activity and friendship for a number of people who are lonely or who are dealing with mental health problems.

The group is run on a shoestring and the Trustees were delighted to support its activities, which meet the needs of several different sectors of the community, with a grant of £2,500.

The Trustees are satisfied that the grants that they have awarded have proved to be of benefit to the local community and are pleased to report that since the end of the financial year they have received applications from numerous other good causes, which the Charity has been in a position to support.

### FINANCIAL REVIEW

Total incoming resources for the year were £67,687 (2018: £13,664) which were generated from the investment portfolio which was opened in the final quarter of 2017/18.

The grants awarded in the year, as detailed above, were £34,780 and a further £5,622 (2018: £2,787) was incurred in operational expenses comprising: Website design and maintenance; Independent Examiner's fees; and, for 2017/18 only, Clerk's fees.

As a result, the net incoming resources of the general fund for the year were £27,285 (2018: £7,771 net outgoing resources). Following the transfer of £17,000 to the designated reserve, as referred to above, there was a net increase of £10,285 in the General Fund reserves during the year.

The stock market recovered from the significant falls experienced in the final quarter of 2017/18 and, with realised and unrealised gains of £85,718 in the year, the value of the investment portfolio at 31 March 2019 was £2,331,571. This is £38,731 higher than its original cost. Investment management charges of £5,683 (2018: £1,324) were incurred, with the result that the closing balance of the Endowment Fund was £2,330,080 (2018:£2,250,045).

### Reserves Policy

There was a brought forward balance of £30,250 on unrestricted general reserves and the effect of the transactions described above has been to increase the balance carried forward on the General Fund at 31 March 2019 to £40,535.

The Trustees aim to find projects worthy of support, in accordance with the Charity's objects, such that the grants that they award are approximately equal to the Charity's income net of operational expenses. However, reserves are required:

- to allow for unforeseen reductions in annual income; and
- to enable the Charity to provide funds for specific projects so that these projects can be undertaken at short notice.

The Trustees believe that the current level of reserves are sufficient for the Charity's immediate needs and will keep the reserves policy under regular review to ensure that it remains relevant and appropriate.

# **Howard Watson Symington Memorial Charity**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

On 4 June 1946 Market Harborough Urban District Council (“the UDC”) resolved to accept the offer of a gift, from W. Symington and Company Limited, of a freehold property known as Brooklands, Northampton Road, Market Harborough in commemoration and to perpetuate the memory of Mr Howard Watson Symington. The conveyance of the property was duly completed on 2 July 1946 and the UDC occupied the property as its offices.

The deed contained a declaration on the part of the UDC that it would hold the property “on trust for the perpetual use and benefit of the inhabitants of Market Harborough”. Although it was not appreciated at the time, the form of words used created a charitable trust.

This became apparent when HDC, as successor to the UDC following the local government reorganisation of 1974, wanted to move to larger premises and the position was regularised by a Scheme (“The Scheme”) executed by the Charity Commission dated 29 September 1981. The Scheme was altered by an Order of the Charity Commission dated 22 December 2009 which had the effect of updating the Objects of the Charity and giving the Trustee a limited power to amend the charitable trust if it is in the interests of the Charity to do so.

The Charity and the property thereof is administered and managed in conformity with the provisions contained in the Conveyance and the Scheme, as amended. With the retirement of the former Trustee and the appointment of the new Trustees, as above, on 16 October 2017; the new Trustees have resolved that any references in the trust documents to “the Trustee” shall be taken as references to “the Trustees” to give effect to the proper administration of the Charity by the new Trustees and any future Trustees.

#### **Recruitment, appointment and training of Trustees**

When a future vacancy arises, the Trustees intend to follow a recruitment process to identify persons who have, by virtue of their residence, occupation, employment, or otherwise, knowledge of the area of benefit and/or have the necessary skills relevant to the management of the Charity’s business. The process will involve consideration of a candidate’s CV, taking references, an interview by at least two existing Trustees and formal appointment by the Board.

New trustees will be briefed on: their legal obligations under charity law; the content of the governing documents; the committee and decision making processes; and the future plans and recent financial performance of the Charity. They will be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

#### **Organisation**

The Trustees will meet on a regular basis throughout the year. Matters concerning the management of the Charity will be included in the agenda of those meetings, as necessary. Decisions will be taken on the basis of a majority vote.

#### **Risk Management**

The Trustees have adopted a risk management approach to the management of funds and allocation of grants. They intend to document this as a risk management strategy which will comprise regular reviews of the risks that the Charity may face; the recording of systems and procedures to mitigate any risks identified; and the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

# Howard Watson Symington Memorial Charity

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)


#### Risk Management (continued)

The Trustees have already appointed two separate firms of Investment Managers to manage the investment portfolio. Investments are spread over a portfolio of equities, bonds and cash to reduce the impact of volatility in the equity market and Trustees meet with investment managers on a regular basis to review the portfolio and consider their recommendations.

#### DECLARATION

I declare, in my capacity of Charity Trustee, that:

- The Trustees have approved the report above; and
- Have authorised me to sign it on their behalf

A handwritten signature in black ink, appearing to read "Roger Dunton". The signature is written in a cursive style with a large initial 'R'.

Roger Dunton - Chairman  
29 January 2020



## **Independent Examiner's Report to the Trustees of Howard Watson Symington Memorial Charity**

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2019 which are set out on pages 8 to 16.

### **Responsibilities and basis of report**

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

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

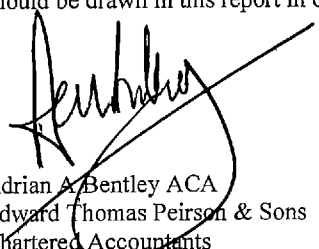
### **Independent examiner's statement**

Your attention is drawn to the fact that the Charity has prepared the accounts 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 (as updated through Update Bulletin 1 published on 2 February 2016) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in extant regulations but has since been withdrawn. I understand that this has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for accounting periods beginning on or after 1 January 2015.

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

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

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



Adrian A Bentley ACA  
Edward Thomas Peirson & Sons  
Chartered Accountants  
21 The Point  
Market Harborough  
Leicestershire LE16 7NU

29 January 2020

## Howard Watson Symington Memorial Charity

### Statement of Financial Activities for the year ended 31 March 2019

	Note	General Fund £	Designated Fund £	Endowment Fund £	Total 2019 £	Total 2018 £
<b>INCOME AND ENDOWMENTS FROM:</b>						
<b>Investments:</b>						
Building society interest receivable		-	-	-	-	1,369
Money market deposit interest		-	-	-	-	1,716
Investment portfolio	2	67,687	-	-	67,687	10,579
<b>Total income and endowments</b>		<b>67,687</b>	<b>-</b>	<b>-</b>	<b>67,687</b>	<b>13,664</b>
<b>EXPENDITURE ON:</b>						
<b>Raising funds:</b>						
Investment management charges		-	-	5,683	5,683	1,324
<b>Charitable activities:</b>						
Costs in furtherance of charitable activities	3	40,402	-	-	40,402	21,435
<b>Total expenditure</b>		<b>40,402</b>	<b>-</b>	<b>5,683</b>	<b>46,085</b>	<b>22,759</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>		<b>27,285</b>	<b>-</b>	<b>(5,683)</b>	<b>21,602</b>	<b>(9,095)</b>
<b>GAINS/(LOSSES):</b>						
On investment portfolio:						
Realised		-	-	942	942	-
Unrealised		-	-	84,776	84,776	(47,932)
<b>Net income/(expenditure) before transfers</b>		<b>27,285</b>	<b>-</b>	<b>80,035</b>	<b>107,320</b>	<b>(57,027)</b>
<b>Net transfers between funds</b>		<b>(17,000)</b>	<b>17,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income and net movement in funds</b>		<b>10,285</b>	<b>17,000</b>	<b>80,035</b>	<b>107,320</b>	<b>(57,027)</b>
<b>Total funds brought forward</b>		<b>30,250</b>	<b>2,800</b>	<b>2,250,045</b>	<b>2,283,095</b>	<b>2,340,122</b>
<b>Total funds carried forward</b>		<b>40,535</b>	<b>19,800</b>	<b>2,330,080</b>	<b>2,390,415</b>	<b>2,283,095</b>

All activities relate to continuing operations

The notes on pages 10 to 16 form part of these financial statements

## Howard Watson Symington Memorial Charity

### Balance Sheet As at 31 March 2019

	Note	2019		2018	
		£	£	£	£
<b>Fixed Assets</b>					
Investments	7		2,331,571		2,251,328
<b>Current Assets</b>					
Cash at bank and in hand:					
Current accounts			64,705		39,685
Petty cash			125		125
			<u>64,830</u>		<u>39,810</u>
<b>Creditors: Falling due within one year</b>	8		<u>5,986</u>		<u>8,043</u>
<b>Net Current Assets</b>			58,844		31,767
<b>Net Assets</b>			<u><u>2,390,415</u></u>		<u><u>2,283,095</u></u>
<b>Funds</b>	9				
<b>Unrestricted funds</b>					
General fund			40,535		30,250
Designated fund			19,800		2,800
			<u>60,335</u>		<u>33,050</u>
<b>Restricted funds</b>					
Endowment Fund			2,330,080		2,250,045
<b>Total Funds</b>			<u><u>2,390,415</u></u>		<u><u>2,283,095</u></u>

The financial statements were approved by the trustees on 29 January 2020 and signed on their behalf by:



Roger Dunton  
Chairman

The notes on pages 10 to 16 form part of these financial statements

# Howard Watson Symington Memorial Charity

## Notes forming part of the Financial Statements For the year ended 31 March 2019

### 1 Principal Accounting Policies

#### (a) Basis of preparation and assessment of going concern

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 (as updated through Update Bulletin 1 published on 2 February 2016) (“SORP (FRS 102)”);
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (“FRS 102”);
- The Charities Act 2011; and
- UK Generally Accepted Practice as it applies from 1 January 2015.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following SORP (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The going concern basis and historical cost convention have been used in preparing the financial statements. The Trustees consider that there are no material uncertainties about the Charity’s ability to continue as a going concern.

#### (b) Income recognition

Income is accounted for on an accruals basis and is reported gross of any related expenditure. It is recognised when the Charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**Investment income** represents interest and dividends on stocks, shares and bank deposits held on the endowment and unrestricted funds. Such income is recognised on a receivable basis and where appropriate, this includes the income tax recoverable. Incoming resources from investments held as part of the endowment fund are unrestricted.

Wherever possible, income is reported gross of any related expenditure. However, in the case of investment management costs within managed funds it is not always practicable to identify such costs with reasonable accuracy and, therefore, the investment income is reported net of these costs.

In accordance with SORP (FRS 102) no amount is included in the financial statements for volunteer time.

#### (c) Expenditure recognition

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to make payment to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. As the Charity is not registered for VAT, all expenditure is shown gross of irrecoverable VAT.

Expenditure is, as appropriate, classified under the following activity headings:

- Raising funds;
- Charitable activities; and
- Other expenditure

# Howard Watson Symington Memorial Charity

## Notes forming part of the Financial Statements For the year ended 31 March 2019

### 1 Principal Accounting Policies (continued)

#### (c) Expenditure recognition (continued)

Charitable activity expenses comprise grants paid to individuals and organisations as approved by the Trustees in accordance with the Charity's governing documents and associated costs. Where unconditional grants are offered the expenditure is accrued as soon as the recipient is notified of the grant and there is a reasonable expectation that it will be paid. Where grants are pledged, but payment is conditional on the performance of the recipient, the amount is not recognised as an expense until the conditions have been fulfilled. However, an amount equivalent to that pledged is transferred to a designated reserve.

#### (d) Allocation of costs

Costs which are directly attributable to a single activity are allocated directly to that activity. Shared costs which contribute directly to more than one activity are apportioned between those activities on the basis of usage by each activity. Support costs represent the remaining costs that are not capable of direct attribution. They include Governance costs, which represent the expenses of Trustees' meetings and legal and professional fees related to the running and management of the Charity (including external examiner's fees). They are allocated to activities on the basis of the utilisation of the support costs by each activity. This allocation process involves a significant element of judgement as the charity has to consider the cost of detailed calculations and record keeping with the resultant benefit.

#### (e) Investments

Investments are initially recorded at their transaction price (including costs). Investments within the portfolio are revalued annually at their market value on the last day of the financial year. All investments are a form of basic financial instrument which are traded in quoted public markets. The Charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains and losses on investments are calculated as the difference between the sale proceeds and their market value at the start of the year, or subsequent cost. Unrealised gains and losses represent the movement in market values between valuations. Both types of gains and losses are credited or charged to the Statement of Financial Activities in the year of gain or loss.

#### (f) Debtors and creditors receivable/payable within one year

Debtors and creditors receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are included within expenditure.

#### (g) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### (h) Fund Accounting

**Unrestricted funds** comprise those funds which the Trustees are free to use in accordance with the Charity's objectives.

**Designated funds** are unrestricted funds which the Trustees have earmarked for the specific purpose of the payment of grants which the Charity has pledged to make but where no binding commitment exists at the balance sheet date. Transfers are made to this fund from the General Fund for amounts pledged in the year which have not been paid by the year end. A transfer is also made from this fund to the General Fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

**Endowment Funds** are capital funds which the Trustees cannot spend. The income arising from the endowment funds is unrestricted.

Details regarding these funds, including the assets and liabilities by which the fund balances are represented, are included at Note 9 to these financial statements.

# Howard Watson Symington Memorial Charity

## Notes forming part of the Financial Statements for the year ended 31 March 2019

<b>2 Income from Investments: Investment portfolio</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Dividends &amp; interest receivable from COIF Collective Investments:</b>		
Charities Fixed Interest	3,670	918
Charities Investment Fund	15,697	3,581
Global Equity Fund	17,437	4,359
Charities Property Fund	6,122	1,597
<b>Dividends &amp; interest receivable from other Collective Investments:</b>		
Bond funds	3,043	-
UK Equity Funds	10,343	-
International Equity Funds	7,036	-
Multi-Asset Funds	1,676	124
Alternatives	2,531	-
<b>Interest on cash awaiting investment</b>	<b>132</b>	<b>-</b>
	<u><b>67,687</b></u>	<u><b>10,579</b></u>

Incoming resources from investments held as part of the endowment fund are unrestricted.

### 3 Costs in furtherance of charitable activities

<b>Funded from the General Fund</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Grants payable:</b>		
To institutions	33,430	12,608
To individuals	1,350	6,040
	<u><b>34,780</b></u>	<u><b>18,648</b></u>
<b>Other direct costs of charitable activities:</b>		
Website design and maintenance costs	3,822	-
<b>Governance costs (Note 4)</b>	<b>1,800</b>	<b>2,787</b>
	<u><b>40,402</b></u>	<u><b>21,435</b></u>

Grants payable are analysed as follows:

<b>Grants to institutions for the purpose of social welfare, recreation and other leisure time activities.</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Institution</b>	<b>Purpose of Grant</b>	
Voultary Action South Leicestershire	Running costs of car scheme	7,500
Home Start South Leicestershire	Family Know-How and Post-Natal Support	5,000
HFM	Radio Station Running Costs	5,000
South Leicestershire Toy Library	Help with running costs	5,000
Market Harborough CofE Academy	Purchase of laptop computers	3,730
Elderberries	Commuity Garden Project	2,500
Farndon Fields Primary School	Books for new library	2,100
Harborough & Disctrict Young People's Charity	Publishing of "Speak Out" Magazine	2,000
	<u><b>32,830</b></u>	<u><b>12,208</b></u>
Others each £1,000 or less	Various - 2 in total (2018: 2)	400
	<u><b>33,430</b></u>	<u><b>12,608</b></u>
<b>Grants to individuals for the purpose of:</b>		
Relief of persons in need, hardship or distress	1 Individuals (2018: 2)	2,515
Supporting educational needs	- Individuals (2018: 3)	3,525
	<u><b>1,350</b></u>	<u><b>6,040</b></u>

# Howard Watson Symington Memorial Charity

## Notes forming part of the Financial Statements for the year ended 31 March 2019

### 4 Analysis and allocation of supports costs

Governance costs represent the only support costs incurred by the charity and are allocated entirely to the Cost of Charitable Activities on the basis on time spent. They comprise the following:

	2019	2018
	£	£
Fees payable for the services of the Clerk to the Trustee (see Note 5)	-	987
Fees payable for Independent Examination	1,800	1,800
	<u>1,800</u>	<u>2,787</u>

### 5 Trustee's remuneration and reimbursement of expenses

None of the Trustees received remuneration for their services as Trustee of the Charity in either of the years ended 31 March 2018 or 2019.

The former Clerk to the Trustee, Mrs Anne Cowan, invoiced HDC for administration services that she has provided in connection with the Charity's affairs. Prior to its retirement as Trustee, HDC was reimbursed by the Charity for such costs together with the fees that it had paid to the Independent Examiner and for the renewal of the Charity's domain name registration. The total amount reimbursed to HDC in the year ended 31 March 2018 was £7,907.

With the exception of the above no Trustees were reimbursed for expenses.

### 6 Staff numbers and costs

The Charity had no employees in the year or the preceding year

### 7 Fixed Asset Investments

Movements in the listed investment portfolio are as follows:	31-Mar-19	31-Mar-18
	£	£
Market value at the beginning of the year	1,792,368	-
Acquisitions at cost	513,082	1,840,300
Sales proceeds from disposals	(63,406)	-
Realised gains/(losses) on disposals	942	-
Unrealised gains/(losses) on revaluation	84,776	(47,932)
	<u>2,327,762</u>	<u>1,792,368</u>
Cash at bank on deposit/awaiting investment	3,809	458,960
Market value at the end of the year	<u>2,331,571</u>	<u>2,251,328</u>
Historical cost at the end of the year	<u>2,292,840</u>	<u>2,299,260</u>

# Howard Watson Symington Memorial Charity

## Notes forming part of the Financial Statements for the year ended 31 March 2019

### 7 Fixed Asset Investments (continued)

All investments are UK listed and are represented by:

	31-Mar-19		31-Mar-18	
	£	%	£	%
<b>Managed by CCLA Investment Management</b>				
COIF UK Fixed interest fund	112,444	4.82%	112,907	5.02%
COIF Investment fund	478,576	20.53%	443,574	19.70%
COIF Global equity fund	491,040	21.06%	441,944	19.63%
COIF Charities property fund	113,377	4.86%	111,980	4.97%
<b>Managed by Cazenove Capital Management</b>				
<b>UK Bond funds:</b>				
Schroder Sterling Corporate Bond Fund	59,689	2.56%	22,943	1.02%
Schroder Strategic Credit Fund	57,669	2.47%	23,093	1.03%
<b>UK Equity funds:</b>				
Charity Equity Income Fund	124,400	5.34%	101,881	4.53%
JO Hambro UK Equity Income Fund	126,692	5.43%	-	-
Majadie Asset UK Income Fund	77,861	3.34%	101,669	4.52%
<b>International Equity funds:</b>				
Fidelity Global Dividend Fund	71,993	3.09%	-	-
Hermes Asian Ex-Japan Equity Fund	41,716	1.79%	41,170	1.83%
M&G Global Dividend Inc. Fund	113,753	4.88%	56,545	2.51%
Schroder Asian Income Fund	72,596	3.11%	58,328	2.59%
Schroder European Alpha Inc. Fund	50,912	2.18%	56,320	2.50%
Vanguard S&P 500 UCITS ETF	63,392	2.72%	54,839	2.44%
<b>Multi-Asset funds:</b>				
BMO Pymford Global Total Return Sterling Fund	39,690	1.70%	-	-
LF Ruffer Total Return Fund	40,134	1.72%	81,974	3.64%
Capita Financial Managers Trojan Fund	86,044	3.69%	83,201	3.70%
<b>Alternative funds:</b>				
Property Income Trust for Charities	83,474	3.58%	-	-
Schroder Diversified Alternative Fund	22,310	0.96%	-	-
<b>Cash on deposit/awaiting investment</b>	<b>3,809</b>	<b>0.17%</b>	<b>458,960</b>	<b>20.37%</b>
	<u>2,331,571</u>	100.00%	<u>2,251,328</u>	100.00%

The investments in the portfolio are carried at their fair value which is the quoted market value in respect of equities and fixed interest securities and the bid price for units in common investment funds, unit trusts and open-ended investment companies. Investment sales and purchases are recognised at the date of trade at their transaction value, net of costs in the respect of sales and inclusive of costs in respect of purchases.

All investments are basic financial instruments traded on quoted public markets, primarily the London Stock Exchange. The Charity does not make use of derivatives and similar complex financial instruments as the Trustees take the view that investments are held for their longer term yield and total return and that any short-term volatility in the markets will normally be corrected in any five year period.

The significance of investments to the ongoing financial stability of the Charity is further discussed in the sections of the Report of the Trustees dealing with Investment Policy and Financial Review. The Charity relies on income from its investments to cover costs used in its operating activities and also on capital growth to ensure that the long-term value of the Endowment Fund keeps pace with inflation.



# Howard Watson Symington Memorial Charity

## Notes forming part of the Financial Statements for the year ended 31 March 2019

### 7 Fixed Asset Investments (continued)

Investment returns are exposed to various risks which include credit, liquidity and market risks. Both credit and liquidity risks are assessed as low as the Charity invests predominantly in blue-chip securities in which the failure rate is historically low and all investments are traded on markets in which central banks and other regulators have an interest in ensuring continuation of orderly trading.

Market risk is the principal risk faced by the Charity due to a combination of uncertainty in investment markets and volatility in yields. There is concern that UK growth will slow as "Brexit" uncertainties reduce investment and higher inflation, resulting from reduction in the value of Sterling, reduces consumer spending. The weakening in exchange rates will, however, improve Sterling returns from holdings, such as those within collective investments, which are denominated in foreign currencies. Interest rates remain at an all time low and, for the time being, the Bank of England appears to be reluctant to raise rates to control inflationary pressures.

The Trustees manage these risks by retaining the expert services of two separate fund managers, as shown in the above analysis of the portfolio, and in operating an investment policy which provides for a high degree of diversification of holdings within investment asset classes providing for a balance of income and long-term capital growth.

### 8 Creditors: Amounts falling due within one year

	31-Mar-19	31-Mar-18
	£	£
Grants Payable	2,695	4,240
Accrued Expenses	3,291	3,803
	<u>5,986</u>	<u>8,043</u>

### 9 Funds

The Charity's funds are as follows:

**Endowment Fund:** This represents the permanent capital of the Charity. Although the individual assets held within the fund may be sold any proceeds received must be reinvested and be held indefinitely. The Trustee has no power to convert the capital into income.

**General Fund:** These are unrestricted funds that the Trustee can freely apply in accordance with the Charity's objects.

**Designated Fund:** This is an unrestricted fund that has been earmarked for the specific purpose of the payment of grants which the Charity has pledged to make but where no binding commitment exists at the balance sheet date.

Transfers are made to this fund from the General Fund for amounts pledged in the year which have not been paid by the year end. A transfer is also made from this fund to the General Fund for amounts pledged in previous years which have either been paid in the year or where the pledge has been withdrawn.

Movements in the fund balances are summarised as follows:

	General Fund	Designated Fund	Endowment Fund	Total Funds
	£	£	£	£
As at 1 April 2017	40,821	-	2,299,301	2,340,122
Income	13,664	-	-	13,664
Expenditure	(21,435)	-	(1,324)	(22,759)
Gains/(losses) on investments	-	-	(47,932)	(47,932)
Transfers	(2,800)	2,800	-	-
As at 31 March 2018	<u>30,250</u>	<u>2,800</u>	<u>2,250,045</u>	<u>2,283,095</u>

## Howard Watson Symington Memorial Charity

### Notes forming part of the Financial Statements for the year ended 31 March 2019

#### 9 Funds (continued)

	General Fund £	Designated Fund £	Endowment Fund £	Total Funds £
<b>As at 31 March 2018</b>	30,250	2,800	2,250,045	2,283,095
Income	67,687	-	-	67,687
Expenditure	(40,402)	-	(5,683)	(46,085)
Gains/(losses) on investments	-	-	85,718	85,718
Transfers	(17,000)	17,000	-	-
<b>As at 31 March 2019</b>	<b>40,535</b>	<b>19,800</b>	<b>2,330,080</b>	<b>2,390,415</b>

The assets and liabilities of the Charity at 31 March 2019 are allocated between the funds as follows:

	General Fund £	Designated Fund £	Endowment Fund £	Total £
Investments	-	-	2,331,571	2,331,571
Cash at bank and in hand	45,030	19,800	-	64,830
Creditors	(4,495)	-	(1,491)	(5,986)
	<b>40,535</b>	<b>19,800</b>	<b>2,330,080</b>	<b>2,390,415</b>

The allocation at the end of the previous financial year was as follows:

	General Fund £	Designated Fund £	Endowment Fund £	Total £
Investments	-	-	2,251,328	2,251,328
Cash at bank and in hand	37,010	2,800	-	39,810
Creditors	(6,760)	-	(1,283)	(8,043)
	<b>30,250</b>	<b>2,800</b>	<b>2,250,045</b>	<b>2,283,095</b>