

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR END 31 MARCH 2022

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

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BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR END 31 MARCH 2022

Trustees	Captain J.E. Evans Councillor P. Jackson (appointed 8 December 2021) Councillor R. Bruce, Vice Chair (appointed 8 December 2021) Councillor G. Brown (appointed 8 December 2021) Councillor R. Driver (appointed 8 December 2021, resigned 25 March 2022) Councillor A. Bowlas (resigned 25 March 2022) Mr D. Fairnell Mr D. B. P. Herriott Mr A. W. Herriott Mr M. W. Herriott, Chair Mr M. Greener (appointed 29 April 2022) Mrs C. Bruce (appointed 25 March 2022, resigned 30 September 2022) Councillor H. Bettison (resigned 8 December 2021) Councillor G. Roughead (resigned 8 December 2021) Councillor A. Forbes (resigned 8 December 2021) Councillor T. Forrester (resigned 8 December 2021)
Charity registered number	222154
Principal office	Town Hall Marygate Berwick upon Tweed TD15 1BN
Independent auditors	Kinnair Associates Limited Chartered Accountants Aston House Redburn Road Westerhope Newcastle upon Tyne NE5 1NB
Bankers	Bank of Scotland 61 Hide Hill Berwick upon Tweed TD15 1EN
Solicitors	Womble Bond Dickinson St. Ann's Wharf 112 Quayside Newcastle upon Tyne NE99 1SB
Chartered Accountants	Ryecroft Glenton 32 Portland Terrace Newcastle upon Tyne NE2 1QP

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR END 31 MARCH 2022**

Land Steward	A. Hamilton Edwin Thompson LLP Chartered Surveyors 44-48 Hide Hill Berwick upon Tweed TD15 1AB
Investment Advisor	RBC Brewin Dolphin Limited Time Central Gallowgate Newcastle upon Tyne NE1 4SR
Accountant	C. R. J. Oakley
Clerk	W. E. Henry

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT FOR THE YEAR END 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2021 to 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

● Policies and objectives

The Charity known as Berwick-upon-Tweed Corporation (Freemen) Trust is a body corporate governed by two local Acts of Parliament - the Berwick-upon-Tweed Corporation Act 1843 and the Berwick-upon-Tweed Corporation (Freemen) Act 1926; and is subject to the terms of a Scheme registered with the Charity Commission on the 4th December 1931.

The Act of 1843 settled and established the rights of the Resident Freemen and Widows of Freemen of Berwick-upon-Tweed and set down the manner in which the income from the Estate's land holdings and investments was to be distributed; the Act of 1926 made provision for the establishment of the Trust and the vesting of the Estate in the Trustees and established the manner in which the Trust was to operate.

Subsequent arbitrations have been concerned in the construction of the Acts of 1843 and 1926 and the rights, powers and duties of the Trustees, their officers and other interested parties.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

● Strategies for achieving objectives

The Trustees meet monthly to conduct the business of the Charity in accordance with the provisions of the 1926 Act, and the administration of the Trust is undertaken on a day-to-day basis by their clerk (Liam Henry), their Accountant (Charles Oakley) and their Land Steward (Andrew Hamilton). The Trust's retained Legal Advisors are Womble Bond Dickinson of Newcastle-upon-Tyne; their Auditors, Kinnair & Co of Newcastle-upon-Tyne; their Chartered Accountants, Rycroft Glenton of Newcastle-upon-Tyne; and their investment advisors and stockbrokers, Brewin Dolphin of Newcastle-upon-Tyne.

● Activities undertaken to achieve objectives

The bulk of the Trustees' income is derived from their agricultural Estate and investments. The agricultural land, mainly to the north of the River Tweed and amounting to over 2,250 acres, is divided into a number of holdings, the tenancies of which are governed by the Agricultural Holdings Acts. The capital value of the investments is £9.778m. The income from the Estate and investments is distributed to the Guild of Freemen and their Widows and a number of other beneficiaries in accordance with the terms of the governing Acts and the arbitrations made thereunder.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

Achievements and performance

- Review of activities

General developments

Retail Park Site – further to the sale of an extensive tract of land at North Road last year the purchaser commenced its development as a retail park following the obtaining of the necessary planning permission and the satisfaction of the various conditions which included an archaeological investigation which made no significant findings. The developer has been successful in obtaining a number of significant retail tenants. The Trustees also agreed to the granting of a licence agreement to the developer for the construction of further retail buildings on land retained by the Trustees.

West Hope Residential land – the issue of access to the site at West Hope was eventually resolved to the Trustees satisfaction after a period of several years following completion of an agreement with Northumberland County Council towards the end of year.

Hudson Homes West Hope site – agreement was reached with Hudson Homes during the year for the company to be relieved of the obligation to construct the surface water drainage on the site in turn for a significant six figure sum being paid to the Trustees reflecting the magnitude of the sum that the original purchase price for the site was reduced by on the understanding the company would be responsible for the drainage construction. The Trustees took steps to progress the necessary works in conjunction with the developer of the retail park site.

Estate management

Baldersbury Hill – the Trustees agreed to the sale of the farmhouse and an offer was accepted at the October meeting from a Mr B Weir. Planning permission in respect of the residential development of the steading was on the point of issue at the end of the year.

Scottish Power constructed a new electrical power cable line across the Tweed from land at East Ord Farm in relative proximity to the fishing shiel.

A new five year farm business tenancy in respect of Folly Farm was granted to the existing farm tenant at the existing rent but with the Trustees future position protected.

A comprehensive insurance claim had to be made in respect of the extensive damage occasioned during Storm Arwen in November across the whole of the estate.

The Trustees agreed to a scheme of tree planting on land at East Ord as part of the celebrations in relation to Her Majesty, Queen Elizabeth's Platinum Jubilee.

An issue arose during the year in relation to the ownership of Sandstell Car Park in Spittal which the Trustees considered to be within their property portfolio but which had been registered by Northumberland County Council at Durham Land Registry a number of years ago without the Trustees knowledge. Regrettably, notwithstanding the claim that the Trustees believed they had in relation to land's ownership, and despite considerable research by both the Accountant and the Land Steward, it was not possible to establish sufficient evidence to challenge the registered position and, following extensive legal advice, it was decided not to proceed with any counterclaim at the Land Registry.

Various electrical and other remedial works in relation to Energy Performance Certificates were carried out at cottages at Camphill and Loughend.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

Achievements and performance (continued)

Following the expression of interest from local football club, Tweedmouth Rangers, to lease an area of land at East Ord for the construction and operation of a football pitch the tenancy was completed during the year.

It was agreed to sell a small area of land to a Mr and Mrs Ferguson at North Road in Berwick to regularise an issue concerning encroachment in respect of the Trustees' land.

The Trustees' former tenant at Whitedamhead, Mr. Robert Middlemiss, sadly, passed away during the year. It was noted that he and his family had been associated with the Trustees, and the estate, for over 100 years.

Town Hall

The issue of disabled access to the Town Hall was raised once again during the year, on this occasion by the Town Council, and the Trustees responded by looking to commission a further access audit, to add to the one which had been obtained a number of years previously.

It was agreed to replace the windows in the Belfry which were in a very poor state of repair for which listed building consent would be required.

The improvement works within the Town House café were progressed through the year with the replacement of the heating system and the installation of secondary glazing.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

Achievements and performance (continued)

• Investment policy and performance

Brewin Dolphin Asset Management responsibilities:

- (a) To invest in a suitable, diversified portfolio of assets in accordance with The Trustees Act 2000.
- (b) To act at their discretion, but within the guidelines set down by the Trustees as detailed in 4 below. In addition, the managers are expected to implement changes in the asset mix and select individual securities within each asset class.
- (c) To provide the Trustees with regular valuations, in the form of an investment report describing activity during the period, performance against agreed benchmarks, a summary of market performance and the investment outlook.
- (d) To notify the Trustees of transactions on a day to day basis.
- (e) No more than 5% of the portfolio should be invested in any one equity.
- (f) To review regularly the long-term investment objectives of the portfolio in the light of economic and market conditions and liaise with the Trustees on any proposed changes to asset allocation.

Long Term Objectives of the Trustees:

- (a) To maintain the long-term purchasing power of the capital and income against inflation.
- (b) To review the long-term performance of the investment managers on a rolling three year basis.

Performance Measurement:

- (a) Performance will be monitored on a regular basis and analysed in the managers' investment report.
- (b) The managers will aim to at least match the performance of the major benchmark indices that relate to the respective asset groups, et FT British Government Securities Index, FTSE Actuaries All- Share Index and the FT/S&P World Index (sterling based).
- (c) The performance will also be compared with the Association of Private Client Investment Managers & Stockbrokers (APCIMS) Income index and Retail Price Index.

The Review Process:

- (a) At least once a year the Trustees will review the investment performance of the Investment Managers as detailed above.
- (b) Long term performance should be reviewed on a rolling three year basis and the following factors should also be taken into consideration.
 - (i) The performance of other fund managers.
 - (ii) The Trustees should take note of the quality of advice and assess the suitability of the managers in terms of level of fees.
 - (iii) Familiarity with the investment mandate.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

Achievements and performance (continued)

- (iv) The quality of service in terms of reports and administration.
- (v) The working relationship with the investment management team.
- (c) Consistent under-performance over this period will trigger a review of the Investment Manager's position as adviser to the Trustees.

Remuneration:

An annual management fee of 0.4% plus vat will be levied on total funds under management. This will be charged quarterly in arrears.

Annual Investment Commentary:

In the context of the previous year, the period began relatively calmly and most major equity markets produced mid-to-late single digit gains while the US S&P 500 index reached a new all-time high late in the first quarter. However, any experienced investor knows that a period of benign conditions will eventually come to an end and markets moved into a more challenging environment thereafter with a litany of worries facing investors.

The first quarter of 2022 proved particularly challenging for markets as worries around the Russian invasion of Ukraine, rising interest rates, and higher levels of inflation weighed on both equities and bonds. As markets grappled with rising inflation prints, and tried to establish the likely pace and trajectory of interest rate hikes, we saw some big swings and global bonds suffered their worst drawdown on record as central banks turned more hawkish. US shares had a particularly difficult start to the New Year, with growth and technology stocks coming under pressure amid fears of a slowing economy. Markets have also been affected by concerns over China, and the knock-on effects to other regions, and an underperformance in the UK small and mid cap area but the annual return remained in positive territory.

The style rotation we have seen, as a result of the rise of inflation and interest rate expectations, saw investors switch into value and income producing sectors and, with the investments required to generate a level of income, this benefited the portfolio to some extent. However, this was to the detriment of the growth strategies that have performed so well in recent years and, with bond markets offering no safe haven as interest rate hikes were priced in, the return lagged the benchmark.

Despite this, the investments have risen 5.1% in the year.

Financial review

● Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

● Reserves policy

At 31 March 2022, the Charity had total funds of £27,513,438, all of which are endowment funds. The endowment funds consist of property held to generate future income. There are no restricted funds at the financial year end as all surpluses are paid out to beneficiaries.

1. The Trustees recognise that the level of reserves and balances must be appropriate for the financial challenges that the prevailing and future environment may present
2. The Trustees also recognise that the level of reserves and balances are to be maintained at a level appropriate for the organization.
3. The Trustees will comply with the law and all statutory guidance relating to the maintenance of reserves and balances. Similarly it will refer to non-statutory guidance wherever it is available.
4. The Trustees will in certain circumstances consider the creation of reserves for specific purposes and for a defined time period. These reserves are called Earmarked Reserves and will be approved by the Trustees.
5. The level of a specific reserve, its purpose and a process to authorise release of funds will be defined at the time of its proposal.

● Material investments policy

The Freemen Trustees have transferred the responsibilities for the management of investments to a third party with the appropriate levels of capacity and expertise to undertake this role. The current investment managers were appointed following a competitive tender process.

● Principal risks and uncertainties

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

● Principal funding

The principal source of funding is derived from a combination of land/property rental income and interest received from investments.

Structure, governance and management

● Constitution

Berwick upon Tweed Corporation (Freemen) Trustees is a registered charity, number 222154, and is constituted under a Trust deed.

It is regulated by the Berwick upon Tweed Corporation (Freemen) Acts 1843 and 1926.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

Structure, governance and management (continued)

- **Methods of appointment or election of Trustees**

The Trustees were incorporated as a body by The Berwick-upon-Tweed Corporation (Freemen) Act 1926. The Trustees Committee comprises of five non-freemen appointed by Berwick-upon-Tweed Town Council in November each year and five Freemen (who may be either resident or non-resident in the Borough) elected by the Freemen in October or November each year.

- **Organisational structure and decision-making policies**

The Trustees serve in accordance with the governing document and hold regular meetings throughout the year.

The Trust and its property are administered and managed in accordance with the constitution by the Trustees Committee.

- **Policies adopted for the induction and training of Trustees**

A basic explanation of the roles and duties of a Trustee are provided upon appointment. This includes information and documentation relating to both the history and governance of both the Trustees and Guild of Freemen.

- **Financial risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

The retail site at North Road and the remaining land at West Hope present the main development opportunities for the immediate future although the Trustees continue to explore the development potential of their farm premises whenever the opportunity arises.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR END 31 MARCH 2022

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Kinnair & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 7 December 2022 and signed on their behalf by:



Mr M. W. Herriott
(Chair of Trustees)



C.R.J. Oakley
(Accountant to the Trustees)

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

Opinion

We have audited the financial statements of Berwick upon Tweed Corporation (Freemen) Trustees (the 'charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Charities Act 2011 et seq., the Charities (Protection and Social Investment) Act 2016, the Trustees Acts 1925 and 2000 and Charity Commission regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by: -

- making enquiries of management as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we: -

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes to the financial statements are indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which include, but are not limited to: -

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the Charity's legal advisors.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERWICK UPON TWEED CORPORATION
(FREEMEN) TRUSTEES (CONTINUED)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' report.

Use of our report

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

Kinnair Associates Ltd

Kinnair Associates Limited

Chartered Accountants
Registered Auditors

Aston House

Redburn Road

Westerhope

Newcastle upon Tyne

NE5 1NB

7 December 2022

Kinnair Associates Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR END 31 MARCH 2022

	Note	Endowment funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Donations and legacies	3	-	4,000	4,000	29,524
Other trading activities	4	-	-	-	31,347
Investments	5	-	603,809	603,809	568,111
Other income	6	-	27,356	27,356	20,792
Total income and endowments		-	635,165	635,165	649,774
Expenditure on:					
Raising funds	7,8	-	82,392	82,392	94,151
Charitable activities	9	-	552,773	552,773	555,623
Total expenditure		-	635,165	635,165	649,774
Net income before net gains on investments					
		-	-	-	-
Net gains on investments		1,404,178	-	1,404,178	2,205,972
Net movement in funds	26	1,404,178	-	1,404,178	2,205,972
Reconciliation of funds:					
Total funds brought forward		26,109,260	-	26,109,260	23,903,288
Net movement in funds		1,404,178	-	1,404,178	2,205,972
Total funds carried forward		27,513,438	-	27,513,438	26,109,260

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 39 form part of these financial statements.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
Fixed assets			
Heritage assets	18	3,770	3,770
Investments	19	9,777,825	9,453,020
Investment property	17	17,835,000	16,757,000
		27,616,595	26,213,790
Current assets			
Debtors	20	178,071	152,342
Cash at bank and in hand		572,737	689,946
		750,808	842,288
Creditors: amounts falling due within one year	21	(853,965)	(946,818)
Net current liabilities		(103,157)	(104,530)
Total assets less current liabilities		27,513,438	26,109,260
Total net assets		27,513,438	26,109,260
Charity funds			
Endowment funds	23	27,513,438	26,109,260
Total funds		27,513,438	26,109,260

The financial statements were approved and authorised for issue by the Trustees on 07 December 2022 and signed on their behalf by:



Mr M. W. Herriott
(Chair of Trustees)



C.R.J. Oakley
(Accountant to the Trustees)

The notes on pages 18 to 39 form part of these financial statements.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**STATEMENT OF CASH FLOWS
FOR THE YEAR END 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(118,582)	455,487
	<hr/>	<hr/>
Cash flows from investing activities		
Proceeds from sale of investments	324,931	3,010,415
Purchase of investments	(323,558)	(3,040,422)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	1,373	(30,007)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(117,209)	425,480
Cash and cash equivalents at the beginning of the year	689,946	264,466
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	572,737	689,946
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18 to 39 form part of these financial statements

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR END 31 MARCH 2022

1. General information

The Berwick upon Tweed Corporation (Freemen) Trustees is a registered charity, number 222154. The charity is unincorporated and its registered office is Town Hall, Marygate, Berwick upon Tweed, TD15 1BN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Berwick upon Tweed Corporation (Freemen) Trustees 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.

2.2 Going concern

The charitable trust has cash resources and no requirement for external funding. The trustees have reasonable expectation that the charitable trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

2.3 Income

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

2. Accounting policies (continued)

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

Investment properties are included in the balance sheet at their open market value in accordance with the Charities Statement of Recommended Practice "Accounting and Reporting by Charities" and are not depreciated.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 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.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Pension costs, representing Trustees contributions to individual employee schemes, are charged to expenditure when they become payable.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

2. Accounting policies (continued)

2.15 Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2022 £	Total funds 2022 £
Government grants	4,000	4,000

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Government grants	29,524	29,524

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

4. Income from other trading activities

Income from non charitable trading activities

		Total funds 2022 £
Farm trading activities		-

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Farm trading activities	31,347	31,347

5. Investment income

	Restricted funds 2022 £	Total funds 2022 £
Rents received	435,918	435,918
Investment income - listed investments	167,742	167,742
Bank interest	149	149
	<u>603,809</u>	<u>603,809</u>

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Rents received	436,255	436,255
Investment income - listed investments	131,832	131,832
Bank interest	24	24
	<u>568,111</u>	<u>568,111</u>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

6. Other incoming resources

	Restricted funds 2022 £	Total funds 2022 £
Other income	27,356	27,356

	Restricted funds 2021 £	Total funds 2021 £
Other income	20,792	20,792

7. Expenditure on raising funds

Other trading expenses

	Total funds 2022 £
Farm trading costs	-

	Restricted funds 2021 £	Total funds 2021 £
Farm trading costs	21,043	21,043

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

8. Investment management costs

	Restricted funds 2022 £	Total funds 2022 £
Investment manager	45,771	45,771
Land Steward	36,621	36,621
	82,392	82,392
	82,392	82,392

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment manager	35,542	35,542
Land Steward	37,566	37,566
	73,108	73,108
	73,108	73,108

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Total funds 2022 £
Direct costs	552,773	552,773
	552,773	552,773
	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs	555,623	555,623
	555,623	555,623

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2022 £	Other costs 2022 £	Total funds 2022 £
Direct costs - Activities	31,511	521,262	552,773

	<i>Staff costs 2021 £</i>	<i>Other costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs - Activities	31,307	524,316	555,623

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs	371,516	181,257	552,773

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs	379,108	176,515	555,623

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £
Payments to Resident Freemen and Widows of Freemen	74,190	74,190
Corporation Academy Foundation	450	450
Payment to Oldest Freemen	50	50
Stints in Lieu of Meadows	265	265
Payment of Surplus on Schedule III	289,613	289,613
Surplus on Schedule I and II	6,948	6,948
	371,516	371,516
	371,516	371,516

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Payments to Resident Freemen and Widows of Freemen	85,337	85,337
Corporation Academy Foundation	450	450
Payment to Oldest Freemen	50	50
Stints in Lieu of Meadows	265	265
Payment of Surplus on Schedule III	298,781	298,781
Surplus on Schedule I and II	(5,775)	(5,775)
	379,108	379,108
	379,108	379,108

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Staff costs	31,511	31,511
Heating, lighting and cleaning	15,170	15,170
Rates	3,574	3,574
Insurance - Estate	27,216	27,216
Repairs and improvements	10,134	10,134
Furniture and fittings	5,997	5,997
Estate - repairs and maintenance	12,714	12,714
Insurance - Town Hall	11,279	11,279
Legal and professional fees	15,186	15,186
Service charge	28,153	28,153
Freemen's Committee	6,900	6,900
Messenger	160	160
Printing and stationery	2,425	2,425
Governance costs	9,750	9,750
Miscellaneous expenses	897	897
Miscellaneous other employee costs	191	191
	<hr/>	<hr/>
	181,257	181,257
	<hr/>	<hr/>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	31,307	31,307
Heating, lighting and cleaning	13,013	13,013
Rates	3,572	3,572
Insurance - Estate	26,464	26,464
Repairs and improvements	6,621	6,621
Furniture and fittings	1,003	1,003
Estate - repairs and maintenance	5,429	5,429
Insurance - Town Hall	10,907	10,907
Legal and professional fees	33,830	33,830
Service charge	27,672	27,672
Freemen's Committee	6,819	6,819
Messenger	160	160
Printing and stationery	1,437	1,437
Governance costs	10,150	10,150
Irrecoverable VAT	(2,015)	(2,015)
Miscellaneous other employee costs	146	146
	176,515	176,515
	176,515	176,515

Governance costs included above comprise:

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	4,750	6,860
Preparation of financial statements	5,000	3,290
	9,750	10,150
	9,750	10,150

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

11. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	4,750	6,860
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	-	3,290
	<u><u> </u></u>	<u><u> </u></u>

12. Staff costs

	2022	2021
	£	£
Wages and salaries	28,616	28,506
Contribution to defined contribution pension schemes	2,895	2,801
	<u><u>31,511</u></u>	<u><u>31,307</u></u>

The average number of persons employed by the Charity during the year was as follows:

	2022	2021
	No.	No.
Average number of full time equivalent staff	1	1
	<u><u> </u></u>	<u><u> </u></u>

No employee received remuneration amounting to more than £60,000 in either year.

Total remuneration paid to key management personnel during the year, including employer's pension contributions, amounted to £29,004 (2021 : £31,307).

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £48).

14. Gains and losses on revaluation of investment assets

	2022 £	2021 £
Gain on revaluation of listed securities	334,067	1,454,989
Gain on revaluation of investment properties	1,078,000	768,308
	<u>1,412,067</u>	<u>2,223,297</u>

15. Net gains on investments

	2022 £	2021 £
Losses on disposal of listed securities	(7,889)	(17,325)
	<u>(7,889)</u>	<u>(17,325)</u>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

16. Intangible assets

	Intangible assets £
Cost	
At 1 April 2021	8,128
At 31 March 2022	<u>8,128</u>
Amortisation	
At 1 April 2021	8,128
At 31 March 2022	<u>8,128</u>
Net book value	
At 31 March 2022	<u><u>-</u></u>
At 31 March 2021	<u><u>-</u></u>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

17. Investment property

	Freehold investment property £
Valuation	
At 1 April 2021	16,757,000
Surplus on revaluation	1,078,000
At 31 March 2022	<u>17,835,000</u>

The latest valuations were made in 2022 by Edwin Thompson LLP, chartered surveyors, on an open market value for existing use basis.

18. Heritage assets

Assets recognised at cost

	Town Hall 2022 £	Total 2022 £
Carrying value at 1 April 2021 and 2022	3,770	3,770
	<u>3,770</u>	<u>3,770</u>

The above costs represent Town Hall restoration costs. The original cost of the Town Hall is not included in the balance sheet because in the opinion of the Trustees, the cost of professionally valuing the Town Hall to include a value in the financial statements outweighs the benefits to the users of the financial statements.

The Town Hall (including contents) has been valued for insurance purposes at £12,579,623.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

19. Fixed asset investments

	Listed investments £	Cash held for re- investment £	Total £
Cost or valuation			
At 1 April 2021	7,786,530	1,666,490	9,453,020
Additions	1,502,607	(1,358,129)	144,478
Disposals	(145,851)	-	(145,851)
Revaluations	326,178	-	326,178
At 31 March 2022	9,469,464	308,361	9,777,825
Net book value			
At 31 March 2022	9,469,464	308,361	9,777,825
<i>At 31 March 2021</i>	<i>7,786,530</i>	<i>1,666,490</i>	<i>9,453,020</i>

20. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	100	100
Prepayments and accrued income	177,971	152,242
	178,071	152,342

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

21. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	3,467	525,298
Other creditors	360,616	362,836
Accruals and deferred income	489,882	58,684
	<u>853,965</u>	<u>946,818</u>

Deferred income represents compensation received to rectify drainage problems and is being carried forward to be released at the same time as future associated expenditure.

Other creditors comprise:

	2022	2021
	£	£
Berwick Town Council Schedule III Surplus	145,677	150,261
Freemen's Committee Schedule III Surplus	143,936	148,520
Retention Fund (1926 Act, sect. 27(3))	300	300
Schedule I and II Lands Revenue	70,703	63,755
	<u>360,616</u>	<u>362,836</u>

22. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>9,777,825</u>	<u>9,453,020</u>

Financial assets measured at fair value through income and expenditure comprise listed investments.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

23. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Endowment funds					
Schedule I and II Lands	2,621,273	-	-	169,996	2,791,269
Schedule III Lands	15,470,285	-	-	825,505	16,295,790
Schedule IV Lands	8,017,702	-	-	408,677	8,426,379
	<u>26,109,260</u>	<u>-</u>	<u>-</u>	<u>1,404,178</u>	<u>27,513,438</u>
Restricted funds					
Schedules I and II Lands	-	84,322	(84,322)	-	-
Schedule III Lands	-	294,392	(294,392)	-	-
Schedule IV Lands	-	256,451	(256,451)	-	-
	<u>-</u>	<u>635,165</u>	<u>(635,165)</u>	<u>-</u>	<u>-</u>
Total of funds	<u><u>26,109,260</u></u>	<u><u>635,165</u></u>	<u><u>(635,165)</u></u>	<u><u>1,404,178</u></u>	<u><u>27,513,438</u></u>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

23. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2021</i> £
Endowment funds					
Schedule I and II Lands	2,482,723	-	-	138,550	2,621,273
Schedule III Lands	13,752,262	-	-	1,718,023	15,470,285
Schedule IV Lands	7,668,303	-	-	349,399	8,017,702
	<u>23,903,288</u>	<u>-</u>	<u>-</u>	<u>2,205,972</u>	<u>26,109,260</u>
Restricted funds					
Schedules I and II Lands	-	82,491	(82,491)	-	-
Schedule III Lands	-	271,455	(271,455)	-	-
Schedule IV Lands	-	295,828	(295,828)	-	-
	<u>-</u>	<u>649,774</u>	<u>(649,774)</u>	<u>-</u>	<u>-</u>
Total of funds	<u><u>23,903,288</u></u>	<u><u>649,774</u></u>	<u><u>(649,774)</u></u>	<u><u>2,205,972</u></u>	<u><u>26,109,260</u></u>

24. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2021</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2022</i> £
Endowment funds	26,109,260	-	-	1,404,178	27,513,438
Restricted funds	-	635,165	(635,165)	-	-
	<u>26,109,260</u>	<u>635,165</u>	<u>(635,165)</u>	<u>1,404,178</u>	<u>27,513,438</u>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022

24. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2020</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2021</i> £
Endowment funds	23,903,288	-	-	2,205,972	26,109,260
Restricted funds	-	649,774	(649,774)	-	-
	<u>23,903,288</u>	<u>649,774</u>	<u>(649,774)</u>	<u>2,205,972</u>	<u>26,109,260</u>

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Total funds 2022 £
Fixed asset investments	9,777,825	9,777,825
Investment property	17,835,000	17,835,000
Heritage assets	3,770	3,770
Current assets	750,808	750,808
Creditors due within one year	(853,965)	(853,965)
Total	<u>27,513,438</u>	<u>27,513,438</u>

Analysis of net assets between funds - prior year

	<i>Endowment funds 2021</i> £	<i>Total funds 2021</i> £
Fixed asset investments	9,453,020	9,453,020
Investment property	16,757,000	16,757,000
Heritage assets	3,770	3,770
Current assets	842,288	842,288
Creditors due within one year	(946,818)	(946,818)
Total	<u>26,109,260</u>	<u>26,109,260</u>

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

26. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	1,404,178	2,205,972
Adjustments for:		
Gains on investments	(1,404,178)	(2,205,972)
Decrease/(increase) in debtors	(25,729)	8,319
Increase/(decrease) in creditors	(92,853)	447,168
Net cash provided by/(used in) operating activities	(118,582)	455,487

27. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	572,737	689,946
Total cash and cash equivalents	572,737	689,946

28. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	689,946	(117,209)	572,737
	689,946	(117,209)	572,737

29. Pension commitments

Pension costs, representing Trustees contributions to individual employee schemes, are charged to expenditure when they become payable. The charge for the year was £2,895 (2021: £2,801). No contributions are due at the year end.

BERWICK UPON TWEED CORPORATION (FREEMEN) TRUSTEES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR END 31 MARCH 2022**

30. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 March 2022.