

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 March 2022  
for  
Burgesses' Land**

Morgan Griffiths LLP  
Chartered Accountants  
Cross Chambers  
9 High Street  
Newtown  
Powys  
SY16 2NY

**Burgesses' Land**

**Contents of the Financial Statements  
for the Year Ended 31 March 2022**

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**Burgesses' Land**  
**Report of the Trustees**  
**for the Year Ended 31 March 2022**

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The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objects of the Charity**

These have been described in current terms below, as advised by learned counsel, what follows is the formal description taken from 1761 Act:

"AND BE IT FURTHER ENACTED, by the authority aforesaid, That the clear yearly rents, issues, and profits, arising or to be made from the said lands and grounds so to be allotted, to and for the said corporation of Pool as aforesaid, in pursuance of this act, shall, in the first place, be applied towards building, repairing, beautifying enlarging and maintaining in good condition and repair, the public edifices belonging to the said borough and corporation of Pool, (which are now greatly gone to decay), and the surplus of such rents and profits, after answering the purposes aforesaid, and after the payment and discharge of all and every the principal sum and sums of money that shall, at any time or times, be borrowed by the said corporation, under and by virtue of this act, together with all interest that shall accrue due for the same, shall be paid and applied from time to time, for the benefit and relief of the poor and distressed Burgesses of the said borough of Pool, in such manner as the said Bailiffs, Aldermen and Burgesses, and their successors, for the time being, shall order and appoint."

### **Public Benefit**

The public benefit requirement, albeit that this later requirement upon charities in general is not thought to directly to apply to Burgesses' Land, is expressed by the grants to public buildings which are available for public and general use and by the provision of grants to local voluntary groups through the second objective of the Charity.

## **ACHIEVEMENT AND PERFORMANCE**

The Trust has not made any grants during this period either under Objectives One or Two and will not do so, on the advice of our accountants, until the financial year 2023-2024. This is in order to ensure that both the estate of the Trust, which forms part of the permanent endowment, is restored to a satisfactory condition and also to protect its financial sustainability in the future. When grants are resumed they will not be at the previous level.

## **FINANCIAL REVIEW**

### **Financial position**

The statement of Financial Activities show a surplus for the year of £80,638 (2021: surplus £191,527), and reserves now stand at £2,819,356 (2021: £2,738,718).

## **Burgesses' Land**

### **Report of the Trustees for the Year Ended 31 March 2022**

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#### **FINANCIAL REVIEW**

##### **Reserves policy**

The Charity operates in a fashion which requires only that it has adequate day to day funds to meet management expenses. Grant awards are made only on the basis of known and predicted investment and other income and should this not be realised, any planned awards affected will be revisited. Second objective awards, which are the grants to local groups, are made from monies allocated by the Trustee once the requirements of the Welshpool Town Council for the year are deemed satisfied. When grants are resumed the sum allocated to Objective Two will be 20% of the total grant funds available.

Other liquid funds are held in the current account to meet unplanned expenditure for objective I and to take advantage of investment opportunities should these arise during the year. This is in accordance with the Charity's business plan, approved by the Trustee, where it is expected that cash will represent no more than 10% of the Charity's portfolio of investments.

The unrestricted funds are in surplus by £11,413 as at 31st March 2022, with the deficit position recorded in previous years having now been corrected. The Trustee plans to further improve this position in the coming year.

From 2023-2024 the reserves policy will be based on three elements: to allow for an orderly wind-up of the Trust; to provide a property maintenance fund; and to cover the grants made in the budget for the year 2023-2024 and subsequent years.

#### **FUTURE PLANS**

The Trust will continue to work to ensure that the estate of the Trust is restored to a satisfactory condition and to protect the financial sustainability for the future. It is expected that grant giving will be re-established in 2023-2024 subject to bids satisfying the conditions established for awarding funding. There will be a rationalisation of the property portfolio by the divestment of those properties which require substantial investment. The proceeds will be placed in an interest bearing account until required for further property purchases. Such investment will be made determined by the Investment Committee. Work will continue on making The Cockpit a suitable office for the Trust although at present the need for structural work remains unknown until the architects report is received. An awkward configuration of land left over from the land sales of earlier years and known as the Bull Dingle will receive attention. The land remains part of the permanent endowment and will not yield any income but will incur expenditure. The land having been left for a decade or more has been attracting complaints from the residents whose properties are adjacent to the Bull Dingle. Therefore a half-yearly maintenance programme will be put in place. There are also a number of trees on the site and a tree safety survey will be conducted and a plan established for dealing with any potential problems. There is also difficulty establishing the exact boundary between the residential properties and the Trust land and therefore an appropriate survey will be undertaken. The first £20,000 to cover the loss of asset-backed bonds will be made from income into the permanent endowment as agreed with the Charity Commission.

#### **Charitable Incorporated Organisation**

A response is awaited from the Charity Commission to the application that has been submitted to form a Charitable Incorporated Organisation for the future operation of the Trust.

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

##### **Governing document**

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

## Burgesses' Land

### Report of the Trustees for the Year Ended 31 March 2022

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

The charity is unique in that it is governed by an Act of Parliament passed in 1761. This Act has not been amended by subsequent Charities legislation. It is as a result of the original legislation and the various changes to local government arrangements that the Welshpool Town Council is in the position of being the Trustee of the charity. It is important to recognise that it is not individual councillors who are trustees but the entire council being the body corporate. It follows that there are no arrangements for election of the Trustee.

The Charity has as its first purpose the care of the buildings owned or leased by the Town Council. The second purpose is the awarding of grants to groups operating within the charity's geographical area. These are available when the Trustee agrees that the first objective is satisfied for the year and there are funds available, though in recent years a definite sum has been made available. The decisions on which groups should receive an award are taken by a committee established for the purpose, which contains members from each of the Town & Community Councils in which groups may operate to qualify for an award. The groups have to work with the young, the old, the disabled and those in poverty. The full description of this duty is contained in the Act as in the Objects section of this report. Grants are not given to individuals. The Trustee has met on a regular basis throughout the period of this report.

#### **Risk management**

The trustee has a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustee has approved and adopted an Investment Strategy and an Investment Advisory Group has been established on which professionals in financial investment and strategy and property serve. The results of their meetings are reported to the Trustee.

The major risks facing the charity are considered to be a significant fall in the value of financial investments held by EFG Harris-Allday, in the value of the property holdings and in the asset-backed bonds. All of the risks could and have impacted upon the charity's income. EFG Harris-Allday actively manage their portfolio of investments and the director responsible reports to the Trustee as necessary and the fund is rebalanced as needed. Thus the risk would be related to a worldwide collapse in the markets.

The rationalisation of the property holdings will be completed and it is expected that all properties will be occupied and producing an income with minimal maintenance costs.

It can now be confirmed that of the asset-backed bonds both Westway Holdings and Future Fuel are in administration and the investment has been impaired in the accounts. Issues still remain with Renewable Energy Waste Solutions although it is still trading. Income due over the years has been rolled up into the capital but there is no indication when this might be paid. The Trust receives information on the current issues through the bond holders group. The Trust has not received any income from the asset-backed bonds since the year 2018-2019 and this is a situation to be regretted.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

508449

##### **Principal address**

Welshpool Town Council  
Triangle House  
Welshpool  
Powys  
SY21 7PG

##### **Trustees**

Welshpool Town Council

**Burgesses' Land**  
**Report of the Trustees**  
**for the Year Ended 31 March 2022**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner**

Morgan Griffiths LLP  
Chartered Accountants  
Cross Chambers  
9 High Street  
Newtown  
Powys  
SY16 2NY

**Bankers**

Lloyds Bank plc  
Welshpool

**Advisors**

**Barrister:** Francesca Quint, Radcliffe Chambers, 11 New Square, Lincoln's Inn, London, WC2A 3QB.

**Solicitor:** David Thomas, Gilbert Davies Solicitors, 18 Severn Street, Welshpool, SY21 7AD.

**Independent Advisors:** Dr R.L. Brown and Dr A.P. Harvey.

**Stocks and Shares Advisor:** Andrew Barr, EFG Harris Allday, Beech House, Anchorage Avenue, Shrewsbury Business Park, Shrewsbury SY2 6FG.

**Property Advisors:** Duncan Andrew and Jim Mason, Harry Ray & Co., 5 Broad Street, Welshpool, SY21 7RZ.

Approved by order of the board of trustees on 18 October 2022 and signed on its behalf by:

Welshpool Town Council - Trustee

**Independent examiner's report to the trustees of Burgesses' Land**

I report to the charity trustees on my examination of the accounts of Burgesses' Land (the Trust) for the year ended 31 March 2022.

**Responsibilities and basis of report**

As the charity trustees of the Trust 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 Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

**Independent examiner's statement**

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 Trust 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.

Thomas Landers BA FCA  
Morgan Griffiths LLP  
Chartered Accountants  
Cross Chambers  
9 High Street  
Newtown  
Powys  
SY16 2NY

18 October 2022

**Burgesses' Land**

**Statement of Financial Activities  
for the Year Ended 31 March 2022**

	Notes	Unrestricted funds £	Endowment fund £	<b>31.3.22 Total funds £</b>	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Investment income	2	56,431	-	56,431	56,468
Other income		<u>3,200</u>	-	<u>3,200</u>	-
<b>Total</b>		<u>59,631</u>	-	<u>59,631</u>	<u>56,468</u>
<b>EXPENDITURE ON</b>					
Raising funds	3	14,066	38,164	52,230	22,317
<b>Charitable activities</b>					
Objective 1	4	10,633	-	10,633	10,035
Other	5	-	-	-	<u>50,000</u>
<b>Total</b>		<u>24,699</u>	<u>38,164</u>	<u>62,863</u>	<u>82,352</u>
Net gains on investments		-	<u>83,870</u>	<u>83,870</u>	<u>217,411</u>
<b>NET INCOME</b>		<b>34,932</b>	<b>45,706</b>	<b>80,638</b>	191,527
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>(23,519)</u>	<u>2,762,237</u>	<u>2,738,718</u>	<u>2,547,191</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>11,413</b></u>	<u><b>2,807,943</b></u>	<u><b>2,819,356</b></u>	<u><b>2,738,718</b></u>

The notes form part of these financial statements

**Burgesses' Land****Balance Sheet  
31 March 2022**

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	Notes	31.3.22 £	31.3.21 £
<b>FIXED ASSETS</b>			
<b>Investments</b>			
Investments	9	<b>1,731,156</b>	1,711,690
Investment property	10	<b>745,000</b>	923,690
		<b>2,476,156</b>	2,635,380
<b>CURRENT ASSETS</b>			
Debtors	11	<b>11,000</b>	17,000
Cash at bank		<b>334,540</b>	88,018
		<b>345,540</b>	105,018
<b>CREDITORS</b>			
Amounts falling due within one year	12	<b>(2,340)</b>	(1,680)
		<b>343,200</b>	103,338
<b>NET CURRENT ASSETS</b>			
		<b>2,819,356</b>	2,738,718
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>2,819,356</b>	2,738,718
<b>NET ASSETS</b>			
		<b>2,819,356</b>	2,738,718
<b>FUNDS</b>	14		
Unrestricted funds		<b>11,413</b>	(23,519)
Endowment funds		<b>2,807,943</b>	2,762,237
<b>TOTAL FUNDS</b>		<b>2,819,356</b>	2,738,718

The financial statements were approved by the Board of Trustees and authorised for issue on 18 October 2022 and were signed on its behalf by:

Welshpool Town Council - Trustee

The notes form part of these financial statements

**1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

**Income**

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

**Expenditure**

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

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

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

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

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

**2. INVESTMENT INCOME**

	<b>31.3.22</b>	31.3.21
	£	£
Rents received	<b>17,255</b>	22,764
Interest received	<b>3,770</b>	8,959
Dividends received	<b><u>35,406</u></b>	<u>24,745</u>
	<b><u>56,431</u></b>	<u>56,468</u>

Burgesses' Land

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

3. RAISING FUNDS

Investment management costs

	<b>31.3.22</b>	31.3.21
	£	£
Portfolio management	<b>13,054</b>	4,048
Administrative expenses	<b>943</b>	881
Property management	<b>8,550</b>	-
Maintenance charges	<b>19,050</b>	7,353
Support costs	<b><u>10,633</u></b>	<u>10,035</u>
	<b><u>52,230</u></b>	<u>22,317</u>

4. CHARITABLE ACTIVITIES COSTS

		Support costs £
Objective 1		<b><u>10,633</u></b>

5. OTHER

	<b>31.3.22</b>	31.3.21
	£	£
Impairment losses	<b><u>-</u></b>	<u>50,000</u>

The impairment in the prior year was against the full amount invested in Future Fuel.

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

7. STAFF COSTS

The charity has no employees and therefore there are no staff costs.

Burgesses' Land

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	<u>56,468</u>	<u>-</u>	<u>56,468</u>
<b>EXPENDITURE ON</b>			
Raising funds	12,019	10,298	22,317
<b>Charitable activities</b>			
Objective 1	10,035	-	10,035
Other	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<b>Total</b>	<u>22,054</u>	<u>60,298</u>	<u>82,352</u>
Net gains on investments	<u>-</u>	<u>217,411</u>	<u>217,411</u>
<b>NET INCOME</b>	34,414	157,113	191,527
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>(57,933)</u>	<u>2,605,124</u>	<u>2,547,191</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>(23,519)</u>	<u>2,762,237</u>	<u>2,738,718</u>

9. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
<b>MARKET VALUE</b>			
At 1 April 2021	<b>1,486,690</b>	<b>225,000</b>	<b>1,711,690</b>
Additions	<b>142,903</b>	-	<b>142,903</b>
Disposals	<b>(157,405)</b>	-	<b>(157,405)</b>
Revaluations	<u><b>33,968</b></u>	<u>-</u>	<u><b>33,968</b></u>
At 31 March 2022	<u><b>1,506,156</b></u>	<u><b>225,000</b></u>	<u><b>1,731,156</b></u>
<b>NET BOOK VALUE</b>			
At 31 March 2022	<u><b>1,506,156</b></u>	<u><b>225,000</b></u>	<u><b>1,731,156</b></u>
At 31 March 2021	<u><b>1,486,690</b></u>	<u><b>225,000</b></u>	<u><b>1,711,690</b></u>

The value of investment assets outside the UK as at 31 March 2022 was £597,700 (2021: £629,016).

Unlisted investments are held at cost less impairment as opposed to market value which is used for the listed investments.

Burgesses' Land

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

10. INVESTMENT PROPERTY

	£
<b>FAIR VALUE</b>	
At 1 April 2021	923,690
Disposals	(290,000)
Revaluation	<u>111,310</u>
At 31 March 2022	<u>745,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>745,000</u>
At 31 March 2021	<u>923,690</u>

The investment property was last valued in 2022 by Harry Ray & Company, 37 Broad Street, Welshpool, SY21 7RR. The basis used for the valuation was market value.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Other debtors	<u>11,000</u>	<u>17,000</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Other creditors	<u>2,340</u>	<u>1,680</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Endowment fund £	31.3.22 Total funds £	31.3.21 Total funds £
Investments	-	2,476,156	2,476,156	2,635,380
Current assets	13,753	331,787	345,540	105,018
Current liabilities	<u>(2,340)</u>	<u>-</u>	<u>(2,340)</u>	<u>(1,680)</u>
	<u>11,413</u>	<u>2,807,943</u>	<u>2,819,356</u>	<u>2,738,718</u>

Burgesses' Land

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

14. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
Income fund	(23,519)	34,932	11,413
<b>Endowment funds</b>			
Capital Fund	2,762,237	45,706	2,807,943
<b>TOTAL FUNDS</b>	<u>2,738,718</u>	<u>80,638</u>	<u>2,819,356</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Income fund	59,631	(24,699)	-	34,932
<b>Endowment funds</b>				
Capital Fund	-	(38,164)	83,870	45,706
<b>TOTAL FUNDS</b>	<u>59,631</u>	<u>(62,863)</u>	<u>83,870</u>	<u>80,638</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>			
Income fund	(57,933)	34,414	(23,519)
<b>Endowment funds</b>			
Capital Fund	2,605,124	157,113	2,762,237
<b>TOTAL FUNDS</b>	<u>2,547,191</u>	<u>191,527</u>	<u>2,738,718</u>

**Burgesses' Land**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022**

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**14. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Income fund	56,468	(22,054)	-	34,414
<b>Endowment funds</b>				
Capital Fund	-	(60,298)	217,411	157,113
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>56,468</u>	<u>(82,352)</u>	<u>217,411</u>	<u>191,527</u>

**15. RELATED PARTY DISCLOSURES**

The balance on the interest free loan to Welshpool Town Council stood at £11,000 at 31 March 2022 (2021: £17,000). This balance is included in Other Debtors in note 11.