

Charity Registration No. 1162066

Company Registration No. 08867218 (England and Wales)

BOURNEMOUTH WAR MEMORIAL HOMES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

tc accounts · tax · legal · financial planning

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BOURNEMOUTH WAR MEMORIAL HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Air Commodore R Cobelli OBE RAF(Ret'd) Mr. E Kennar Mr. G Long Mr. P Matthews Mr. M Powell Mrs. S Round
Charity number	1162066
Company number	08867218
Principal address and registered office	Estate Office 12a Woodsford Green Castle Lane West Bournemouth Dorset United Kingdom BH8 9TP
Accountants	TC Group 26-32 Oxford Road Bournemouth Dorset United Kingdom BH8 8EZ
Auditor	TC Group 3 Acorn Business Centre Portsmouth Hampshire United Kingdom PO6 3TH
Bankers	Santander UK Plc Business Banking Accounts Management Bridle Road Bootle Merseyside L30 4GB

BOURNEMOUTH WAR MEMORIAL HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

Talking Legal Lawyers
The Granary, 2 The Barns
Longham Farm Close
Ferndown
Dorset
BH22 9DE

Investment advisers

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Brooks Macdonald Asset Management Limited
The Long Barn
Dean Estate
Wickham Road
Fareham
PO17 5BN

BOURNEMOUTH WAR MEMORIAL HOMES

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BOURNEMOUTH WAR MEMORIAL HOMES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees present their report and accounts for the year ended 30 September 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Objectives and activities

The Bournemouth War Memorial Homes charity was founded soon after the 1939 - 1945 war, through the creation of a Trust Deed, which governed the running of the homes. On 29 January 2014 a new limited company (Company No 08867218) was incorporated to take over the old unincorporated charitable trust. The new company was formally registered with the Charity Commission on 9th June 2015 (Registered No 1162066) and all of the assets were transferred across on 1st October 2015.

The Homes comprise fifty-three individual properties in Castle Lane West and Jewell Road, one home in Ibbertson Road and five purpose-built properties in Poppy Lane - a total of 59 properties, all in Bournemouth. These are provided at a subsidised differential rent, dependent on the property type, to former service personnel of the Armed Forces of the Crown and former members of the Merchant Navy and their dependents who are in need or vulnerable by reason of their physical or mental health, social or economic circumstances with preference given to those who reside or have resided in the Borough of Bournemouth.

The Trustees' objective is to run the Homes in an efficient way and to maintain the high standards of accommodation for the benefit of its residents. At the same time, the Trustees are very conscious of the estate's management and maintenance expenditure and seek to keep these costs well under control.

The estate manager (Tracy Poole) is responsible to the Trustees for the management of the Homes. Tracy and her team oversee the estate on a day-to-day basis and have regular meetings with the Trustees and residents to deal with any matters arising. Services provided to the residents include the:

- provision of a call alarm system
- inspection and maintenance of central heating
- cleaning of communal areas
- maintenance of communal grounds
- maintenance of all properties

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and confirm they have complied with the duty in Section 4 of the Charity Act 2006.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

All rents are reviewed annually. Although total rents receivable have increased, the amounts charged continue to represent a significant discount on commercial rents for similar properties in the vicinity.

BOURNEMOUTH WAR MEMORIAL HOMES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

In a full year, this discount represents a 31% reduction from the estimated commercial rents receivable on similar properties in the Bournemouth area.

In this financial year, we carried out a major upgrade of the communal area with purpose-built offices above. The old office was converted into two self-contained flats. The Trustees are looking for other opportunities to expand the number of properties available to help alleviate our waiting list.

The work to replace the existing windows & doors is now complete.

General improvements to the Homes have continued with kitchens, bathrooms and old and inefficient boilers being replaced, as necessary. When a property becomes vacant, it is refurbished and redecorated prior to the arrival of the new tenant.

Plans for the future

The conversion of the old office into 2 one-bedroom flats was completed after the year end and these 2 flats are now let. Architects have been engaged to consider the redevelopment of redundant garages into purpose-built accommodation. This will be a substantial project and we are considering ways of raising funds to assist with the cost of construction. We are also replacing metal work to the balconies in Jewell Road as well as the balcony flooring, using recyclable rubber matting to make them safer. If the opportunity to acquire or construct new properties becomes available, then such projects will be robustly assessed and undertaken if they fit with the overall objectives of the charity.

Financial review

The trustees endeavour to retain sufficient reserves to meet future repair and other expenditure as required. Funds are also retained for the acquisition or construction of additional properties.

Surplus funds are invested or held on deposit. Brooks Macdonald manage our investments alongside CCLA Investment Management Limited. At the year end, the investments were valued at £682,262 (Note 13). Some of the investments were sold during the year to fund the upgrade of the communal area.

Following the appointment of Brooks Macdonald, the Trustees have agreed an Investment Policy. Our investment objectives are to produce the best financial returns within an acceptable level of risk. Income from our investments is not crucial to our activities and on this basis we are looking to maximise capital growth. Investments that conflict with our objectives will be excluded.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee and registered with the Charity Commission in June 2015 and is therefore subject to the provisions of the Charities Acts.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Air Commodore R Cobelli OBE RAF(Ret'd)

Mr. E Kennar

Mr. G Long

Mrs. S Round

Mr. M Powell

Mr. P Matthews

BOURNEMOUTH WAR MEMORIAL HOMES

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity's governing document is its Articles of Association, which was approved by Special Resolution dated 30 April 2015.

There must be at least three trustees. Trustees, who are also the directors for the purpose of company law, are appointed by ordinary resolution of the trustees and one-third of the trustees must retire at each annual general meeting. In selecting individuals for appointment as trustees, the trustees are mindful of the skills, knowledge and experience needed for the effective administration of the charity. When the Trustees consider there is a shortfall in the skills, knowledge and experience of existing trustees, they endeavour to recruit new trustees who can fill those gaps. Details of vacancies will be circulated to groups with connections to the Homes. Potential new trustees will be interviewed by the existing Trustees and Estate Manager. On acceptance of their appointment, new trustees will be required to undertake a period of induction with the existing trustees and estate manager, to fully understand the objectives and workings of the Charity.

Decisions are made by the trustees, and the day-to-day administration is delegated to the estate manager.

We are members of the Confederation of Service Charities (Cobseo). Cobseo represents the whole Serving and Veterans Community and adherence to their regulations is a condition of membership.

Statement of Trustees' responsibilities

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

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial period which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which 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 1993 and the Charity (Accounts and Reports) Regulations 2008. 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.

Auditor

TC Group were appointed auditors to the company in accordance with Part 16 of the Companies Act 2006.

BOURNEMOUTH WAR MEMORIAL HOMES

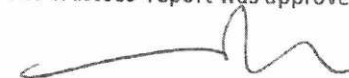
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

The Trustees' report was approved by the Board of Trustees.



.....
Mr. M Powell

Trustee

Dated: 1/4/2022

BOURNEMOUTH WAR MEMORIAL HOMES

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BOURNEMOUTH WAR MEMORIAL HOMES

Opinion

We have audited the accounts of Bournemouth War Memorial Homes (the 'company') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet and the notes to the accounts, including any significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 company'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.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement in the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

BOURNEMOUTH WAR MEMORIAL HOMES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOURNEMOUTH WAR MEMORIAL HOMES

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustee report.

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

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

Responsibilities of Trustees

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

In preparing the accounts, the Trustees are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

BOURNEMOUTH WAR MEMORIAL HOMES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOURNEMOUTH WAR MEMORIAL HOMES

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, Companies Act 2006 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

BOURNEMOUTH WAR MEMORIAL HOMES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOURNEMOUTH WAR MEMORIAL HOMES

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

James Blake FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Portsmouth

Date: 20 April 2022

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

BOURNEMOUTH WAR MEMORIAL HOMES

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
Income from:					
Donations and legacies	2	2,021	8,000	10,021	28,315
Charitable activities	3	390,835	-	390,835	356,912
Investments	4	12,495	-	12,495	14,337
Total income		405,351	8,000	413,351	399,564
Expenditure on:	6				
Charitable activities		294,897	13,550	308,447	328,855
Net gains/(losses) on investments		138,860	-	138,860	967
Net movement in funds		249,314	(5,550)	243,764	71,676
Fund balances at 1 October 2020		4,584,554	5,550	4,590,104	4,518,428
Fund balances at 30 September 2021		4,833,868	-	4,833,868	4,590,104

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BOURNEMOUTH WAR MEMORIAL HOMES

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12	4,055,965		3,797,421	
Investments	13	682,262		731,955	
		<u>4,738,227</u>		<u>4,529,376</u>	
Current assets					
Debtors	14	14,569		9,003	
Cash at bank and in hand		169,400		69,645	
		<u>183,969</u>		<u>78,648</u>	
Creditors: amounts falling due within one year	15	(88,328)		(17,920)	
Net current assets		95,641		60,728	
Total assets less current liabilities		<u>4,833,868</u>		<u>4,590,104</u>	
Income funds					
Restricted funds			-	5,550	
<u>Unrestricted funds</u>					
General unrestricted funds		4,680,926		4,526,792	
Fair value reserve		152,942		57,762	
		<u>4,833,868</u>		<u>4,584,554</u>	
		<u>4,833,868</u>		<u>4,590,104</u>	

BOURNEMOUTH WAR MEMORIAL HOMES

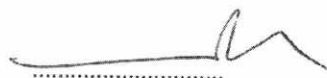
BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2021

These accounts have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 24/03/2022



Mr. M Powell

Trustee

Company Registration No. 08867218

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Charity information

Bournemouth War Memorial Homes is a private company limited by guarantee incorporated in England and Wales. The registered office is 12a Woodsford Green, Castle Lane West, Bournemouth, Dorset, BH8 9TP.

1.1 Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain financial instruments.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.3 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from investments is included in the year in which it is receivable.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Support costs are those costs incurred direct in support of expenditure on the objects of the charity and included project management.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost, or valuation (deemed cost) in the case of tangible fixed assets gifted to the charity, and are subsequently stated net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful economic lives. In respect of the freehold property, it is the charity's practice to maintain the property in a continual state of sound repair and to make improvements from time to time. Accordingly, the trustees consider that the useful economic life of the freehold property is so long, and the residual value so high, that depreciation is insignificant to the financial statements.

1.6 Fixed asset investments

Investments held within fixed assets represent the charity's portfolio of managed investment funds. They are stated at fair value within the financial statements, calculated with reference to the mid-market value of the investment at the balance sheet date. All gains and losses are taken to the Statement of Financial Activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
J & L Randall Charitable Trust	1,000	-	1,000	1,000
Royal Signals	750	-	750	750
Queen Mary's Roehampton Trust	-	8,000	8,000	10,000
Army Benevolent Fund	-	-	-	15,000
Sundry other donations	271	-	271	1,565
	<u>2,021</u>	<u>8,000</u>	<u>10,021</u>	<u>28,315</u>

Income from donations and legacies was £10,021 (2020 - £28,315) of which £8,000 (2020 - £26,000) was attributable to restricted funds and £2,021 (2020 - £2,315) was attributable to unrestricted funds.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

3 Charitable activities - unrestricted

	2021	2020
	£	£
Rents due from tenants and garages	435,386	388,444
Grants awarded to tenants	(44,551)	(31,532)
	<u>390,835</u>	<u>356,912</u>

Income of rents from tenants and garages as shown above is wholly attributable to unrestricted funds.

Grants awarded to tenants, are further discounts of rent and are provided to certain tenants who are in need of additional financial support, typically on a short-term basis. The grants awarded to tenants are approved by the trustees and the conditions of each award are regularly reviewed. The discount is recognised in the financial statements as a deduction from the related rental income, in the period the trustees approve the grant.

4 Investments - unrestricted

	2021	2020
	£	£
Investment interest and dividends	<u>12,495</u>	<u>14,337</u>

Investment income as shown above is wholly attributable to unrestricted funds.

5 Costs of charitable activities - by activity

	Activities undertaken directly	Support costs	Total 2021	Total 2020
	£	£	£	£
Letting of homes to service veterans in need	<u>225,904</u>	<u>82,543</u>	<u>308,447</u>	<u>328,855</u>

Included in activities undertaken directly are £13,550 (2020 - £25,450) of costs attributable to restricted funds.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Activities undertaken directly

	2021	2020
	£	£
Council tax and water rates	469	380
Light and heat	2,278	9,015
Repairs and maintenance	88,948	121,706
Maintenance of grounds	13,208	9,813
Insurance	4,890	5,036
Cleaner's salary	4,015	4,360
Cleaning materials	1,082	348
Legal and professional	672	1,968
Telephone	195	193
Warden call system	5,029	5,324
Resident support costs	522	3,268
Special projects - windows	44,136	45,347
Special projects - pavements, roads and grounds	27,251	22,009
Special projects - new communal area and office	33,209	15,598
	<u>225,904</u>	<u>244,365</u>

Included in activities undertaken directly are £13,550 (2020 - £25,450) of costs attributable to restricted funds.

7 Support costs

	2021	2020
	£	£
Estate manager's salary	42,875	41,625
Wages and salaries	12,800	12,450
Employer's NI contributions	1,145	1,974
Staff pension costs	1,728	1,668
Council tax and water rates for office	1,045	221
Light and heat for office	371	1,073
Printing, postage and stationery	1,197	1,252
Telephone and internet for office	916	923
General expenses	1,058	2,738
Trustee indemnity insurance	792	792
Accountancy	6,844	6,970
Legal and professional	-	150
Audit	3,600	3,600
Investment management charges	8,172	9,054
	<u>82,543</u>	<u>84,490</u>

All support costs as shown above are wholly attributable to unrestricted funds.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

No expenses have been reimbursed to the directors during the year.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Estate manager	1	1
Resident manager	1	1
Cleaner	1	1
	<hr/>	<hr/>
	3	3
	<hr/>	<hr/>
Employment costs	2021	2020
	£	£
Wages and salaries	59,690	58,435
Social security costs	1,145	1,974
Staff pension costs	1,728	1,668
	<hr/>	<hr/>
	62,563	62,077
	<hr/>	<hr/>

No employee received remuneration of greater than £60,000 in the current or previous year.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

10 Restricted funds

	At 30 September 2020 £	Incoming resources £	Outgoing resources £	At 30 September 2021 £
Programme works fund	5,550	8,000	(13,550)	-

Restricted funds - previous year

	At 30 September 2019 £	Incoming resources £	Outgoing resources £	At 30 September 2020 £
Programme works fund	5,000	26,000	(25,450)	5,550

Purpose of restricted funds

The charity has received incoming resources from donors for the specific purpose of funding improvements to the homes, which has been classified as restricted funds.

11 Unrestricted funds

	At 30 September 2020 £	Incoming resources £	Transfers £	Outgoing resources £	At 30 September 2021 £
Revenue fund	4,526,792	405,351	43,680	(294,897)	4,680,926
Fair value reserve	57,762	138,860	(43,680)	-	152,942
	4,584,554	544,211	-	(294,897)	4,833,868

Unrestricted funds - previous year

	At 30 September 2019 £	Incoming resources £	Transfers £	Outgoing resources £	At 30 September 2020 £
Revenue fund	4,456,633	373,564	-	(303,405)	4,526,792
Fair value reserve	56,795	967	-	-	57,762
	4,513,428	374,531	-	(303,405)	4,584,554

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Tangible fixed assets

	Land and buildings
	£
Cost	
At 1 October 2020	3,797,421
Additions	258,544
At 30 September 2021	4,055,965
Carrying amount	
At 30 September 2021	4,055,965
At 30 September 2020	3,797,421

13 Fixed asset investments

	Investment portfolios
	£
Cost or valuation	
At 30 September 2020	731,955
Income received	9,618
Valuation changes	138,861
Management fees and advisor charges	(8,172)
Withdrawals	(190,000)
At 30 September 2021	682,262
Carrying amount	
At 30 September 2021	682,262
At 30 September 2020	731,955

At the 30 September 2021 the charity held an investment portfolio comprising of £407,057 (2020 - £381,495) in equity securities, £63,099 (2020 - £48,754) in structured return investments, £148,618 (2020 - £160,067) in fixed interest investments, £46,578 (2020 - £87,344) in hedge funds and £16,910 (2020 - £54,295) in cash deposits.

All fixed asset investments are held within the United Kingdom.

BOURNEMOUTH WAR MEMORIAL HOMES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 Debtors		
	2021	2020
	£	£
Amounts falling due within one year:		
Amounts due from residents	14,569	8,211
Prepayments and accrued income	-	792
	<u>14,569</u>	<u>9,003</u>
	<u><u>14,569</u></u>	<u><u>9,003</u></u>
15 Creditors: amounts falling due within one year		
	2021	2020
	£	£
Other taxation and social security	2,667	2,562
Trade creditors	78,643	8,351
Other creditors	293	282
Accruals and deferred income	6,725	6,725
	<u>88,328</u>	<u>17,920</u>
	<u><u>88,328</u></u>	<u><u>17,920</u></u>
16 Capital commitments		
	2021	2020
	£	£
At 30 September 2021 the charity had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	67,142	-
	<u><u>67,142</u></u>	<u><u>-</u></u>