

**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 2022**

**tc** accounts • tax • legal • financial planning

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## **BOURNEMOUTH WAR MEMORIAL HOMES**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Air Commodore R Cobelli OBE RAF(Ret'd) Mr. E Kennar Mr. G Long Mr. P Matthews Mr. M Powell Mrs. S Round
<b>Charity number</b>	1162066
<b>Company number</b>	08867218
<b>Principal address &amp; registered office</b>	12a Woodsford Green Castle Lane West Bournemouth Dorset BH8 9TP
<b>Accountants</b>	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF
<b>Auditor</b>	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF
<b>Bankers</b>	Santander UK Plc Business Banking Accounts Management Bridle Road Bootle Merseyside L30 4GB

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## **BOURNEMOUTH WAR MEMORIAL HOMES**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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#### **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  
P017 5BN

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## **BOURNEMOUTH WAR MEMORIAL HOMES**

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## **BOURNEMOUTH WAR MEMORIAL HOMES**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The Trustees present their report and accounts for the year ended 30 September 2022.

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**

Rents are reviewed annually & are linked to the estimated commercial rents for similar properties in the vicinity before applying a discount. All rents are discounted by at least 30% with a higher level of discount for elderly residents. In addition, the Trustees make grants in cases of hardship.

## **BOURNEMOUTH WAR MEMORIAL HOMES**

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

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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In this financial year, we completed the conversion of the old office into 2 one-bedroom flats and those 2 flats are now let. We have also replaced the metal work to the balconies in Jewell Road as well as the balcony flooring, using recyclable rubber matting to make them safer. The Trustees are looking for other opportunities to expand the number of properties available to help alleviate our waiting list.

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**

Architects have been engaged, and planning permission sought, for 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. 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 £594,899 (Note 13).

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

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.



## **BOURNEMOUTH WAR MEMORIAL HOMES**

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

#### **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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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 2011 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.

#### **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.

**BOURNEMOUTH WAR MEMORIAL HOMES**

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

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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



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Mr. M Powell

**Trustee**

Dated: 30-03-2023

## **BOURNEMOUTH WAR MEMORIAL HOMES**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE TRUSTEES OF BOURNEMOUTH WAR MEMORIAL HOMES**

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#### **Opinion**

We have audited the accounts of Bournemouth War Memorial Homes (the 'company') for the year ended 30 September 2022 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 2022 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**

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##### **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**

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##### **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**

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**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

**Lucy Filer FCA (Senior Statutory Auditor)**  
**for and on behalf of TC Group**

**Statutory Auditor**

Office: Christchurch

12 April 2023

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 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	1,492	10,000	11,492	10,021
Charitable activities	4	407,601	-	407,601	390,835
Investments	5	10,364	-	10,364	12,495
Other income	8	326	-	326	-
<b>Total income</b>		<b>419,783</b>	<b>10,000</b>	<b>429,783</b>	<b>413,351</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	323,155	5,438	328,593	308,447
Net gains/(losses) on investments		(87,363)	-	(87,363)	138,860
<b>Net incoming resources before transfers</b>		<b>9,265</b>	<b>4,562</b>	<b>13,827</b>	<b>243,764</b>
Gross transfers between funds		4,562	(4,562)	-	-
<b>Net movement in funds</b>		<b>13,827</b>	<b>-</b>	<b>13,827</b>	<b>243,764</b>
Fund balances at 1 October 2021		4,833,868	-	4,833,868	4,590,104
<b>Fund balances at 30 September 2022</b>		<b>4,847,695</b>	<b>-</b>	<b>4,847,695</b>	<b>4,833,868</b>

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 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	12	4,178,265		4,055,965	
Investments	13	594,899		682,262	
		<u>4,773,164</u>		<u>4,738,227</u>	
<b>Current assets</b>					
Debtors	14	25,059		14,569	
Cash at bank and in hand		63,574		169,400	
		<u>88,633</u>		<u>183,969</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(14,102)</u>		<u>(88,328)</u>	
Net current assets			74,531		95,641
<b>Total assets less current liabilities</b>			<u>4,847,695</u>		<u>4,833,868</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds		4,777,107		4,680,926	
Revaluation reserve		70,588		152,942	
		<u>4,847,695</u>		<u>4,833,868</u>	
		<u>4,847,695</u>		<u>4,833,868</u>	

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 financial statements were approved by the Trustees on 23-03-2023



Mr. M Powell  
Trustee

Company Registration No. 08867218

## **BOURNEMOUTH WAR MEMORIAL HOMES**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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#### **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 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### **1.4 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.



## BOURNEMOUTH WAR MEMORIAL HOMES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 1 Accounting policies

(Continued)

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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 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.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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.

Land and buildings	Not depreciated
Fixtures, fittings & equipment	20% Straight Line
Computers	20% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**BOURNEMOUTH WAR MEMORIAL HOMES**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**1 Accounting policies**

**(Continued)**

**1.7 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.

**1.8 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

**1.9 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.

**1.10 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.

**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.

## BOURNEMOUTH WAR MEMORIAL HOMES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 1 Accounting policies

(Continued)

##### *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 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The annual depreciation charge is considered with reference to the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually.

Welfare grants are assessed on a case by case basis and authorised by Trustees, see note 4.

#### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	1,492	10,000	11,492	10,021



**BOURNEMOUTH WAR MEMORIAL HOMES**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**4 Charitable activities - unrestricted**

	<b>2022</b>	<b>2021</b>
	£	£
Rents due from tenants and garages	437,874	435,386
Grants awarded to tenants	(30,273)	(44,551)
	<u>407,601</u>	<u>390,835</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.

**5 Investments**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	£	£
Income from listed investments	<u>10,364</u>	<u>12,495</u>

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

**6 Costs of charitable activities - by activity**

	<b>Activities undertaken directly</b>	<b>Support costs</b>	<b>Total 2022</b>	<b>Total 2021</b>
	£	£	£	£
Letting of homes to service veterans in need	<u>246,050</u>	<u>82,543</u>	<u>328,593</u>	<u>308,447</u>

Included in activities undertaken directly are £5,438 (2021 - £13,550) of costs attributable to restricted funds.

**BOURNEMOUTH WAR MEMORIAL HOMES****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2022****7 Activities undertaken directly**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Council tax and water rates	1,286	469
Light and heat	8,682	2,278
Repairs and maintenance	172,234	88,948
Maintenance of grounds	21,747	13,208
Insurance	5,440	4,890
Cleaner's salary	4,662	4,015
Cleaning materials	2,502	1,082
Legal and professional	1,176	672
Telephone	201	195
Warden call system	5,230	5,029
Resident support costs	1,089	522
Bad debts	799	-
Special projects - windows	2,675	44,136
Special projects - pavements, roads and grounds	2,151	27,251
Special projects - new communal area and office	5,438	28,070
Special projects - 15 Memorial Homes flat conversion	10,738	5,139
Special projects - Poppy Lane	-	-
	<u>246,050</u>	<u>225,904</u>

Included in activities undertaken directly are £5,438 (2021 - £13,550) of costs attributable to restricted funds.

**8 Other income**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Sundry income	<u>326</u>	<u>-</u>



**BOURNEMOUTH WAR MEMORIAL HOMES****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2022****9 Support costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Estate manager's salary	44,750	42,875
Wages and salaries	13,374	12,800
Employer's NI contributions	1,356	1,145
Staff pension costs	1,826	1,728
Council tax and water rates for office	(110)	1,045
Light and heat for office	187	371
Printing, postage and stationery	1,448	1,197
Telephone and internet for office	517	916
General expenses	2,463	1,058
Trustee indemnity insurance	1,317	792
Accountancy	4,810	6,844
Depreciation	496	-
Audit	3,600	3,600
Investment management charges	6,509	8,172
	<u>82,543</u>	<u>82,543</u>

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

**10 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.

**BOURNEMOUTH WAR MEMORIAL HOMES**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**11 Employees**

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Estate manager	1	1
Resident manager	1	1
Cleaner	1	1
	<u>3</u>	<u>3</u>

<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	62,786	59,690
Social security costs	1,356	1,145
Staff pension costs	1,826	1,728
	<u>65,968</u>	<u>62,563</u>

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

Total remuneration of key management personnel during the year was £49,918 (2021: £47,575) and employers pensions £1,540 (2021: £1,465). Pension contributions were paid to 1 (2021: 1) staff under a defined contribution scheme.

**BOURNEMOUTH WAR MEMORIAL HOMES**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**12 Tangible fixed assets**

	Land and buildings £	Fixtures, fittings & equipment £	Computers £	Total £
<b>Cost</b>				
At 1 October 2021	4,055,965	-	-	4,055,965
Additions	118,809	2,181	1,806	122,796
At 30 September 2022	4,174,774	2,181	1,806	4,178,761
<b>Depreciation and impairment</b>				
Depreciation charged in the year	-	436	60	496
At 30 September 2022	-	436	60	496
<b>Carrying amount</b>				
At 30 September 2022	4,174,774	1,745	1,746	4,178,265
At 30 September 2021	4,055,965	-	-	4,055,965

**13 Fixed asset investments**

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 October 2021	682,262
Valuation changes	(87,363)
At 30 September 2022	594,899
<b>Carrying amount</b>	
At 30 September 2022	594,899
At 30 September 2021	682,262

At the 30 September 2021 the charity held an investment portfolio comprising of £416,654 (2021 - £407,057) in equity securities, £31,876 (2021 - £63,099) in structured return investments, £62,040 (2021 - £148,618) in fixed interest investments, £47,321 (2021 - £46,578) in hedge funds and £37,008 (2021 - £16,910) 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 2022**

**14 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Amounts due from residents	25,059	14,569
	<u>          </u>	<u>          </u>

**15 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	2,817	2,667
Trade creditors	1,695	78,643
Other creditors	2,865	293
Accruals and deferred income	6,725	6,725
	<u>          </u>	<u>          </u>
	14,102	88,328
	<u>          </u>	<u>          </u>

**16 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at
	Incoming resources	Resources expended	Transfers	30 September 2022
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Communal office	10,000	(5,438)	(4,562)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Restricted income of £10,000 received in relation to the communal hall. A transfer from restricted to unrestricted has been made due to the expenditure in relation to this being capitalised.

**BOURNEMOUTH WAR MEMORIAL HOMES****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2022****17 Analysis of net assets between funds**

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Fund balances at 30 September 2022 are represented by:				
Tangible assets	4,178,265	-	4,178,265	4,055,965
Investments	594,899	-	594,899	682,262
Current assets/(liabilities)	74,531	-	74,531	95,641
	<u>4,847,695</u>	<u>-</u>	<u>4,847,695</u>	<u>4,833,868</u>

**18 Capital commitments**

<b>2022</b>	<b>2021</b>
<b>£</b>	<b>£</b>

At 30 September 2022 the charity had capital commitments as follows:

Expenditure contracted for but not provided in the accounts	<u>11,183</u>	<u>67,142</u>
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**19 Related party transactions**

There were no disclosable related party transactions during the year (2021 - none).