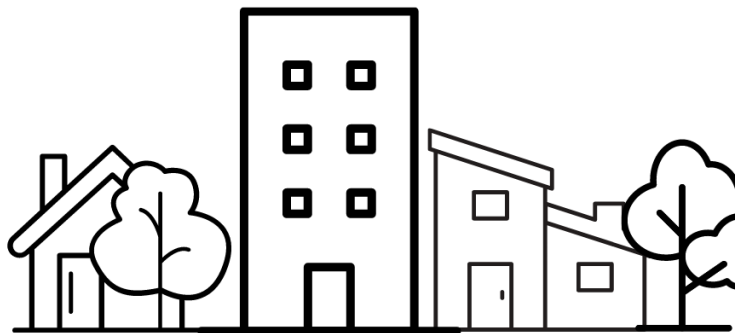


Lord Kitchener Memorial Homes Trust

**For the year ended
31 March 2023**



Lord Kitchener Memorial Homes Trust

Directors' Report and Account for the Year Ended 31 March 2023

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Lord Kitchener Memorial Homes Trust

Report of the trustee for the year ending 31 March 2023

The Trustee of **Lord Kitchener Memorial Homes Trust** presents the annual report and audited accounts for the year ended 31 March 2023.

Reference and administration details

Charity registered number:	209751
Registered Office	Mhs homes, Broadside, Leviathan Way, Chatham, Kent ME4 4LL
Chair	Ashley Hook
Trustee Name	mhs homes limited
Bankers	National Westminster Bank Plc., 148 High Street, Chatham, Kent ME4 4DB
Solicitors	Trowers and Hamlins LLP, 3 Bunhill Row, London, EC1Y 8YZ
Auditors	BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA.

The present-day Trust is administered by **mhs homes limited** (mhs homes) who were appointed as Corporate Trustee in June 2009. **mhs homes** is the corporate trustee and has delegated authority to the three executive directors to administer the charity.

The executive directors of **mhs homes** are:

Ashley Hook
Bruce Shelmerdine
Amy Cheswick
Gemma Hancock

Report of the trustee for the year ended 31 March 2023 (continued)

Legal and administrative details

At a public meeting held at the Town Hall, Chatham on 16 October 1916 to honour the memory of Lord Kitchener of Khartoum, it was agreed to open a public fund and use the monies raised to erect and endow homes for occupation by persons of the Borough who served in His Majesty's Forces. Subsequently the War Department agreed to lease an area of land at Fort Pitt Hill, Chatham (on a lease of 999 years) and the homes were erected on this site in 1923.

The Lord Kitchener Memorial Homes Trust was registered with the Charity Commission (registration number 209751) on 1 January 1961 as a Charity whose purpose is to provide accommodation for ex-Servicemen of the Borough of Chatham. The Charity's governing document is the Trust Deed dated 23 March 1923, as amended by the Charity Commission Scheme dated 11 June 1996 (which widened the eligibility criteria for residence at the Homes). The Trust de-registered from the Tenants Service Authority on 8 July 2009. The present-day Trust is administered by **mhs homes**, who were appointed as Trustee in June 2009.

Appointment of trustee

mhs homes were appointed as Corporate Trustee in June 2009. The appointment of **mhs homes** was carried out following full consultation with the Charity Commission and the residents.

The current strategy is not to change the trustee position, with **mhs homes** planning to remain as corporate trustee for the foreseeable future. In the unlikely event of new trustee being appointed there is an established selection and appointment system used by the **mhs homes group** based on objective criteria for recruiting new members to the Board of Trustees. The trustee affirms the benefits of an open system of appointment using set criteria to assess skills, experience and competences, required of suitable candidates. Any induction and training process entails the deployment and application of procedures resourced by the **mhs homes group**, including visits to projects and meetings with staff.

The organisational structure

The charity is managed on a day to day basis by **mhs homes** meaning that the charity benefits from the support and professionalism of a substantial provider of social housing. Risks are identified through the risk management process of **mhs homes** though due to the support provided by **mhs homes**, none are considered significant.

Statement of charitable benefit

The primary purpose of the charity is to provide almshouse accommodation for people who are in need and who live (or have lived) in the borough of Medway, with preference given to those who have served in the armed forces (Including the merchant navy engaged in duties for the Royal Navy) and their dependents. **mhs homes** provides Housing Management services that include helping people to move into their new homes, providing a platform for people to enhance their life chances. Staff provide tenancy management and advice services in areas including tackling anti-social behaviour, neighbour issues, repairing and improving properties. An adaptations service is also provided to enable people with disabilities to get around their own homes and access the community.

Report of the trustee for the year ended 31 March 2023 (continued)

Statement of charitable benefit (continued)

Furthermore, the objects of the charity are such charitable purposes for the benefit of the residents as the trustee decides.

The charity meets the objectives by providing 6 properties for accommodation with rent levels significantly below market rents. Properties are let in accordance with the objectives noted above.

Fundraising statement

Although we do not undertake fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable would be presented in our accounts as donations.

In relation to the above we confirm that if funds were held, they would be managed internally, without involvement of third parties. The day to day management of all income generation is delegated to the leadership team, who are accountable to the trustees. The charity has no undertaking to be bound by any regulatory scheme.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times as we do not approach individuals for funds we do not consider it necessary to design specific procedures to monitor such activities.

Risk management

Aided by the Directors' Team of the parent organisation, the Trustee has examined the major strategic, business and operational risks faced by the charity. Accordingly, the Trustee confirms that effective systems operate to minimise the consequences posed by risk, but at the same time is aware that it is not possible to entirely eliminate all factors of risk. All risks have been reviewed during the year.

Future plans

The future plans of Lord Kitchener are to maintain and let the current properties owned. There are no plans for development of new units.

Reserves policy

The target level of reserves is to ensure that sufficient funds are available to meet future repairs costs required to ensure the properties are well maintained. Refer to Note 8 for additional details.

Achievement, performance and financial review

Net current asset and investments are sufficient to cover over three years of rental income, and there is also the support of mhs homes that can be called on, hence there are sufficient resources to continue even in the most extreme of circumstances. The level of investments and reserves held will be reviewed periodically to ensure whether best value is being obtained. Otherwise the plans of the charity are to ensure that the properties continue to be suitably maintained and let.

Report of the trustee for the year ended 31 March 2023 (continued)

Achievement, performance and financial review (continued)

The key features of the financial year were as follows:

1. The Trust had a surplus of income over expenditure on activities for the year amounting to £13,832 (2022: surplus of £15,999).
2. Rental income was £32,752 for the last 12 months (2022: £34,337).
3. The Trustee has established a regular maintenance programme for the homes and set aside specific maintenance funds to reflect this commitment.
4. The investment portfolio has been constituted with the objective of protecting the interests of future residents as well as those of the present and thus the strategy is to endeavour to protect the value of both the capital and income of the Charity. The market value is structured between; cash 5% (2022:5%); bonds 19% (2022:19%); equities 76% (2022:76%).
5. The total market value of all the Trust's Investments have decreased (2.07%) to £88,960 (2022: £90,837).
6. The Trust has not acquired or discontinued any fundamental activities during the last two financial years nor has it any recognised gains or losses other than those included in the statement of financial activities.

BDO LLP have expressed its willingness to continue in office.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Ashley Hook', is written over a red horizontal line. The signature is enclosed in a thin black rectangular border.

Ashley Hook
13 July 2023

Statement of Trustee Responsibilities in Respect of the Report of the Trustee and the Financial Statements

The charity trustee is responsible for preparing the trustee's annual report and financial statements in accordance with applicable law and regulations.

Charity law requires the charity trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing the financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material parties 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 business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditor

In so far as the trustee is aware at the time of approving the trustee's annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of the charity's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the charity's auditors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



Ashley Hook

Chair
13 July 2023

Independent Auditor's Report to the Trustee of Lord Kitchener Memorial Homes Trust

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of Lord Kitchener Memorial Homes Trust ("the Charity") for the year ended 31 March 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Report of the Trustee and the Statement of Trustee's Responsibilities. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other

Independent Auditor's Report to the Trustee of Lord Kitchener Memorial Homes Trust (continued)

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 of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustee

As explained more fully in the statement of Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material

Independent Auditor's Report to the Trustee of Lord Kitchener Memorial Homes Trust (continued)

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Charities Act 2011. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the Trust is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Data Protection and Health and Safety Legislation.

Audit procedures capable of detecting irregularities including fraud performed by the engagement team included:

- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and relevant regulators to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- reviewing items included in the fraud register; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone

Independent Auditor's Report to the Trustee of Lord Kitchener Memorial Homes Trust (continued)

other than the Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Paula Willock

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Paula Willock (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick

Date: 28 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Lord Kitchener Memorial Homes Trust

Statement of Financial Activities For the year ended 31 March 2023

		Year to 31 March 2023		31 March 2022
	Note	Unrestricted Funds £	Total Fund £	Total Fund £
Income				
Rental Income		32,752	32,752	34,337
Interest Receivable & Other Income		216	216	191
Investment Income		1	1	1
Total Income		32,969	32,969	34,529
Expenditure:				
Governance Costs	3	3,432	3,432	2,640
Property Costs (inc depreciation)	3	15,705	15,705	15,889
Total Expenditure		19,137	19,137	18,530
Net income before recognised gains and losses		13,832	13,832	15,999
(Loss)/Profit on Fixed Asset Investments	5	(1,920)	(1,920)	6,314
Net movement in funds for the year		11,912	11,912	22,313
Total funds brought forward		430,021	430,021	407,708
Total funds carried forward		441,933	441,933	430,021

The notes on pages 13 to 20 form part of these financial statements.

All income and expenditure is derived from continuing activities.

Lord Kitchener Memorial Homes Trust

Balance Sheet as at 31 March 2023

	Note	31 March 2023 £	31 March 2022 £
Fixed Assets			
Tangible Assets			
Housing Properties	4	264,295	268,974
Investments			
Listed Investments	5	88,960	90,837
		353,255	359,811
Current Assets			
Debtors	6	90,787	69,405
Cash at Bank		4,038	3,864
		94,825	73,269
Current Liabilities			
Amounts falling due within one year	7	(6,147)	(3,059)
Net Current Assets		88,678	70,210
Total Assets Less Current Liabilities		441,933	430,021
Net assets		441,933	430,021
Funds of Charity			
Public Subscriptions		22,298	22,298
Revenue Reserves		344,110	331,584
Designated Funds	8	75,525	76,139
Total Charity Funds		441,933	430,021

These financial statements were approved and authorised for issue by the Trustee and signed on their behalf on 13 July 2023 by Bruce Shelmerdine.



Trustee

The notes on pages 13 to 20 form part of these financial statements.

Registered Number 209751

Statement of cash flows for the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net income before recognised gains and losses for the financial year		13,832	15,999
Depreciation of fixed assets – housing properties	4	4,679	4,679
Increase in debtors	6	(21,382)	(20,755)
Increase in creditors	7	3,088	269
Adjustment for interest and investment income received		(217)	(192)
Cash from operations			
Taxation paid		-	-
Net cash generated from operating activities		-	-
Cash flows from investing activities			
Purchase of investments	5	(42)	(1)
Interest and investment income received		216	192
Total Cash Flows from Investing Activities		174	191
Net increase in cash and cash equivalents		174	191
Cash and cash equivalents at beginning of year		3,864	3,673
Cash and cash equivalents at end of year		4,038	3,864

The notes on pages 13 to 20 form part of these financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), **Lord Kitchener Memorial Homes Trust** meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historic cost or value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

The trust reported a net increase in cash and cash equivalents in the year of £174 (2022: £191) giving a total of £4,038 (2022: £3,864) as at 31 March 2023.

The board reviewed the Trust's forecasts for the period up to July 2024 and were content that these plans were affordable and that the accounts should be prepared on a going concern basis.

Given the strength of the balance sheet, rent collection and maintenance spend the board believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Trust's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Income

All income is accounted for when the trust is legally entitled to the income and the amount can be quantified with reasonable accuracy. Investment income consists of bank interest and investment income.

Rental income is generated by the six homes, which provide accommodation for occupation by persons of the Borough who served in Her Majesty's Forces.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustee has decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects to be undertaken by the charity.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes property and other costs undertaken to further the purposes of the charity and their associated support costs.

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

Fixed Assets – Buildings

Housing Properties are stated at cost less accumulated depreciation. The accounting policy calculates depreciation on a component accounting basis. This means that depreciation is charged based on the useful life of each component within its housing properties as follows: -

Structure	65 years
Kitchens	20 years
Bathroom	30 years
Boiler Replacement	15 years
Electrics	30 years
Roof	50 years
Windows	40 years

Impairment

Assets are reviewed for impairment if there is an indication that impairment may have occurred. Assessing impairment requires the use of estimation techniques. In making this assessment, the Trustee considers publicly available information, external valuations and internal forecasts on future activity.

Debtors

Trade and other debtors are recognised at the settlement amount.

Creditors

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any discounts due.

Investments

Investments are stated at market value (note 5). A notional dividend is received and reinvested on the Shares holding and this is reflected in the book value and through the income and expenditure account. The statement of financial activities shows net investment gains and losses arising from revaluation.

Social Housing Grant

Where developments have been financed wholly or partly by social housing grant the amount of grant received has been included as income and recognised in turnover when it becomes receivable.

Income from capital grants are recognised when the conditions of the grant are met.

The Trust has not directly benefited from any other forms of government assistance.

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis.

Governance costs

This covers external audit fees.

Taxation

Lord Kitchener Memorial Homes Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the key judgements have been made in respect of the following:

- whether there are indicators of impairment of the Trust's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The trustees have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. The trustees have also considered impairment based on their assumptions to define cash or asset generating units.
- the categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 4):

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Notes to the Financial Statements (continued)

3. Resources expended

The resources expended fall into the following categories.

	Property related £	Support £	2023 Total £	2022 Total £
Charitable activities:				
Governance Costs	-	3,432	3,432	2,640
Depreciation	4,679	-	4,679	4,679
Property Costs	11,026	-	11,026	11,210
Interest costs	-	-	-	-
Total	15,705	3,432	19,137	18,529

The trustee received no remuneration in respect of services to the Charity in the current or prior year. None of the trustees were reimbursed for out of pocket expenses (2022: nil). Governance costs includes £3,432 (2022 - £2,640) in relation to audit fees.

4. Tangible fixed assets – buildings

Cost	£
As at 1 April 2022	322,319
Depreciation	£
At 1 April 2022	53,345
Charge for the year	4,679
As at 31 March 2023	58,024
Net book value as	
At 31 March 2023	264,295
At 31 March 2022	268,974

Lord Kitchener Memorial Homes Trust

Notes to the Financial Statements (continued)

5. Investments

				£	
Market value as 1 April 2022				90,837	
Add: Income reinvested				43	
Plus: Net investment losses in the year				(1,920)	
Market value as 31 March 2023				88,960	
Cost as at 31 March 2023				22,485	

Represented By:		2023		2022	
Holding	Listed Investments	Cost £	Market Value £	Cost £	Market Value £
164.29	Charinco Accumulation Shares 4437p per share	6,560	10,531	6,560	10,644
1485.95	Charishare Income Shares 533p per share	3,528	7,343	3,528	8,246
263.85	COIF Accumulation Shares 11922p per share	2,030	60,467	2,030	61,011
4603.48	COIF Fixed Interest Income Shares 138.60p per share	5,533	5,421	5,533	5,762
751.00	NAACIF Income Shares 80p per share	307	671	307	690
Other Investments:					
n/a	COIF Charities Deposit Fund	2,320	2,320	2,280	2,280
n/a	National Savings Investment (CMF)	2,207	2,207	2,204	2,204
		22,485	88,960	22,442	90,837

Lord Kitchener Memorial Homes Trust

Notes to the Financial Statements (continued)

5. Investments (continued)

The Lord Kitchener Memorial Homes investment portfolio consists of cash in National Savings Investment Accounts and shares in Common Investment Funds which provide a cost effective method of investing in the fixed interest and equity markets.

		Category of Investment		
	Fund Manager	Cash %	Bonds %	Equities %
Charinco Accumulation Shares	Black Rock	-	11.84	-
Charishare Income Shares	Black Rock	-	-	8.25
COIF Accumulation Shares	CCLA Investment Management	-	-	67.97
COIF Charities Deposit Fund	CCLA Investment Management	2.61	-	-
COIF Fixed Interest Income Shares	CCLA Investment Management	-	6.09	-
NAACIF Income Shares	M&G Investment Management	-	0.76	-
National Savings Investment	n/a	2.48	-	-
		5.09	18.69	76.22

6. Debtors

	2023 £	2022 £
Amounts owed by mhs homes Limited	90,787	69,198
Rent arrears	-	207
	<u>90,787</u>	<u>69,405</u>

7. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	4,872	3,059
Other Creditors	1,275	-
	<u>6,147</u>	<u>3,059</u>

Notes to the Financial Statements (continued)

8. Designated funds

The defined categories of repair funds reflect the Trust's liability to maintain its property in accordance with a planned programme of maintenance. The target level of reserves is that to maintain sufficient funds are available to meet the future planned and major repairs required for the upkeep of the properties.

- Reserves to meet major structural repairs and improvements have been provided for through the creation of an extraordinary repairs fund which has a balance of £70,998 (2022: £71,655).
- External and internal redecoration being estimated to take place every 5-7 years, the cyclical maintenance fund was created to meet such costs in any year and now has a balance of £2,207 (2022: £2,204).
- A routine maintenance fund exists to cover normal maintenance in excess of budgeted expenditure for the whole year and amounts to £2,320 (2022: £2,280).

The movements of the repair funds reconcile as follows:

	Extra Ordinary Repair Fund £	Cyclical Maintenance Fund £	Routine Maintenance Fund £	Designated Total £
Balance as at 1 April 2022	71,655	2,204	2,280	76,139
Accumulated Income	1,263	3	40	1,306
Net investment loss	(1,920)	-	-	(1,920)
Balance as at 31 March 2023	70,998	2,207	2,320	75,525
Represented by:				
Charinco Accumulation Shares	10,531	-	-	10,531
COIF Accumulation Shares	60,467	-	-	60,467
COIF Charities Deposit Fund	-	-	2,320	2,320
National Savings Investment	-	2,207	-	2,207
	70,998	2,207	2,320	75,525

The level of reserves is to ensure that sufficient funds are available to meet future repairs costs required to ensure the properties are well maintained.

Notes to the Financial Statements (continued)

9. Related Party Transactions

The ultimate controlling party of the group is **mhs homes limited** – a registered charity incorporated under CA2006 registered in England and Wales, whose accounts are available from the company's registered office at Broadside, Leviathan Way, Chatham, Kent ME4 4LL.