

BOURNE UNITED CHARITIES
Charity No: 216000

TRUSTEES' REPORT
AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

Dexter & Sharpe Audit Services Ltd
(Statutory Auditor)
Rollestone House
Bridge Street
Horncastle
Lincolnshire
LN9 5HZ

BOURNE UNITED CHARITIES

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The following pages do not form part of the Statutory Accounts

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A.	Detailed Income and Expenditure Account
B.	Property Valuations

BOURNE UNITED CHARITIES

OFFICERS AND AGENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees:	<u>Ex-Officio</u>	The Revd. Christopher John Atkinson
	<u>Life Trustee</u>	Mrs Joyce Edith Burrows
	<u>Co-optive</u>	Mr Geoffrey Richard Greatwood Mr Trevor Hollinshead Mr Robert Hood Brown (resigned 30.01.20) Dr Carl Richard Pears Mr Ivan John Stephen Fuller Mr John Alfred Kirkman Mr David Stanley Mapp (Chair) Mr Nicolas James Legge Mrs Anna Patricia Rogers Mr Charles Falconer McLean (appointed 27.02.20) Mrs Fiona Louise Pembrey (appointed 30.01.20)
	<u>Nominative</u>	(Nominated by Bourne Town Council) Mr Philip James Knowles (Vice Chair) Mr Robert Gideon Thomson Russell Mrs Anna Sylvia Kelly (appointed 30.01.20)
Clerk to Trustees:		Mrs G S Clingo
Bankers:		National Westminster Bank Plc Market Place, Spalding, Lincolnshire, PE11 1ST
Investment Advisors:		Whiting & Partners Wealth Management Ltd 12/13 The Crescent, Wisbech, Cambridgeshire, PE13 1EH Ruffer LLP 80 Victoria Street, London, SW1E 5JL
Solicitor:		Greenwoods LLP Monkstone House, City Road, Peterborough, PE1 1JE Roythornes Enterprise Way, Spalding, Lincolnshire, PE11 3YR
Auditors:		Dexter & Sharpe Audit Services Ltd (Statutory Auditor) Rollestone House Bridge Street Horncastle Lincolnshire LN9 5HZ

BOURNE UNITED CHARITIES

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and accounts for the year ended 31 December 2020.

Constitution objects and policies

Bourne United Charities, Red Hall, South Street, Bourne, Lincolnshire, PE10 9LY, is registered with the Charity Commissioners (No 216000) and constituted by Deed of Trust. Charities included in the scheme dated 8 May 1978 are as follows:

Robert Harrington (Exclusive of Educational Foundation)
John Brown
William Fisher for Almshouses
William Fisher for Bread
Jeremiah Ives
Nicholas Rand
William Trollope (Exclusive of Trollope's School)
Poors Land (North Fen)
Poors Land (South Fen)

Bourne United Charities is principally an Almshouse Charity, whose main objects are the provision of Almshousing, the relief of need in Bourne, Dyke, Cawthorpe and Twenty and the provision of social amenities for the benefit of inhabitants generally.

The Trustees have given careful consideration to the Charity Commission Guidance on public benefit.

Administration

The Charities are administered by common Trustees and a part time Clerk, as listed on the previous page. Strategic decisions are made by the Trustee Body after receiving monthly reports from the Clerk. The Clerk administers the day to day running of the Charities. An agent is used to administer the London properties. The Trustee Body consists of a total of fifteen Trustees. The Vicar of the Parish of SS Peter and Paul, Bourne is a Trustee ex officio. One Trustee was appointed as a Life Trustee in the scheme dated 8 May 1978. Three Trustees are nominated by Bourne Town Council for a four year term. The remaining Trustees are co-opted by the Trustee Board for a period of four years.

Reserves Policy

The Trustees' policy is to hold sufficient liquid reserves to be able to make the weekly charitable payments for one year, and to cover other charitable and administrative expenditure for six months. At the year end unrestricted reserves represented by cash, and unrestricted investments less debtors, amounted to £2,169,128. Reserves required under the policy were £328,345. This shows a surplus of £1,840,783.

Risks Policy

The Trustees have evaluated risks to which the Charity is exposed, and have adopted procedures to mitigate such risks.

Following the commencement of the Covid pandemic and the introduction of the first lock down, the Trustees agreed to, where possible, mitigate the possibility of losing commercial tenants by granting a 3 month rent free period to assist those either not trading or where trading was severely affected. It was also agreed that again, but only on request, that residential tenants who were furloughed, would have rents reduced by up to 20% for an agreed period. Following the second lock down consideration is being made, but only where necessary, to defer collection of arrears over a longer period in order to assist commercial tenants. Action for recovery is prevented by law until, at the earliest, 30th June 2021 and any resolution is ongoing into the current financial year.

To mitigate risk further, the Trustees decided to appoint a second Investment Manager and after considering those on an appropriate shortlist, made this appointment in June. The new Investment Manager, Ruffer, is now operating half of our investment portfolio and this provides a better opportunity to manage performance through comparables.

BOURNE UNITED CHARITIES

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

Developments, Activities and Achievements

During the year under review, the Charities distributed £277,898 (2019 £334,723) by way of charitable payments, grants and the provision of Almshouses and other property costs and £299,612 (2019 £178,431) in providing amenities, being the upkeep of the Abbey Lawn and Well Head Park (local recreational areas). The Trustees are satisfied that the financial position of the Charities will enable them to continue fulfilling the aims detailed in the Charity Commission Scheme dated May 1978.

The net incoming resources for the year were £287,378 (2019 £602,836). Movements in the value of Fixed Assets and Investments are shown in the Statement of Financial Activities. The unrealised investment gains represent an increase in the market value of investment properties and in shares in the investment portfolio.

Future Developments and Post Balance Sheet Events

The Charities' long term aim is to increase its investment portfolio and continue to look for suitable properties in the Leytonstone and Bourne areas to add to its investment property portfolio.

During 2019 the Charities, having considered the benefits of changing its existing structure from an unincorporated body to a corporate body, engaged solicitors to set up a charitable incorporated organisation. The process of transferring the assets is being organised. Going forward the incorporated status will enable the new entity to do many things in its own name whilst providing added protection for its Trustees in limiting liability.

The Trustees considered that the surplus should remain high given the current difficulty in obtaining rental income from their substantial holdings in retail properties. However, in the new financial year they are already processing the purchase of further residential properties in order to provide balance.

Statement of Trustees' Responsibilities

The Trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the Charities' financial activities during the year and of its financial position at the end of the year.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- (d) 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 accounting records which disclose with reasonable accuracy the financial position of the Charities and which enable them to ascertain the financial position of the Charities and which enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the Charities and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report was approved by the Trustees on 24 June 2021 and signed on their behalf.


Philip James Knowles – Chairperson


Nicolas James Legge – Vice Chairperson

BOURNE UNITED CHARITIES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BOURNE UNITED CHARITIES

We have audited the financial statements of Bourne United Charities for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet and the related notes on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Trustees and auditors

As described in the statement of Trustees' responsibilities on pages 2 and 3, you are responsible as Trustees for the preparation of the financial statements, which give a true and fair view.

We have been appointed as auditors under s144 of the Charities Act 2011 and report in accordance with regulations made under s154 of that Act. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charities' circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Trustees' report and other information contained in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Charities' affairs as at 31 December 2020, and of the incoming resources and application of resources, in 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 Charities Act 2011.

Matters on which we are required to report by exception

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

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

Dexter & Sharpe Audit Services Ltd
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BOURNE UNITED CHARITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Permanent Endowment Fund £	Designated Funds £	Unrestricted Fund £	2020 Total £	2019 Total £
INCOME AND ENDOWMENTS						
Investment Income	2)			963,269	963,269	1,033,500
Other Income and Grants				22,494	22,494	9,923
Total Incoming Resources				<u>985,763</u>	<u>985,763</u>	<u>1,043,423</u>
EXPENDITURE						
Charitable Activities	3)			577,510	577,510	513,154
Other Costs	4)			120,875	120,875	(72,567)
Total Resources Expended	5)			<u>698,385</u>	<u>698,385</u>	<u>440,587</u>
NET INCOMING RESOURCES FOR YEAR BEFORE TRANSFERS				287,378	287,378	602,836
Transfers between funds	12)	4,331	5,136	(9,467)	-	-
NET INCOME BEFORE GAINS/LOSSES ON INVESTMENTS		4,331	5,136	277,911	287,378	602,836
Gains on Fixed Assets and Investments						
- Unrealised fixed assets		1,549,931	-	-	1,549,931	-
- Unrealised investments	7)	65,653	7,118	521	73,292	333,156
NET MOVEMENT IN FUNDS		1,619,915	12,254	278,432	1,910,601	935,992
Balances brought forward at 1st January 2020		<u>25,864,439</u>	<u>259,713</u>	<u>2,159,957</u>	<u>28,284,109</u>	<u>27,348,117</u>
Balances carried forward at 31st December 2020		<u>27,484,354</u>	<u>271,967</u>	<u>2,438,389</u>	<u>30,194,710</u>	<u>28,284,109</u>

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

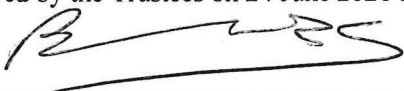
The notes on pages 9 to 16 form part of these accounts.

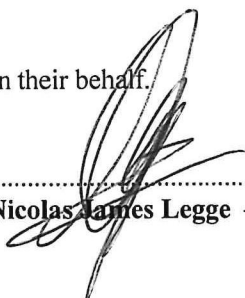
BOURNE UNITED CHARITIES

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible Fixed Assets for Charity Use	6)	2,680,959	2,540,664
Investment Properties	6)	22,359,000	20,785,043
Listed Investments	7)	3,484,756	3,389,493
		<u>28,524,715</u>	<u>26,715,200</u>
CURRENT ASSETS			
Debtors	8)	244,122	114,374
Short Term Cash Deposits		72,687	72,496
Cash at Bank and in Hand		1,719,358	1,736,541
		<u>2,036,167</u>	<u>1,923,411</u>
CREDITORS: Amounts falling due within one year	9)	366,172	354,502
		<u>1,669,995</u>	<u>1,568,909</u>
NET CURRENT ASSETS		<u>1,669,995</u>	<u>1,568,909</u>
TOTAL NET ASSETS	10)	<u><u>30,194,710</u></u>	<u><u>28,284,109</u></u>
REPRESENTED BY FUNDS			
Permanent Endowment		27,484,354	25,864,439
Designated	13)	271,967	259,713
Unrestricted		2,438,389	2,159,957
		<u>30,194,710</u>	<u>28,284,109</u>

Approved by the Trustees on 24 June 2021 and signed on their behalf.


Philip James Knowles – Chairperson


Nicolas James Legge – Vice Chairperson

The notes on pages 9 to 16 form part of these accounts.

BOURNE UNITED CHARITIES

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash inflow from (used in) operating activities	1	<u>164,016</u>	<u>647,457</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,073)	(15,573)
Purchase of investments		(195,737)	(206,287)
Interest received		17,802	25,493
Net cash (used in) investing activities		<u>(181,008)</u>	<u>(196,367)</u>
Change in cash and cash equivalents in the reporting period		(16,992)	451,090
Cash and cash equivalents at the beginning of the reporting period		<u>1,809,037</u>	<u>1,357,947</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,792,045</u></u>	<u><u>1,809,037</u></u>

BOURNE UNITED CHARITIES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income (expenditure) for the reporting period (as per the statement of financial activities)	287,378	602,836
Adjustments for:		
Depreciation charges	12,518	12,499
Interest received	(17,802)	(25,493)
(Increase) in debtors	(129,748)	(36,129)
Increase in creditors	11,670	93,744
Net cash generated from operating activities	164,016	647,457

BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of Preparation of Accounts

The financial statements have been prepared under the historical cost convention modified by the revaluation of fixed assets and investments.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

In preparing the financial statements the Charities follow best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019) and the Charities Acts.

The Charities constitute a public benefit entity as defined by FRS 102.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Assets costing less than £100 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings for charitable purposes	Not depreciated
Investment property	Not depreciated
Equipment	10%/20% Straight line basis

No depreciation is provided on freehold buildings. It is the Charities' policy to review their valuation annually and have them professionally revalued every five years, all unrealised gains and losses being shown on the statement of financial activities.

Income

Investment income plus associated tax recoverable by the Charities is credited to income on an accruals basis using dates of payment for dividends and daily accrual for interest.

Other income is accounted for as received by the Charities. No voluntary income, donations, grants or fundraising income have been received in the period. No permanent endowments have been received in the period. Income from permanent endowment funds is unrestricted.

Investments

Investments are stated at fair value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities.

Value added tax

Value added tax is not recoverable by the Charities, and as such is included in the relevant costs in the Income and Expenditure Account.

Other Costs

Other costs include all expenditure not directly related to the Charities' activities. This includes costs of running office premises, salaries for administrative staff and audit fees as well as the costs in managing and maintaining the investment properties.

Charitable Activities

The Trustees make grants in accordance with the provisions of the Charity Commission Scheme. Charitable activities also include maintenance and running costs of the Almshouses and public facilities which the Charities provide in Bourne.

BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

2. INVESTMENT INCOME

	2020 £	2019 £
Interest on deposits	191	410
Income from Investment Properties	945,467	1,008,007
Income from Listed Investments	17,611	25,083
	<u>963,269</u>	<u>1,033,500</u>

All investment assets are within the UK.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds and Total 2020 £	Total 2019 £
Grants to individuals:		
Weekly Charitable Payments	24,024	26,872
Bourne Educational Foundation Grant	31,910	66,943
Other Grants	33,810	10,815
	<u>89,744</u>	<u>104,630</u>
Almshouses Running Costs	58,061	48,102
Abbey Lawn Upkeep Costs	59,822	50,153
Well Head Upkeep Costs	239,790	128,278
General Property Running Costs	130,093	181,991
	<u>577,510</u>	<u>513,154</u>

4. OTHER COSTS

Salaries and Office Costs	50,403	51,691
Fidelity and Liability Insurances	2,407	1,841
Legal and Professional Fees	50,509	11,450
Audit Fee	5,640	5,640
Provision for bad and doubtful debts	(603)	(155,688)
Depreciation	12,519	12,499
	<u>120,875</u>	<u>(72,567)</u>

BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

5. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 2020 £	Total 2019 £
Charitable Activities	53,837	-	523,673	577,510	513,154
Other Costs	31,556	12,519	76,800	120,875	(72,567)
	<u>85,393</u>	<u>12,519</u>	<u>600,473</u>	<u>698,385</u>	<u>440,587</u>
			2020 £		2019 £
Staff Costs					
Wages and Salaries		80,090		88,505	
Social Security Costs		2,582		3,747	
Pension Costs		2,721		2,779	
		<u></u>		<u></u>	
			85,393		95,031
Other Expenditure					
Grants and Allowances		89,744		104,630	
Almshouse Running Costs (excluding wages)		58,061		36,583	
Upkeep of Social Amenities - do. -		245,775		125,709	
Administration Costs - do. -		74,996		37,991	
Liability and Fidelity Insurance		2,407		1,841	
Property Management and Running Costs - do. -		130,093		181,991	
Provision for bad and doubtful debts		(603)		(155,688)	
Depreciation		12,519		12,499	
		<u></u>		<u></u>	
			612,992		345,556
			<u>698,385</u>		<u>440,587</u>

No employee earned £60,000 pa or more. The average number of employees by function was:

Manual	2	2
Administrative	2	2
Other	-	-
	<u>4</u>	<u>4</u>

The Charities operate a defined contributions scheme in respect of its employees. The total staff costs paid to key management including pension benefits amounted to £29,099 (2019 £27,528).

BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

6. TANGIBLE FIXED ASSETS

	Land and Buildings Investment Properties £	Used by Charity £	Equipment £	Total £
Cost or Valuation				
At 1st January 2020	20,785,043	2,505,260	339,292	23,629,595
Additions	173,766	-	3,073	176,839
Disposals	-	-	(365)	(365)
	<u>20,958,809</u>	<u>2,505,260</u>	<u>342,000</u>	<u>23,806,069</u>
Revaluation in year	1,400,191	149,740	-	1,549,931
	<u>22,359,000</u>	<u>2,655,000</u>	<u>342,000</u>	<u>25,356,000</u>
At 31st December 2020	22,359,000	2,655,000	342,000	25,356,000
Accumulated Depreciation				
At 1st January 2020	-	-	303,888	303,888
Charge for the year	-	-	12,516	12,516
On Disposals	-	-	(363)	(363)
	<u>-</u>	<u>-</u>	<u>316,041</u>	<u>316,041</u>
At 31st December 2020	-	-	316,041	316,041
Net Book Value				
At 31st December 2020	22,359,000	2,655,000	25,959	25,039,959
At 31st December 2019	<u>20,785,043</u>	<u>2,505,260</u>	<u>35,404</u>	<u>23,325,707</u>

7. FIXED ASSET INVESTMENTS - LISTED INVESTMENTS

	2020 £	2019 £
Market Value at 1st January 2020	3,389,493	3,026,894
Additions	21,971	29,443
	<u>3,411,464</u>	<u>3,056,337</u>
Net Unrealised Gain for the Year	73,292	333,156
	<u>3,484,756</u>	<u>3,389,493</u>
Market Value at 31st December 2020	3,484,756	3,389,493

The historical cost of the fixed asset investments cannot be determined due to the portfolio having been built up over many years, records for all of which are not available. The portfolio was valued at 1 January 1995 when the Charity commenced reporting its financial activities in accordance with the Statement of Recommended Practice for Charities. The historical valuation/cost figure below is therefore comprised of the valuation of the portfolio at 1 January 1995 plus additions at cost less disposals at valuation/cost since.

BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

7. FIXED ASSET INVESTMENTS - LISTED INVESTMENTS CONTINUED

The historical valuation/cost of fixed asset investments at the year end was:

	2020	2019
	£	£
Balance at 1 January 2020	1,432,886	1,403,443
Additions at cost during the year	21,971	29,443
	<hr/>	<hr/>
Balance at 31 December 2020	1,454,857	1,432,886
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All investment assets are held within the UK.

The composition of the investment portfolio is shown below:

	Total	Permanent	Designated	Unrestricted
	£	Endowment	Fund	Fund
	£	Fund	£	£
Value 31 December 2020	3,484,756	3,183,517	271,967	29,272
	<hr/>	<hr/>	<hr/>	<hr/>
Value at 1 January 2020	3,389,493	3,113,533	259,713	16,247
	<hr/>	<hr/>	<hr/>	<hr/>
Value on introduced 01.01.95 plus additions and less disposals at cost	1,454,857	1,315,733	123,769	15,355
	<hr/>	<hr/>	<hr/>	<hr/>

8. DEBTORS

	2020	2019
	£	£
Trade Debtors – Rent Ledger	229,295	96,164
Rental Income Accrual	408	2,112
Other Debtors and Accruals	14,419	16,098
	<hr/>	<hr/>
	244,122	114,374
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BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

9. CREDITORS: Falling due within one year

	2020 £	2019 £
Trade Creditors	5,438	227
Accruals	40,900	15,502
Taxation and social security costs	2,247	1,743
Bourne Educational Foundation Grant	98,853	99,801
Rental Income received in advance	147,984	165,084
Tenants Deposit Accounts	70,750	72,145
	<u>366,172</u>	<u>354,502</u>

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Permanent Endowment Fund	25,014,000	3,183,517	(713,163)	27,484,354
Designated Fund	-	271,967	-	271,967
Unrestricted Fund	25,959	29,272	2,383,158	2,438,389
	<u>25,039,959</u>	<u>3,484,756</u>	<u>1,669,955</u>	<u>30,194,710</u>

Note: The Designated Fund represents investments in Transact Shares to provide funds to meet exceptional property repairs and the replacement of equipment. (See Note 12)

11. PROPERTY VALUATIONS

Leytonstone properties were revalued at 31 December 2018.

The properties were valued by:

Leytonstone Residential/Commercial Properties

Lawrence Roper
Chartered Surveyors

Bourne properties were revalued at 31 December 2020.

Bourne and District

- Agricultural Property

- Residential and other properties

Brown & Co
Chartered Surveyors

The Trustees have completed an annual assessment of their investment property portfolio as required by FRS102 and do not consider that its residential property has changed sufficiently in the period to warrant any change in the valuation contained within the accounts.

BOURNE UNITED CHARITIES

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

12. TRANSFER BETWEEN FUNDS

	Permanent Endowment Fund £	Designated Fund £	Unrestricted Fund £
Purchase of Shares with Transact/Ruffer	4,331	5,136	(9,467)

These transfers represent:

- a) Permanent Endowment
Recoupment in respect of various property sales as authorised by the Charity Commission. The Charity has since amalgamated the recoupment endowment funds as the targets have been met.
- b) Designated Funds
 - i) exceptional repairs or renovations of almshouses
 - ii) exceptional repairs or renovations of other properties
 - iii) exceptional repairs and replacement of plant and equipment

13. DESIGNATED FUNDS

The Trustees invest income in Transact to provide for:

- i) Exceptional repairs or renovation of almshouses
- ii) Exceptional repairs or renovation of other properties
- iii) Exceptional repairs or replacement of plant and equipment

	2020 Total £	2019 Total £
Net Transfer from Unrestricted Funds	5,136	6,250
Unrealised Gain on Value of Shares at 31.12.2020	7,118	25,219
Net Movement in Funds	12,254	31,469
Balance at 1.1.2020	259,713	228,244
Balance at 31.12.2020	271,967	259,713

14. RELATED PARTY TRANSACTIONS

There are no related party transactions.

15. POST BALANCE SHEET EVENTS

Status Change – The Charities have set up a charitable incorporated organisation. This initial step was completed on 29 May 2019. The new incorporated status will enable the new entity to do many things in its own name whilst providing added protection for its Trustees in limiting liability. The process of transferring the assets contained in the accounts above is proving protracted and has not completed to date. The organisation recognise the importance of completing and concluding this fully before the end of December 2021 to mitigate any arising risk of asset ownership being split between the two bodies.

Covid-19 – During the reporting year and after the reporting period the impact of the global pandemic continued to unfold. The government imposed a series of lockdown measures which were reinforced again in January 2021 to limit the spread of the Covid-19 virus amongst the population with restrictions on gatherings and activities. These restrictions had widespread economic implications for a number of businesses and charities. The Charities have recognised the impact that the pandemic has had to date on some of its stakeholders particularly tenants on a case by case basis and taken appropriate steps, for example in reviewing rent levels on its property let to businesses and tenants. It also, as a charitable body, received some support by way of business relief from the local authority for its premises. We continue to monitor the recoverability of rents receivable and feel that at this stage we have taken appropriate action to mitigate the risks arising to our income streams and expenditure. The Charities consider it has sufficient reserves to continue operating effectively beyond the next financial year.

BOURNE UNITED CHARITIES

APPENDIX A(i)

DETAILED INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 £		2019 £
INCOME				
Investment Income:				
Rental Income:				
Leytonstone	819,064		880,155	
Bourne and District	126,403	945,467	127,852	1,008,007
Dividend and Interest Income:				
Transact and Ruffer Income	17,611		25,083	
Interest on Deposits	191	17,802	410	25,493
		963,269		1,033,500
Red Hall Lettings	2,000		9,092	
Miscellaneous	20,494	22,494	831	9,923
TOTAL INCOME		985,763		1,043,423
EXPENDITURE				
CHARITABLE ACTIVITIES				
<i>Weekly Payments, Grants & Allowances (See Note 3)</i>				
	89,744		104,630	
Almshouses:				
Wages	-		11,519	
Repairs and Maintenance	28,710		16,810	
Utilities	12,169		11,912	
Council Tax	206		538	
Insurance	2,048		1,977	
Telephone and Miscellaneous	14,482		3,453	
Garden Maintenance	446	58,061	1,893	48,102
Abbey Lawn:				
Wages	25,833		26,526	
Repairs and Maintenance	15,819		16,034	
Mowing Equipment Costs	7,676		3,668	
Telephone and Miscellaneous	9,108		1,919	
Utilities	149		890	
Insurance	1,237		1,116	
		59,822		50,153
Carried Forward	207,627	985,763	202,885	1,043,423

BOURNE UNITED CHARITIES

APPENDIX A(ii) DETAILED INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019
		£		£
Bought Forward	207,627	985,763	202,885	1,043,423
CHARITABLE ACTIVITIES (cont)				
Well Head & South Street Properties				
Wages	28,004		26,195	
Repairs and Maintenance	198,672		88,232	
Insurance	3,780		3,575	
Mowing Equipment Costs	2,849		5,063	
Utilities	2,014		2,930	
Telephone and Miscellaneous	2,703		741	
Council tax	1,768	239,790	1,542	128,278
		447,417		331,163
GENERAL PROPERTY RUNNING COSTS				
Bourne Land:				
Repairs and Maintenance	3,095		1,917	
Insurance	290		725	
Professional Fees	3,144		2,449	
Utilities	354		465	
	6,883		5,556	
Bourne Residential Properties:				
Repairs and Maintenance	20,433		14,260	
Insurance	2,110		1,797	
Professional fees	661		500	
Utilities	835		387	
Council Tax	428		-	
	24,467		16,944	
Leytonstone Properties:				
Repairs and Maintenance	29,268		31,172	
Insurance	9,151		6,640	
Business Rates and Water	165		142	
Legal and Professional Fees	30,413		56,278	
Utilities	1,129		760	
Miscellaneous	3,962		31,958	
	74,088		126,950	
Carried Forward	105,438	447,417	985,763	149,450
			331,163	1,043,423

BOURNE UNITED CHARITIES

APPENDIX A(iii)

DETAILED INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

			2020 £			2019 £
Bought Forward	105,438	447,417	985,763	149,450	331,163	1,043,423
GENERAL PROPERTY RUNNING COSTS (cont)						
Red Hall:						
Repairs and Maintenance	13,623			7,627		
Utilities	2,387			2,346		
Insurance	5,503			5,187		
Telephone and Miscellaneous	616			887		
Security	1,841			1,494		
	<u>23,970</u>			<u>17,541</u>		
Wake House:						
Insurance	265			-		
Repairs and Maintenance	420			15,000		
	<u>685</u>	130,093		<u>15,000</u>	181,991	
TOTAL CHARITABLE ACTIVITIES		<u>577,510</u>			<u>513,154</u>	
OTHER COSTS						
Insurance:						
Employers Liability	1,727			1,169		
Fidelity Guarantee	680			672		
	<u>2,407</u>			<u>1,841</u>		
Salaries	31,556			30,790		
Professional Fees	50,509			11,450		
Office Equipment Rental	1,387			2,274		
Printing and stationery	1,558			1,616		
Telephone and Postages	1,989			1,843		
Audit Fee	5,640			5,640		
Miscellaneous	12,806			14,063		
Bank Charges	1,107			1,105		
	<u>106,552</u>			<u>68,781</u>		
Provision for bad and doubtful debts	(603)			(155,688)		
Depreciation	12,517			12,348		
Loss on Sale of Fixed Assets	2			151		
	<u>12,519</u>			<u>12,499</u>		
TOTAL GOVERNANCE COSTS		<u>120,875</u>			<u>(72,567)</u>	
TOTAL EXPENDITURE			<u>698,385</u>			440,587
NET INCOMING RESOURCES			<u>287,378</u>			<u>602,836</u>

BOURNE UNITED CHARITIES

APPENDIX B PROPERTY VALUATION - 31 DECEMBER 2020

		2020 £		2019 £
INVESTMENT PROPERTIES				
LEYTONSTONE (REVALUED AT 31.12.2020)				
Residential Properties:	8 Burghley Road	700,000		700,000
	22 Harrington Road	650,000		650,000
	28 Harrington Road	609,000		609,000
	37 Harrington Road	613,000		613,000
	107 Harold Road	672,000		672,000
	13 Vernon Road	609,000		609,000
	53 Vernon Road	902,000		902,000
Commercial Properties:	20 Church Lane	500,000		500,000
	24-27 Church Lane	2,770,000		2,770,000
	28 Church Lane	670,000		670,000
	29 Church Lane	525,000		525,000
	30 Church Lane	462,000		462,000
	32 Church Lane	536,000		536,000
	34 Church Lane	490,000		490,000
	745 High Road	660,000		660,000
	751 High Road	240,000		240,000
	753 High Road	233,000		233,000
	751-753 High Road (Garages)	381,500		381,500
	783-791 High Road	96,500		96,500
	795 High Road	530,000		530,000
	797 High Road	435,000		435,000
	799 High Road	400,000		400,000
	801 High Road	525,000		525,000
	729 High Road	358,000		358,000
	731 High Road	356,000		356,000
	735 High Road	384,000		384,000
	741 High Road	323,000		323,000
	809-813 High Road	2,650,000		2,650,000
		<hr/>		<hr/>
		18,280,000		18,280,000
BOURNE & DISTRICT (REVALUED 31.12.2020)				
	Land at South Road	3,000	165,000	
	39 High Street, Morton	200,000	180,000	
	Land High Street, Morton	35,000	30,000	
	Morton Fen Farm	1,780,000)	
	Bungalow, Morton Fen	160,000)	1,000,000
	37 High Street, Morton	200,000)	
	6 Bedehouse Bank	210,000		178,000
	3 Mercia Gardens	225,000		185,000
	4 Merlin Close	220,000		155,000
	4 Stretham Way	170,000		-
	7 Stretham Way	170,000		176,844
	12 Stretham Way	170,000		145,000
	Wake House, North Street, Bourne	380,000		139,199
	Constables Land, Dyke	44,000		45,000
	Constables Land, Bourne	32,000		30,000
	Short Drove, Dyke Fen	20,000		22,000
	Swallow Hill, Thurlby	60,000	4,079,000	54,000
		<hr/>		<hr/>
		22,359,000		20,785,043
PROPERTY USED FOR CHARITABLE PURPOSES				
BOURNE & DISTRICT				
	The Red Hall	500,000		550,000
	Almshouses, West Street	1,120,000		980,000
	Abbey Lawn	140,000		130,000
	Well Head and adjacent properties	870,000		820,000
	Allotments	25,000		25,000
	Woodland Witham on the Hill	-		260
		<hr/>		<hr/>
		2,655,000		2,505,260
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