

CHARITY REGISTRATION NUMBER: 230090

Lord Kitchener Memorial Holiday Centre
Unaudited financial statements
31 December 2022

Lord Kitchener Memorial Holiday Centre

Financial statements

Year ended 31 December 2022

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Lord Kitchener Memorial Holiday Centre

Trustees' annual report

Year ended 31 December 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Reference and administrative details

Registered charity name	Lord Kitchener Memorial Holiday Centre
Charity registration number	230090
Principal office	10 Kirkley Cliff Lowestoft Suffolk NR33 0BY

The trustees

The trustees who served during the year and at the date of approval were as follows:

Mrs D Brady (Chair)
Mr T Byrne MBE (Vice Chair)
Mr K Smith
Mrs C Wall (Treasurer)
Mr A Jacobs
Mr P Challoner

Independent examiner	Matthew Waters ACA FCCA Lovewell Blake LLP Chartered accountants Excelsior House 9 Quay View Business Park Barnards Way Lowestoft NR32 2HD
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Bankers	HSBC 34 London Road North Lowestoft Suffolk NR32 1EN
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Lord Kitcheners Memorial Holiday Centre

Trustees' annual report *(continued)*

Year ended 31 December 2022

Objectives and activities

The Charity's principal objectives are to benefit the public by:

Providing the relief of persons in need by reason of age, poverty or disability, who have served in the naval, military or air forces of the Crown (including the Commonwealth) or the merchant navy or ex-service members of the Emergency services or the husbands, wives or partners, widows or widowers of the same in particular through the provision of holiday accommodation.

The Trustees have taken due regard to the guidance published by the Charities Commission on public benefit. It is considered that a public benefit is provided by providing holiday accommodation to serving families.

Achievements and performance

As Chair of Trustees, it continues to be enormously inspiring and a privilege to be part of such a dedicated team of volunteers and staff.

2022 saw many changes, improvements and updates around the building with decoration and upgrading of the bedrooms at the top of our list, and we are pleased to say that we are more than half there.

Fundraising events held throughout 2022 included quiz nights, bingo nights, a summer ball, a massive parachute jump, a carol concert and lots of outdoor activities - these will continue into 2023 with many things planned.

Our staff, trustees, patrons and volunteers work across every corner of the country to bring awareness of Kitcheners to the forefront of the minds of Armed Forces Veterans, and Emergency service veterans. The attendance of our veterans and blue light breakfasts is increasing week on week and forward bookings for 2023 is also on the up, with many returning guests and lots of new faces.

2022 saw us as Finalists in the Suffolk Chamber of Commerce Lowestoft & Waveney Business Awards, we won the Global Award for Armed Service Accommodation Provider and The LuxLife Resorts & Retreats Award for best Ex-Armed Service Accommodation Provider in the East of England and we were also shortlisted for the Marsh Commercial For the People Awards.

The Trustees have full confidence in our leadership team and staff for a very healthy, positive future of Kitcheners.

We had 87 week long holidays and 391 short stays 1 - 4 night stays giving us 56% occupancy for 70% of the year. As a comparison our occupancy rate for 2021 was around 42%. Our goal is to achieve 80% for 80% of the year .

Financial review

The total net expenditure in funds is £9,340 for the year. We continue to look very closely at staff costs especially in the light of the minimum rates of pay and also the possible costs of the new Government Pension Scheme.

We remain very appreciative of the support and financial assistance provided by the Army Benevolent Fund, the RAF Benevolent Fund and Seafarers UK without which the Charity could not remain in existence.

Lord Kitchener Memorial Holiday Centre

Trustees' annual report *(continued)*

Year ended 31 December 2022

Financial review *(continued)*

Reserves policy

The level of free reserves as at 31 December 2022 amounted to nil (2021: £16,710), which is sufficient to cover the costs of the Centre during the quieter months. The trustees consider that the winter period between October and April is when the Centre is at its quietest and future funding starts coming back in around March and April to cover the summer periods.

The level of maintenance funds differ year on year depending on how much work is to be carried out. The trustees are confident that the current levels will sufficiently cover any repairs due to be made in the foreseeable future.

In light of the economic climate and the fact that the charity is greatly dependent on grant income to enable the establishment to continue, the trustees consider the investments held to be a reserve that can be drawn upon should the need arise.

Structure, governance and management

Governing document

The charity is regulated by a Scheme of the Charity Commissioners dated 7th January 1919. Registered with the Charity Commissioners under number 230090.

Recruitment, appointment and training of Trustees

Trustees shall be persons who through occupation, employment or otherwise have special knowledge of the area of benefit or who are otherwise able by virtue of their personal or professional qualifications to make a contribution to the pursuit of the objects of the charity.

All new trustees will be provided with copies of:

- The governing document of the charity
- The latest financial statements of the charity
- Charity Commission guidance notes The Essential Trustee "What you need to know".

In addition, the Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Organisational structure

The Centre has a Management Committee of 8 members who meet monthly and are responsible for the day to day running of the establishment.

The trustees oversee the Management Committee when deemed necessary, but are solely in charge of the fabrication of the building itself and the employment of the Centre manager and his wife who ensure that the centre continues to deliver the high standards previously set.

Lord Kitchener Memorial Holiday Centre

Trustees' annual report *(continued)*

Year ended 31 December 2022

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Mrs D Brady (Chair)
Trustee

Lord Kitcheners Memorial Holiday Centre

Independent examiner's report to the trustees

Year ended 31 December 2022

I report to the charity trustees on my examination of the financial statements of the charity for the year ended 31 December 2022 which comprise the statement of financial activities, statement of financial position and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Your attention is drawn to the fact that the Charity has prepared the accounts (financial statements) 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Matthew Waters ACA FCCA
Independent Examiner

Lovewell Blake LLP
Chartered accountants
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

Lord Kitcheners Memorial Holiday Centre

Statement of financial activities

Year ended 31 December 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	150,784	–	150,784	172,372
Investment income	5	78	–	78	78
Total income		<u>150,862</u>	<u>–</u>	<u>150,862</u>	<u>172,450</u>
Expenditure					
Expenditure on charitable activities	6	159,712	–	159,712	165,272
Total expenditure		<u>159,712</u>	<u>–</u>	<u>159,712</u>	<u>165,272</u>
Net (expenditure)/income and net movements in funds before gains and losses on investments		(8,850)	–	(8,850)	7,178
Net losses on investments	7	(490)	–	(490)	(174)
Net (expenditure)/income before transfer of funds		(9,340)	–	(9,340)	7,004
Transfers between funds		21,462	(21,462)	–	–
Net movement in funds		<u>12,122</u>	<u>(21,462)</u>	<u>(9,340)</u>	<u>7,004</u>
Reconciliation of funds					
Total funds brought forward		95,983	33,343	129,326	122,322
Total funds carried forward		<u>108,105</u>	<u>11,881</u>	<u>119,986</u>	<u>129,326</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

Lord Kitcheners Memorial Holiday Centre

Statement of financial position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	12	107,708	76,892
Investments	13	1,891	2,381
		<u>109,599</u>	<u>79,273</u>
Current assets			
Cash at bank and in hand		11,712	52,256
Creditors: Amounts falling due within one year	14	1,325	2,203
Net current assets		<u>10,387</u>	<u>50,053</u>
Total assets less current liabilities		<u>119,986</u>	<u>129,326</u>
Net assets		<u>119,986</u>	<u>129,326</u>
Funds of the charity			
Restricted funds		11,881	33,343
Unrestricted funds		108,105	95,983
Total charity funds	16	<u>119,986</u>	<u>129,326</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Mrs D Brady (Chair)
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Lord Kitchener Memorial Holiday Centre

Notes to the financial statements

Year ended 31 December 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 10 Kirkley Cliff, Lowestoft, Suffolk, NR33 0BY.

2. Statement of compliance

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 and UK Generally Accepted Accounting Practice.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

(b) Going concern

There are no material uncertainties about the charity's ability to continue.

(c) Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

(d) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(e) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Lord Kitchener Memorial Holiday Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

(f) Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

(g) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

(h) Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Lord Kitcheners Memorial Holiday Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

(i) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Furniture and fittings	-	25% reducing balance
Equipment	-	15% reducing balance
Lift	-	20% reducing balance

Freehold property is not depreciated because the Trustees consider that the estimated net realisable value is in excess of its current net book value.

(j) Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

(k) Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations (See below)	47,310	47,310	44,333	44,333
Payments for Sponsored Guests & Subscriptions	100,807	100,807	86,780	86,780
Sundry Receipts	—	—	3,968	3,968
Grants				
Government grant income	2,667	2,667	37,291	37,291
	<u>150,784</u>	<u>150,784</u>	<u>172,372</u>	<u>172,372</u>

Lord Kitcheners Memorial Holiday Centre

Notes to the financial statements (continued)

Year ended 31 December 2022

4. Donations and legacies (continued)

Donations of £47,310 (2021: £44,333) have been broken down into the following:

	2022 £	2021 £
Royal Air Force Benevolent Fund	7,000	—
Royal Navy	5,000	—
Royal British Legion	1,080	—
ABF The Soldiers	—	10,000
Swires Charitable Trust	—	20,000
Sundry - Other Donations	34,230	14,333
	<u>47,310</u>	<u>44,333</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Investment income	<u>78</u>	<u>78</u>	<u>78</u>	<u>78</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Provisions	47,576	47,576	38,847	38,847
Staff costs	84,625	84,625	74,056	74,056
Rates & water	3,581	3,581	3,378	3,378
Electricity, gas & fuel	16,427	16,427	9,765	9,765
Repairs & maintenance	7,503	7,503	39,226	39,226
	<u>159,712</u>	<u>159,712</u>	<u>165,272</u>	<u>165,272</u>

7. Net losses on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Unrealised gain/(loss) on Investments	<u>(490)</u>	<u>(490)</u>	<u>(174)</u>	<u>(174)</u>

8. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>2,364</u>	<u>3,045</u>

Lord Kitchener Memorial Holiday Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

9. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>1,125</u>	<u>1,025</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	<u>84,625</u>	<u>74,056</u>

The average head count of employees during the year was 8 (2021: 9). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Manager	1	1
Cook/Housekeeper	1	1
Cleaners	1	1
Assistant cook	1	1
Waitresses	4	5
	<u>8</u>	<u>9</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

12. Tangible fixed assets

	Land and buildings	Fixtures and fittings	Equipment	Lift	Total
	£	£	£	£	£
Cost					
At 1 January 2022	69,119	90,493	32,991	5,896	198,499
Additions	33,050	—	130	—	33,180
At 31 December 2022	<u>102,169</u>	<u>90,493</u>	<u>33,121</u>	<u>5,896</u>	<u>231,679</u>
Depreciation					
At 1 January 2022	2,986	83,205	29,554	5,862	121,607
Charge for the year	—	1,822	535	7	2,364
At 31 December 2022	<u>2,986</u>	<u>85,027</u>	<u>30,089</u>	<u>5,869</u>	<u>123,971</u>
Carrying amount					
At 31 December 2022	<u>99,183</u>	<u>5,466</u>	<u>3,032</u>	<u>27</u>	<u>107,708</u>
At 31 December 2021	<u>66,133</u>	<u>7,288</u>	<u>3,437</u>	<u>34</u>	<u>76,892</u>

Lord Kitchener Memorial Holiday Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

13. Investments

	Other investments £
Cost or valuation	
At 1 January 2022	2,381
Additions	—
Fair value movements	(490)
At 31 December 2022	<u>1,891</u>
Impairment	
At 1 January 2022 and 31 December 2022	<u>—</u>
Carrying amount	
At 31 December 2022	<u>1,891</u>
At 31 December 2021	<u>2,381</u>

All investments shown above are held at valuation.

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	—	978
Accruals and deferred income	200	200
Other creditors	1,125	1,025
	<u>1,325</u>	<u>2,203</u>

15. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022 £	2021 £
Recognised in income from donations and legacies:		
Government grants income	<u>2,667</u>	<u>37,291</u>

Lord Kitchener Memorial Holiday Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

16. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2022	Income	Expenditure	Gains and losses	At 31 Dec 2022
	£	£	£	£	£
Accumulated Fund	95,983	172,324	(159,712)	(490)	108,105

	At 1 Jan 2021	Income	Expenditure	Gains and losses	At 31 Dec 2021
	£	£	£	£	£
Accumulated Fund	88,979	172,450	(165,272)	(174)	95,983

Restricted funds

	At 1 Jan 2022	Income	Expenditure	Gains and losses	At 31 Dec 2022
	£	£	£	£	£
Extraordinary Repairs Reserve	21,462	–	(21,462)	–	–
Maintenance of Home Reserve	11,881	–	–	–	11,881
	<u>33,343</u>	<u>–</u>	<u>(21,462)</u>	<u>–</u>	<u>11,881</u>

	At 1 Jan 2021	Income	Expenditure	Gains and losses	At 31 Dec 2021
	£	£	£	£	£
Extraordinary Repairs Reserve	21,462	–	–	–	21,462
Maintenance of Home Reserve	11,881	–	–	–	11,881
	<u>33,343</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>33,343</u>

Lord Kitchener Memorial Holiday Centre

Notes to the financial statements *(continued)*

Year ended 31 December 2022

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	107,708	—	107,708
Investments	1,891	—	1,891
Current assets	(169)	11,881	11,712
Creditors less than 1 year	(1,325)	—	(1,325)
Net assets	108,105	11,881	119,986

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	76,892	—	76,892
Investments	2,381	—	2,381
Current assets	18,913	33,343	52,256
Creditors less than 1 year	(2,203)	—	(2,203)
Net assets	95,983	33,343	129,326