

THE FIVE PARKS BOURNEMOUTH i.e. KING'S, QUEEN'S, MEYRICK
AND REDHILL PARKS AND SEAFIELD GARDENS
STATEMENT OF ACCOUNTS



THE FIVE PARKS BOURNEMOUTH i.e. KING'S, QUEEN'S, MEYRICK
AND REDHILL PARKS AND SEAFIELD GARDENS

STATEMENT OF ACCOUNTS

YEAR ENDED 31 MARCH 2022

Charity number 299740

	<u>Page</u>
Report of the Trustee	1 to 5
Independent Auditor's Report	6 to 8
Statement of Financial Activities (incorporating Income and Expenditure Account)	9
Balance sheet	10
Notes on the Accounts	11 to 15

The trustee is pleased to present its report together with the financial statements of the Charity for the year ending 31st March 2022.

Reference and administrative details

Registered name: The Five Parks Bournemouth i.e. King's, Queen's, Meyrick and Redhill Parks and Seafield Gardens

Charity number: 299740

Principal Office: Town Hall, Bourne Avenue, Bournemouth, BH2 6DY

Trustee: Bournemouth Christchurch & Poole Council (BCP) (Cabinet members see <https://democracy.bcpCouncil.gov.uk/mgCommitteeDetails.aspx?ID=285>)

Chief Executive Officer: Andy McDonald

Auditors: Hixsons, 24 Cecil Avenue, Bournemouth, BH8 9EJ

Structure, Governance and Management

The accounts recognise the important position the Charity plays in the parks and gardens of the town and formalises the treatment of the Charity as a separate entity with its own transactions distinct from those of BCP Council.

Governing Document

The Charity was created under a number of Conveyances and Deeds of Exchange dated 1883 to 1906. These were between BCP Council's predecessor bodies known as the Bournemouth Commissioners and then the County Borough of Bournemouth. Further information is provided in the notes to the accounts - Tangible fixed assets note 5.

The legislation affecting the Five Parks and hence the Charity, was varied by s.25 to s.29 Bournemouth Borough Council Act 1985. Previously they were subject to the Bournemouth Park Lands Act 1889 and the Bournemouth Corporation Act 1900.

Under the Bournemouth Borough Council Act 1985 s.28 makes provision for the Council to manage and control the parks. This includes the provision of facilities (whether indoor or outdoor) for sports and recreations for the benefit of the public at large.

Governance

BCP Council manages the Charity in its role as trustee to the Charity.

Members of BCP Council are elected in democratic elections to their role as trustees. There are no formal policies or procedures adopted for the induction and training of trustees.

Recommendations from the Council Cabinet on Charity issues are referred to full meetings of the Council acting as trustee for the appropriate strategic decisions.

Operational decisions on day to day management of the Charity are the responsibility of the Environment Service Director and Service Managers.

A clear distinction is drawn between the Council acting in its role as local authority and in its role of trustee of the Five Parks Charity.

The trustee has considered the risks that the Charity is exposed to but does not deem there to be any significant risk arising from its activities.

The Charity's main relationship is with BCP Council who delivers all maintenance and management services to the Charity.

The Charity is managed on the same basis as the Council's own recreation and open space service and is subject to the same codes and protocols specified in Bournemouth Act 1995.

Objectives and Activities

The principal aim of the Charity is to ensure the maintenance of the parks and recreation grounds, including public conveniences on charity land, in accordance with agreed specifications so that the residents of Bournemouth can continue to use them for leisure pursuits and to enjoy the benefits of open spaces.

The Charity strategies are defined by BCP Council open space strategy and as such it fulfils the Charity's objective as stated above.

In the case of all five of these parks the area of land that belongs exclusively to the Five Parks Charity is not the only area of open space in that location. In each case there are further adjoining parcels of land that belong to the Council. These parcels abut the Charity's land and can appear as part of one continuous park space to the user.

Where in so doing, the Charity's interests are in no way compromised, the total open space is managed and maintained in a manner to provide the best outcome for the land and the town's residents and visitors. Further details of the total area of each park area and the elements deemed to relate to the Charity's land are shown in note 1.

King's Park

The park offers cricket and football both with associated changing rooms and public toilets, an athletics track and pavilion, an outdoor and indoor bowls rink, a skate park, two playgrounds, two cafés, a plant nursery and an events area. Parkrun UK organises free weekly timed runs on the five kilometre running trail.

Meyrick Park

The park offers an 18 hole golf course, two outdoor bowls rinks, tennis, two rugby pitches with training facilities and associated pavilion home to Oakmedians rugby club. There are woodland walks, other general amenity spaces and Town Centre events space.

Queen's Park

The park offers an 18 hole golf course, a rifle range, a children's playground, a cafe, trim trails and walks, a cycle path, woodland walks and other general amenity space plus a wildlife pond.

Redhill Park & Common

The park offers a children's playground and paddling pool, a cafe and associated public toilets, an events area, woodland walks and other general amenity space and the Redhill Common Local Nature Reserve.

Seafield Gardens

The park offers an outdoor bowling green and pavilion, general amenity space and a wildlife area.

Achievements and Performance

All charitable lands continue to be maintained directly by BCP Council through the grounds maintenance section of Parks Services.

The Five Parks facilities are used throughout the year by numerous local organisations and clubs, providing a valuable focal point and resource for the local populations. Council staff are providing maintenance services that include grass and hedge cutting, shrub and rose beds, tree stock, paddling pools and associated structures such as fences, walls and paths. Any shortfall of income is funded by BCP Council.

The Charity is realising BCP Council parks and open spaces strategies through its main objective. The performance of the Charity is highly dependent on the strategies imposed by the Council. These in turn reflects the needs and preferences of Bournemouth residents.

The main source of the Charity's income is from Meyrick Park and Queen's Park golf courses. Although Meyrick income is contractual there is still a risk of its reduction if the contractor negotiates a lower charge with the Council. With respect to the Queen's Park golf course income it is highly dependent on the economic climate and as noted in recent years declines sharply during economic downturn.

Parks continue to be very popular areas of open space for residents and visitors alike.

Queen's Park golf course, Redhill Park and Seafield Gardens retained their Green Flag awards. To be eligible for a Green Flag Award®, sites must be freely accessible to the public and perform well against the following eight criteria:

- A welcoming place
- Healthy, safe and secure
- Clean and well maintained
- Sustainability
- Conservation and heritage
- Community involvement
- Marketing

The Charity performance can be measured through the number of visitors to the Parks. This in turn depends on several factors. The main one would be changes in the wider economy that affects the number of tourists to the Town and their disposable income level. Another important factor that affects the number of visitors to the Parks is the Council's strategy which determine what events are held during the year on the Charity's land. The Council also determines the Parks budget which in turn influences the quality and level of maintenance.

The Green Flag status of Queen's Park golf course, Redhill Park and Seafield Gardens was retained.

Financial Review

Financial position and reserves policy

Historically the Council, in its role as local authority and corporate trustee, has provided donated services each year sufficient for the Charity to achieve breakeven and meet any liabilities as they fall due. This is currently the policy that is expected to continue and so the accounts have been prepared on a going concern basis. The trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern.

The Charity's assets are its share of the freehold land, buildings and sports / play equipment. These primarily consist of the golf pavilions and clubhouses, a lodge, the athletic stadium, bowls and tennis pavilions and other ancillary buildings. Furthermore there are the playgrounds, play areas and a skate park.

Other than the donation from the Council the main sources of funding this year are the Meyrick Park Golf (£141k), the Queen's Park Golf (£334k) and pitch hire and rental across the parks (£146k). The net revenue expenditure supported the objective of the Charity by the maintenance of charitable open spaces, the provision of sports facilities and the management of Five Parks.

The restricted income fund of £15,567,599 is held on trust to be retained for the benefit of the Charity as a capital fund. The trustee must permanently maintain the whole of the fund. The fund consists of assets that are used for the purposes of the Charity and changes in the value of the assets. There are restrictions over the use and disposal of the assets, and as such these are classed as restricted funds. The net revenue expenditure supports the objective of the Charity. Details are contained in Note 9.

The Charity holds an unrestricted income fund of (£48,941) which is the value of the donated stock, cash held on behalf of the trust and creditors.

Plans for Future Periods

Provision of high quality accessible green space to residents and visitors alike and contribution towards Bournemouth's vision as a vibrant, safe, green, fun and inclusive resort town.

Public Benefit

The trustee has taken the Charity Commission's guidance on public benefit into consideration. The gardens are provided for the enjoyment of the public without charge and there continues to be investment in and improvements to the Parks' infrastructure.

Responsibilities of the trustee

The Law requires trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of its net movement in funds for that period.

The Charity trustee is responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom generally accepted accounting practice).

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

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

The trustee is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that the financial statements comply with the requirements of the Charities Act 2011. It is 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.

Disclosure of Information to Auditor

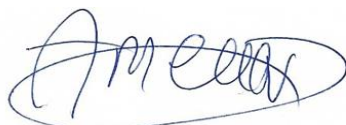
Each of the persons who are trustees at the time when this Trustee Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware, and
- the trustee has taken all the steps that ought to have been taken as a trustee in order to make them aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

By Order of the trustee

Signed

Name Cllr D Mellor



, on behalf of trustee

Independent auditor's report to the trustee of The Five Parks Bournemouth i.e. Kings, Queens, Meyrick and Redhill Parks and Seafield Gardens

Opinion

We have audited the financial statements of The Five Parks Bournemouth i.e. King's Queen's, Meyrick and Redhill Parks and Seafield Gardens (the 'charity') for the year ended 31 March 2022 which comprise the Annual Report and Statement of Accounts^{and} notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Charities Act 2011.

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 are 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustee's annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the annual report. 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 information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- the charity has not kept adequate accounting records; 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.

Independent auditor's report to the trustee of The Five Parks Bournemouth i.e. Kings, Queens, Meyrick and Redhill Parks and Seafield Gardens (continued)

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 5 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 trustee 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 the 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 regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

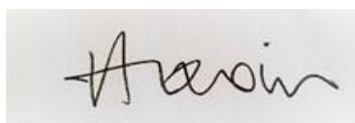
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

Independent auditor's report to the trustee of The Five Parks Bournemouth
i.e. Kings, Queens, Meyrick and Redhill Parks and Seafield Gardens (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustee, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 other than the charity and the charity's trustee, for our audit work, for this report, or for the opinions we have formed.



Hixsons (Statutory Auditor)

24 Cecil Avenue

Bournemouth BH8 (EJ)

30 January 2023

Hixsons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FIVE PARKS BOURNEMOUTH i.e. KING'S, QUEEN'S, MEYRICK
AND REDHILL PARKS AND SEAFIELD GARDENS
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2022

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Year to 31st March 2022			Year to 31st March 2021		
	Note	£	£	£	£	£	£
Income & endowments from:							
Donations and legacies:							
Donated services received	11.	255,278	0	255,278	292,207	0	292,207
Donated assets received	5.	0	324,642	324,642	0	0	0
Other trading activities:							
Commercial trading operations	2.	7,595	0	7,595	4,290	0	4,290
		<u>262,873</u>	<u>324,642</u>	<u>587,515</u>	<u>296,497</u>	<u>0</u>	<u>296,497</u>
<i>Charitable activities</i>							
Golf course related	3.	475,069	0	475,069	372,364	0	372,364
Pitch hire and rental income		66,903	0	66,903	140,417	0	140,417
Miscellaneous fees and charges		0	0	0	0	0	0
		<u>541,971</u>	<u>0</u>	<u>541,971</u>	<u>512,781</u>	<u>0</u>	<u>512,781</u>
Total income and endowments		<u>804,844</u>	<u>324,642</u>	<u>1,129,487</u>	<u>809,278</u>	<u>0</u>	<u>809,278</u>
Expenditure on:							
<i>Charitable activities</i>							
Queen's Park golfing, golf shop, catering and bar	4.	200,714	0	200,714	195,612	0	195,612
Other Staffing (non-Queen's Park)		217,064	0	217,064	243,526	0	243,526
General Premises and Maintenance		107,511	0	107,511	112,410	0	112,410
Other Costs		267,984	0	267,984	257,730	0	257,730
		<u>793,273</u>	<u>0</u>	<u>793,273</u>	<u>809,278</u>	<u>0</u>	<u>809,278</u>
Depreciation	5.	0	249,638	249,638	0	251,488	251,488
Total expenditure		<u>793,273</u>	<u>249,638</u>	<u>1,042,911</u>	<u>809,278</u>	<u>251,488</u>	<u>1,060,766</u>
Net movement in funds		<u>11,571</u>	<u>75,004</u>	<u>86,575</u>	<u>0</u>	<u>(251,488)</u>	<u>(251,488)</u>
Total funds brought forward		<u>(60,512)</u>	<u>11,755,991</u>	<u>11,695,479</u>	<u>(23,326)</u>	<u>11,100,000</u>	<u>11,076,674</u>
Gains / (losses) on Revaluation - restricted income fund	9.	0	3,736,604	3,736,604	0	907,479	907,479
Depreciation - restricted income fund	9.	0	0	0	0	(251,488)	(251,488)
Movement in Current assets	8.	0	0	0	(37,186)	0	(37,186)
Total funds carried forward		<u>(48,941)</u>	<u>15,567,599</u>	<u>15,518,658</u>	<u>(60,512)</u>	<u>11,755,991</u>	<u>11,695,479</u>

All of the activities are derived from the continuing operations of the charity.

**THE FIVE PARKS BOURNEMOUTH i.e. KING'S, QUEEN'S, MEYRICK
AND REDHILL PARKS AND SEAFIELD GARDENS
BALANCE SHEET
YEAR ENDED 31 MARCH 2022**

		<u>As at 31st March</u> <u>2022</u>	<u>As at 31st March</u> <u>2021</u>
		£	£
	<u>Note</u>		
Tangible Assets	5.	15,567,599	11,755,991
Stock	6.	3,471	3,078
Cash held on behalf of the Trust		5,000	-
Creditors	7.	(57,412)	(63,590)
Total net assets		<u>15,518,658</u>	<u>11,695,479</u>
Funds of the charity			
Unrestricted income fund	8.	(48,941)	(60,512)
Restricted income fund	9.	15,567,599	11,755,991
Total charity funds		<u>15,518,658</u>	<u>11,695,479</u>

The notes on pages 11 to 15 form part of these accounts.

Signed



Name Cllr D Mellor

, on behalf of the trustee

Date 30 January 2023

1. Statement of Accounting Policies

a. Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. 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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102). Section 1A of FRS 102 has been applied and no Statement of Cashflows has been prepared.

The Five Parks Bournemouth's corporate trustee includes the Charity in its consolidated financial statements. The consolidated financial statements are prepared under the International Financial Reporting Standards and are available to the public at <https://www.bpcouncil.gov.uk/About-the-council/Budgets-and-finance/Annual-accounts.aspx>. In these financial statements the Five Parks Bournemouth is considered to be a qualifying entity (for the purpose of this FRS) and has applied exemptions available under FRS 102 in respect of the requirement to present a cashflow statement. Having given regard to Public Benefit Entity guidance the corporate trustee considers The Five Parks Bournemouth to be a Public Benefit Entity.

Going Concern

Historically the Council, in its role as local authority and corporate trustee, has provided donated services each year sufficient for the Charity to achieve break-even and meet any liabilities as they fall due. This is currently the policy that is expected to continue and so the accounts have been prepared on a going concern basis. The Council has confirmed in writing that it will fund any losses incurred for the foreseeable future.

BCP Council and Parks' land areas

As of 1st April 2019 the Council became part of a new authority Bournemouth, Christchurch and Poole Council (BCP) and the policy of donation has passed to the new authority.

This is enshrined in the following two UK Statutory Instruments:

- 2018 No. 648 The Bournemouth, Dorset and Poole (Structural Changes) Order 2018
- 2008 No. 2176 The Local Government (Structural Changes)(Transfer of Functions, Property, Rights and Liabilities) Regulations 2008.

Each of the borough parks within the Charity also occupy adjacent areas of land that belongs to the BCP Council. The proportion of Council lands varies for each park. The Council manages each of these borough parks on an integrated basis. Each individual park has to be managed and maintained regardless to the boundary of Charity and Council land. Furthermore, for organisational efficiency, the Council has to organise its maintenance activities across nearly 800 hectares of parks, woodland and open spaces.

Information is provided below to aid users understanding of the Charity's share of the greater parks' land areas.

	<u>Five Parks land</u> (hectare)	<u>Council land (hectare)</u>	<u>Total (hectare)</u>	<u>Charity</u> hectare %
King's Park	25.6	19.2	44.8	57%
Meyrick Park	46.0	16.1	62.1	74%
Queen's park	47.3	13.7	61.0	78%
Redhill Park & Common	15.9	3.2	19.1	83%
Seafeld Gardens	1.0	1.5	2.5	40%

This means that some maintenance and management expenditure is accounted for on a wider basis than these five charitable parks. This necessitates the use of apportionments for certain expenditure calculations. Due to its nature, income is accounted separately for each park area.

b. Income recognition

Income from donations and legacies in the form of Donated Services received is recognised in the year that the matching unfunded element of expenditure is incurred. The policy of BCP Council has been to subsidise the Charity to the extent each year of its income shortfall.

Income from commercial trading activities and charitable activities is recognised at point of sale. The allocation of the income is based on the area occupied by the Charity as a proportion of total area occupied by the income generating activity.

c. Expenditure recognition

Costs of raising funds - as generated funds are such a minor part of the Charity's income, no specific costs are attributed to the activities. An estimate of the value of this service is reflected in the Statement of Financial Activities on an accrual basis.

Charitable activities - includes the direct costs of maintaining the parks, the Queen's Park golf infrastructure, the cost of the Council staff and the machinery utilised in the landscaping, gardening and horticulture. Most of the costs are allocated based on proportion of area covered by the Charity in comparison to the total area covered by the Parks Services. Where the actual costs are easily identifiable the total cost has been used.

Staff are issued contracts of employment by BCP Council and the costs are included within the Donated Services Received value disclosed in the accounts. No staff are directly employed by the Charity.

Other supplies and services are detailed in Note 4.

Governance costs - these comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include those related to preparing statutory accounts, the statutory audit legal fees and costs of Committee meetings.

d. Tangible fixed assets

The asset valuations policy treats that amounts of less than £1,000 are charged to revenue in the year of expenditure.

Assets are depreciated on a straight line basis over their estimated useful lives as follows:

Freehold buildings - golf clubhouse and pavilions, bowls pavilions, lodge, athletic stadium, tennis pavilions and other ancillary buildings	50 years
Freehold buildings - minor buildings, certain improvements to main buildings	10-25 years
Plant and Equipment	4 years

Plant and equipment is not revalued and carrying value is considered to be a reasonable proxy for fair value.

No depreciation is charged in the year of acquisition.

For assets that are revalued the carrying amount recognised is the sum of the prior year asset valuation brought forward plus prior year additions, less prior year disposals and decommissions and any prior cost revaluation adjustments

In 2022 the valuations were undertaken by the external company Norse Group whose employees are accredited by the Royal Institute of Chartered Surveyors (RICS) so are considered to be independent of the Charity. Assets are assessed as to whether there is any indication that they may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and any shortfall is recognised as an impairment loss.

Impairment losses are accounted for in the following ways:

- where there is a balance of revaluation gains for the asset in the restricted reserve fund the carrying amount of the asset is written down against that balance, up to the amount of the accumulated gains;
- where there is no balance in the restricted reserve fund or an insufficient balance the carrying amount of the asset is written down against the expenditure in the Statement of Financial Activities

Where an impairment loss is subsequently reversed the reversal is credited to the SoFA up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

e. Cash at bank and in hand

Cash at bank is equal and opposite to the sum of the creditors. The Trust does not have its own bank account - all payments are are paid from the BCP Council's main bank account.

f. Funds structure

The Charity has both an unrestricted income fund and a restricted reserve fund. The unrestricted income fund comprises funds which the trustee is free to use for any purpose in furtherance of the charitable objects. The restricted reserve fund comprises the fixed asset costs, revaluations and depreciation and cannot be freely used.

g. Leases

Where the Charity grants an operating lease over an item of property, plant or equipment the asset is retained in the Balance Sheet. Rental income is credited to Commercial Operations line under Activities for Generating Funds in the Statement of Financial Activities.

h. Revaluation gains or losses

Any revaluation gains or losses are adjusted through the Statement of Financial Activities.

2. Analysis of income and endowments from

	£	£
	2021-22	2020-21
<u>Commercial trading operations</u>		
Commission and fees for events	7,595	4,290

3. Charitable activities

	£	£
	2021-22	2020-21
<u>Golf course related</u>		
Queen's Park golfing	321,689	221,942
Queen's Park golf shop	12,712	9,754
	334,401	231,696
Meyrick Park rental of golf course	140,668	140,668
	475,069	372,364

The Queen's Park golf course is operated by the Charity. The vast majority of the golf course land belongs to the Charity. Therefore, in order to improve the value to a user of these financial statements, the full income and costs related to the operation are included herein.

All the Queen's Park income is recognised as a charitable activity. This is due to the integral nature of catering and retail activities to the running of the golfing experience. It is the approach adopted by the leading UK charities in the sector.

Meyrick Park golf course and its buildings were let out in 1995 on a 99 year lease to a commercial operator. The golf course is built across both the Charity's and a substantial element of the Council's land. Therefore, the rental income has been apportioned based on the golf course area, 74% of which is based on Charity land, with only that element accounted for herein.

4. Analysis of expenditure on

£ £

	<u>2021-22</u>	<u>2020-21</u>
<u>Queen's Park golfing, golf shop, catering and bar</u>		
Golf shop, bar and catering purchases	17,863	16,486
Golf, retail and catering staffing	173,749	160,280
Premises & Other costs	9,102	18,846
	<u>200,714</u>	<u>195,612</u>

Other Staffing (non-Queen's Park)

	<u>2021-22</u>	<u>2020-21</u>
Grounds Maintenance	178,684	206,973
Management Staff	38,380	36,553
	<u>217,064</u>	<u>243,526</u>

Staff costs has been calculated based on the tasks they were carrying out rather than the section they were working for.

The average number of staff employed during the year, on a full time equivalent basis, was 6.9 (2021-21 10.3)
No employees earned more than £60,000 for their Five Parks related duties. There were no transactions involving trustee or related parties and there were no ex-gratia payments. External auditor payments were £5,000 net of VAT.

All staff are employed by BCP Council and not the Charity.

	<u>2021-22</u>	<u>2020-21</u>
<u>General Premises and Maintenance</u>	<u>107,511</u>	<u>112,410</u>
<u>Other supplies and services</u>		
Transport and Machinery	68,511	70,810
Supplies, Services & Third Party Payments	80,723	65,569
Security costs	75,647	74,269
Operating costs	38,103	37,082
	<u>262,984</u>	<u>247,730</u>

	<u>2021-22</u>	<u>2020-21</u>
Governance costs	<u>5,000</u>	<u>10,000</u>

Governance costs incurred are met by BCP Council. These are audit fees.

5. Tangible fixed assets

	Freehold Land & Buildings	Total
	£	£
2020-21		
Asset valuation or historical cost brought forward	11,100,000	11,100,000
Depreciation brought forward	0	0
Net book value brought forward	11,100,000	11,100,000
Additions	0	0
Disposals and decommissions	0	0
Cost Revaluation adjustment	655,991	655,991
Transfer between classes	0	0
Depreciation charge for year	(251,488)	(251,488)
Depreciation on disposals	0	0
Depreciation revaluation adjustments	251,488	251,488
Net book value carried forward	11,755,991	11,755,991
2021-22		
Asset valuation or historical cost brought forward	11,755,991	11,755,991
Depreciation brought forward	0	0
Net book value brought forward	11,755,991	11,755,991
Additions	324,642	324,642
Disposals and decommissions	0	0
Cost Revaluation adjustment	3,486,966	3,486,966
Transfer between classes	0	0
Depreciation charge for year	(249,638)	(249,638)
Depreciation on disposals	0	0
Depreciation revaluation adjustments	249,638	249,638
Net book value carried forward	15,567,599	15,567,599

The effect of the various governing documents is to transfer substantially all the risks and rewards of ownership to the Charity and the Council. Therefore the accounting treatment herein has been adopted with the assets capitalised in the Charity's balance sheet. The related revenue activities of the Charity are recognised in the Statement of Financial Activities.

The assets of the Charity are treated as comprising the freehold interest (based on the Council as trustee's right to manage) in the land, buildings and recreational equipment within the parks. The land gifted to the Charity as an endowment has no intrinsic value. The remaining assets are all restricted in their use in the furtherance of the Charity's objectives. Further details are contained in the trustee's report.

Valuation

The Charity accounts for its unencumbered share of the assets using the same approach to valuation as adopted by the Council's Property Services department when preparing valuations for the Council. The trustee consider this to be a fair, cost effective and pragmatic basis.

In 2022 the valuations were undertaken by the external company Norse Group whose employees are accredited by the Royal Institute of Chartered Surveyors (RICS) so are considered to be independent of the Charity. Assets are assessed as to whether there is any indication that they may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and any shortfall is recognised as an impairment loss.

Assets included in the Balance Sheet at fair value are re-valued annually to ensure that their carrying amount is not materially different from their fair value at the year-end. The year-end revaluation means that the year's depreciation is added back to fixed assets.

There were no capital commitments at the year end.

	£	£
	2021-22	2020-21
Opening Stock	3,078	3,523
Movement During the year	393	(445)
Closing Stock	3,471	3,078

<u>7. Creditors</u>	£	£
	<u>2021-22</u>	<u>2020-21</u>
Opening Balance	63,590	26,849
Movement during the year	(6,178)	36,741
Receipts in Advance	<u>57,412</u>	<u>63,590</u>

<u>8. Unrestricted income fund</u>	£	£
	<u>2021-22</u>	<u>2020-21</u>
Opening Balance	(60,512)	(23,326)
Cash held on behalf of Trust	5,000	-
Stock movement during the year	393	(445)
Creditor movement during the year	6,178	(36,741)
Balance carried forward	<u>(48,941)</u>	<u>(60,512)</u>

These balances relate to stock (2021/22) & assets donated by BCP Council, stock & creditors (2020/21)

<u>9. Restricted income fund</u>	£	£
	<u>2021-22</u>	<u>2020-21</u>
Balance brought forward	11,755,991	11,100,000
Depreciation charge for year	(249,638)	(251,488)
Gain on revaluation of fixed assets	3,736,604	907,479
Additions	324,642	0
Balance carried forward	<u>15,567,599</u>	<u>11,755,991</u>

This fund is restricted because these assets assist in the principal aim of the Charity which is to ensure the maintenance of the parks and recreation grounds, including public conveniences on Charity land, in accordance with agreed specifications so that the residents of Bournemouth can continue to use them for leisure pursuits and to enjoy the benefits of open spaces. Restrictions exist over the disposal of the land and property and plant.

The full value of the total revalued amount and the cost of any fixed asset additions since the last valuation is credited to the restricted reserve fund.

The full carrying amount of the assets is reflected in the restricted reserve fund and the full movement in revaluation and full depreciation charge are reflected in the Statement of Financial Activities.

10. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	0	15,567,599	15,567,599
Current Assets	8,471	0	8,471
Creditors due within one year	(57,412)	0	(57,412)
	<u>(48,941)</u>	<u>15,567,599</u>	<u>15,518,658</u>

Analysis of net assets between funds - prior year

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	0	11,755,991	11,755,991
Current Assets	3,078	0	3,078
Creditors due within one year	(63,590)	0	(63,590)
	<u>(60,512)</u>	<u>11,755,991</u>	<u>11,695,479</u>

11. Related party transactions

The Five Parks Bournemouth's corporate trustee includes the Charity in its consolidated financial statements. The consolidated financial statements are prepared under International Financial Reporting Standards and are available to the public at

<https://www.bcpccouncil.gov.uk/About-the-council/Budgets-and-finance/Documents/annual-accounts/draft-statement-of-accounts-2021-to-2022.pdf>

In these financial statements The Five Parks Bournemouth is considered to be a qualifying entity (for the purpose of this FRS) and has applied the exemptions available under FRS 102 in respect of the requirement to present a cashflow statement. Having given regard to Public Benefit Entity guidance the corporate trustee considers The Five Parks Bournemouth to be a Public Benefit Entity.

The Charity has a close working relationship with BCP Council (the ultimate controlling party) acting in its role as local authority.

The Charity trustees were not paid or reimbursed expenses during the year and no Charity trustee received any emolument or payment for professional or other service.

As disclosed in the analysis of resources expended, the Council provides staff who maintain the gardens. The Council has historically subsidised the annual deficits of the Charity.

	£	£
	<u>2021-22</u>	<u>2020-21</u>
<u>Donated services received</u>		
BCP Council in its role as local authority	<u>255,278</u>	<u>292,207</u>
<u>Donated assets received</u>		
BCP Council in its role as local authority	<u>324,642</u>	<u>0</u>