

Registrar

REGISTERED COMPANY NUMBER: 00071778 (England and Wales)

REGISTERED CHARITY NUMBER: 209084

**REPORT OF THE EXECUTIVE AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
FOR
THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL**

Paget Reid York
96 Castle Lane West
Bournemouth
Dorset
BH9 3JU

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THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

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FOR THE YEAR ENDED 31 MARCH 2020**

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THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

REPORT OF THE EXECUTIVE FOR THE YEAR ENDED 31 MARCH 2020

The Executive, whose members are trustees for the purposes of the Charities Act 2011 and directors for the purposes of the Companies Act 2006, presents its report, incorporating the directors' report, with the financial statements of the charitable company for the year ended 31 March 2020.

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, the Companies Act 2006 and with the Charities SORP (FRS 102) '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 January 2019) and the Financial Reporting Standard 102 'Financial Reporting Standard applicable in the UK and Republic of Ireland' and its Section 1A.

OBJECTIVES AND ACTIVITIES

Public Benefit & grant making policy.

The company is a charity, and exists to promote spiritual life, and moral and physical improvement in the district, and to provide residential accommodation where persons in need thereof may receive guidance and care.

The Executive have had regard to the Charity Commissions guidance on public benefit. The Executive confirm that the charitable company meets the criteria for public benefit in providing residential accommodation, care and guidance for needy persons. However, the charitable company is small and maximises its human resources by providing funds to further its objectives by facilitating work of many other organisations in need within the Bournemouth/Poole area in line with its Christian ethos. Consideration continues to be given by the council to the identifying of charitable causes meriting support. The charity makes grants on strict adherence to its Memorandum and Articles of Association, these governing documents in turn set tight restrictions on the use of free reserves. The Memorandum and Articles of Association were updated on 15th February 2017.

ACHIEVEMENT AND PERFORMANCE

There were net incoming resources relating to the provision of residential accommodation, excluding governance costs, of £52,138 (2019: £77,805), (note 7). Charitable grants made during the year totalled £42,000 (2019: £49,577), (note 6). Overall there was a surplus of £4,924 (2019: £21,938) which included £23,952 further direct Estate spending on the badger incursion which also resulted in increased gardening expenditure . Total reserves now stand at £1,443,534 (2019: £1,438,610) of which £1327 (2018: £1,320) is restricted and £883,897 (2019: £864,991) relates to the book value of fixed assets. Free reserves, those funds not tied up in fixed assets or restricted funds now stand at £558,310 (2019: £572,299) (note 14).

Advice and Information

Vacancies continued to occur during the year in the residential accommodation available for letting and these vacancies were filled as soon as possible under the circumstances. Care was given to the maintenance and safety of the buildings.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

REPORT OF THE EXECUTIVE FOR THE YEAR ENDED 31 MARCH 2020

FINANCIAL REVIEW

Reserves & investment policies

The expense of maintaining the three properties presently owned is considerable. Some is regular or recurring and some one off or emergency. During the 2019/20 year, expense on the latter has included further costs relating to the badger incursion, refurbishment of some kitchens and bathrooms and new communal fire doors and electrical cabinets at 11 St Albans, together with replacement of flat boilers and cylinders at Wesley. After the year end a further £11,400 was spent on drainage improvement and repairs due to flooding. There is a continuing need for substantial sums to be reserved for other repair purposes in the future.

Other than the freehold properties, the assets of the charitable company are regarded as fugitive monies. They are held a) for maintenance purposes, as mentioned above and b) for distribution to charitable projects. An appropriate policy is to retain funds on a short term risk free basis, with sufficient income to counter inflation. To that end, short term deposits and notice accounts are held with Lloyds, United Trust and Shawbrook Banks and Nationwide and Dudley Building Societies.

On 1 April 2020 rents were increased by 5.7% over those set in April 2018 (using an independent rent valuation commissioned in the year ended 31 March 2012 as a reference point). The next rent review will be implemented with effect from 1st April 2022.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

REPORT OF THE EXECUTIVE FOR THE YEAR ENDED 31 MARCH 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 1 October 1901, and registered as a charity on 4 October 1951.

The charitable company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association. Under those Articles, the members of the Executive are elected at the Annual General Meeting, and are subject to ratification at each annual general meeting.

On the advice of the charitable company's solicitors revised Articles of Association were adopted at an extraordinary meeting called for that purpose on 15th February 2017. These have been submitted to the Charity Commission and Companies House.

Members of the Executive

Members of the Executive, (who are also directors for the purpose of company law and trustees for the purpose of charity law), who served during the year and up to the date of the approval of this report are set out on page 3.

Membership of the Council

Members of the Council are those persons so entitled in accordance with the membership provisions of the charitable company's Articles of Association.

Organisation

The Executive is the charitable company's board of directors and trustees and the sub-committee is its delegate. The Executive and sub-committee meet several times annually to discuss major issues of the charity.

Tenant contributions

Some tenants contribute to the administration of the residential accommodation and care; their service is recognised by way of a discounted rent, see note 19.

Risk management

The major risk associated with the Incorporated Bournemouth Free Church Council relates to the freehold properties. Our insurers advise us on the level of cover. That cover relates not only to the buildings themselves but also to landlords' liabilities to the tenants in the event of destruction of the properties. Any other risks arising from time to time are considered and dealt with through the meetings of the sub-committee of the Executive.

Training and induction of the Executive

The Executive has considered the need for ensuring new members are fully aware of their responsibilities, both personal and collective, in the governance of the affairs of the council. Every new member shall be supplied with a personal copy of the constitution (Memorandum and Articles of Association of the charitable company), together with printed information about the duties of a charitable trustee (e.g. the Charity Commission's booklet "Responsibilities of Charity Trustees").

Furthermore, members of the sub committee shall ensure that, on a one to one basis, every new member shall be advised by the General Secretary, or in his or her absence an existing member, of the nature and scope of the affairs of the Council, and of the part the new member will be expected to play in those affairs.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**REPORT OF THE EXECUTIVE
FOR THE YEAR ENDED 31 MARCH 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00071778 (England and Wales)

Registered Charity number

209084

Registered office

3 Stourcliffe Avenue
Southbourne
Bournemouth
Dorset
BH6 3PT

Trustees

D Alton	President (appointed 12.07.19)
T Fernand	General Secretary
A Goodwin	Treasurer
J Butler	Finance Officer
A Burns	
P Ackerman	
L Pain	
D Cutler	
M Forster	
P Hoyle	
L C M Fernand	(appointed 15.11.19)

The members of the Executive of the charitable company are its directors for the purposes of company law and its trustees for the purposes of charity law. The members who have served during the year and since the year end are shown.

Senior Statutory Auditor

James Robert Paget

Auditors

Paget Reid York
96 Castle Lane West
Bournemouth
Dorset
BH9 3JU

Solicitors

Lester Aldridge
Russell House
Oxford Road
Bournemouth
BH8 8EX

Bankers

Lloyds Bank PLC
P.O.Box 1000
Andover
BX1 1LT

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

REPORT OF THE EXECUTIVE FOR THE YEAR ENDED 31 MARCH 2020

STATEMENT OF EXECUTIVE'S RESPONSIBILITIES

The members of the Executive (who are also the directors of The Incorporated Bournemouth Free Church Council for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Report of the Executive and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Executive to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Executive is required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Executive is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Executive is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the members of the Executive have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Paget Reid York, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Executive on19/03/2021 and signed on its behalf by:



.....
T Fernand – General Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

Opinion

We have audited the financial statements of The Incorporated Bournemouth Free Church Council (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Executive's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Executive has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Executive is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Executive for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Executive has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Executive.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members of the Executives' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Executive was not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Executive.

Responsibilities of Executive

As explained more fully in the Statement of Executive's Responsibilities, the members of the Executive (who are also the directors of the charitable company for the purposes of company law and trustees for the purposes of charity law) are 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 Executive 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 Executive is responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Robert Paget (Senior Statutory Auditor)
for and on behalf of C.V. Paget & Co Ltd - trading as Paget Reid York
Chartered Certified Accountants
Statutory Auditor
96 Castle Lane West
Bournemouth
Dorset
BH9 3JU

Date: 23rd March 2021

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Unrestricted funds £	Restricted fund £	31.3.20 Total funds £	31.3.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	70	7	77	1,278
Charitable activities	5				
Provision of residential accommodation		164,494	-	164,494	165,972
Investment income	4	<u>6,100</u>	<u>-</u>	<u>6,100</u>	<u>5,295</u>
Total		170,664	7	170,671	172,545
EXPENDITURE ON					
Charitable activities	6				
Provision of residential accommodation		123,747	-	123,747	101,030
Charitable grants		<u>42,000</u>	<u>-</u>	<u>42,000</u>	<u>49,577</u>
Total		<u>165,747</u>	<u>-</u>	<u>165,747</u>	<u>150,607</u>
NET INCOME		4,917	7	4,924	21,938
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,437,290</u>	<u>1,320</u>	<u>1,438,610</u>	<u>1,416,672</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,442,207</u></u>	<u><u>1,327</u></u>	<u><u>1,443,534</u></u>	<u><u>1,438,610</u></u>

The notes form part of these financial statements


THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**BALANCE SHEET
31 MARCH 2020**

	Notes	Unrestricted funds £	Restricted fund £	31.3.20 Total funds £	31.3.19 Total funds £
FIXED ASSETS					
Tangible assets	10	883,897	-	883,897	864,991
CURRENT ASSETS					
Debtors	11	4,338	-	4,338	3,971
Investments	12	549,566	-	549,566	546,326
Cash at bank		<u>13,718</u>	<u>1,327</u>	<u>15,045</u>	<u>35,793</u>
		567,622	1,327	568,949	586,090
CREDITORS					
Amounts falling due within one year	13	(9,312)	-	(9,312)	(12,471)
NET CURRENT ASSETS		<u>558,310</u>	<u>1,327</u>	<u>559,637</u>	<u>573,619</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,442,207</u>	<u>1,327</u>	<u>1,443,534</u>	<u>1,438,610</u>
NET ASSETS		<u>1,442,207</u>	<u>1,327</u>	<u>1,443,534</u>	<u>1,438,610</u>
FUNDS	14				
Unrestricted funds:					
General fund				783,609	778,692
Fair value reserve				<u>658,598</u>	<u>658,598</u>
				1,442,207	1,437,290
Restricted funds:					
Tenant financial hardship fund				<u>1,327</u>	<u>1,320</u>
TOTAL FUNDS				<u>1,443,534</u>	<u>1,438,610</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Executive and authorised for issue on 22nd March 2021 and were signed on its behalf by:


D Alton - President

The notes form part of these financial statements

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. STATUTORY INFORMATION

The charity is controlled by its governing document, a deed of trust, and constitutes a private limited company (00071778 England and Wales), limited by guarantee, as defined by the Companies Act 2006. The nature of the charitable company's operations and its principal activities are noted in the Report of the Executive together with registered office address. Place of business: 11 St Albans Avenue, Bournemouth, Dorset, BH8 9EF.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 January 2019), Financial Reporting Standard 102 'Financial Reporting Standard applicable in the UK and Republic of Ireland' and its Section 1A and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value. The presentation currency of the financial statements is pound sterling (£). The accounts are rounded to the nearest £1.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

The charitable company does not receive grant income. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The time of volunteers is not recognised. Note 19 gives details of tenant contribution to administrative and other services.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance etc which supports the charity's activities. All support costs are deemed to relate to the Provision of Residential Accommodation charitable activity, any costs related to other income methods are deemed to be immaterial. Governance cost are those support costs incurred to meet the statutory and constitutional requirements of the charitable company.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- at varying rates on cost
Fixtures and fittings	- 10% on reducing balance

Component Accounting

Freehold housing properties are split between the structure and those major components which require periodic replacement. Replacement or restoration of such major components are capitalised and depreciated over the average estimated useful life of each component. Where components are replaced before the end of their useful economic lives an additional depreciation charge is made to reduce the net book value to nil before the asset and accumulated depreciation is written off.

The carrying value of property represents the last valuation undertaken in 2001 and under transitional provisions provided by previous accounting standards a policy not to make further revaluations was adopted. This valuation has been used as deemed cost on implementation of FRS 102 and its section 1A, amended for the replacement of component parts. The Executive has undertaken an impairment review, and have concluded that the assets have not been impaired in the year.

Taxation

The charitable company is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Executive. Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. ACCOUNTING POLICIES - continued

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.

Current asset investments

Short term highly liquid investments with a variety of maturities not exceeding one year from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

3. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total Funds 31.03.20	Total Funds 31.03.19
	£	£	£	£
Subscriptions	70	-	70	90
Donations	-	7	7	1,188
	<u>70</u>	<u>7</u>	<u>77</u>	<u>1,278</u>

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 31.03.20	Total Funds 31.03.19
	£	£	£	£
Bank interest	<u>6,100</u>	<u>-</u>	<u>6,100</u>	<u>5,295</u>

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. INCOME FROM CHARITABLE ACTIVITIES

Provision of residential accommodation

	Unrestricted Funds	Restricted Funds	Total Funds 31.03.20	Total Funds 31.03.19
	£	£	£	£
<u>Rents receivable</u>				
11 St Albans Avenue	120,466	-	120,466	121,099
3 Arcadia Avenue	17,433	-	17,433	18,017
5 Arcadia Avenue	20,992	-	20,992	21,033
	<u>158,891</u>	<u>-</u>	<u>158,891</u>	<u>160,149</u>
<u>General estate income</u>				
Guest room	750	-	750	950
Garage	1,800	-	1,800	1,800
Parking	720	-	720	720
Laundry	2,333	-	2,333	2,353
	<u>5,603</u>	<u>-</u>	<u>5,603</u>	<u>5,823</u>
	<u>164,494</u>	<u>-</u>	<u>164,494</u>	<u>165,972</u>

Rents receivable is stated gross of £4,300 (2019: £4,250) discounts given to tenants who acted as house leaders in the year.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. CHARITABLE ACTIVITIES

Provision of residential accommodation

	Unrestricted Funds	Restricted Funds	Total Funds 31.03.20	Total Funds 31.03.19
	£	£	£	£
<u>Property running costs</u>				
Light, heat, rates & water	14,403	-	14,403	10,756
Insurance	5,250	-	5,250	4,843
Lift maintenance	1,590	-	1,590	3,629
General repairs & maintenance	14,838	-	14,838	17,782
Refurbishment	3,160	-	3,160	2,420
Window cleaning	336	-	336	403
Gardening	9,197	-	9,197	4,281
Estate expenses	24,627	-	24,627	13,800
House leaders rent discounts	4,300	-	4,300	4,250
Flat co-ordinator and House Committee				
Chair expenses	104	-	104	59
Legal & professional	3,602	-	3,602	1,421
Provision/(release) for/(of) bad debts	(31)	-	(31)	(18)
Depreciation	30,980	-	30,980	24,541
Total property running costs	112,356	-	112,356	88,167
<u>Support costs - Governance</u>				
General Secretary honorarium	3,800	-	3,800	3,000
General Secretary expenses	741	-	741	727
President expenses	75	-	75	75
Finance Officer expenses	153	-	153	129
Liability insurance	392	-	392	352
Conference expenses	400	-	400	450
In memorium donations	-	-	-	200
Auditors remuneration	5,800	-	5,800	7,900
Audit certificate fees	30	-	30	30
Total governance costs	11,391	-	11,391	12,863
	123,747	-	123,747	101,030

All support costs are deemed to relate to the provision of residential accommodation.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. CHARITABLE ACTIVITIES - continued

Analysis of Provision of residential accommodation

<u>Property running costs</u>	11 St Albans Avenue £	3 Arcadia Avenue £	5 Arcadia Avenue £	General Estate Costs £	Total Funds 31.03.20 £
Light, heat, rates & water	9,542	2,731	2,018	112	14,403
Insurance	2,761	296	392	1,801	5,250
Lift maintenance	1,590	-	-	-	1,590
General repairs & maintenance	9,667	3,226	474	1,471	14,838
Refurbishment	3,160	-	-	-	3,160
Window cleaning	336	-	-	-	336
Gardening	-	-	-	9,197	9,197
Estate expenses	-	-	-	24,627	24,627
House leaders rent discounts	3,700	300	300	-	4,300
Flat co-ordinator and House Committee Chair expenses	-	-	-	104	104
Legal & professional	-	-	-	3,602	3,602
Release of bad debts	-	-	-	(31)	(31)
Depreciation	23,136	3,985	2,703	1,156	30,980
	53,892	10,538	5,887	42,039	112,356
<u>Support costs</u>					
Governance	-	-	-	11,391	11,391
	53,892	10,538	5,887	53,430	123,747

<u>Charitable grants</u>	Unrestricted Funds £	Restricted Funds £	Total Funds 31.03.20 £	Total Funds 31.03.19 £
<u>Grants to institutions</u>				
BCARS	10,000	-	10,000	10,000
Bournemouth Foodbank	6,000	-	6,000	16,000
Bournemouth University Chaplaincy	6,000	-	6,000	6,000
Cherry Tree Nursery	2,000	-	2,000	1,000
Fernheath Play	6,000	-	6,000	5,500
Hurting to healing	2,000	-	2,000	2,000
Mind Pokesdown Club Group	8,000	-	8,000	7,000
NOW (Bournemouth Nightclub Chaplaincy)	2,000	-	2,000	2,000
	42,000	-	42,000	49,500
<u>Grants to individuals</u>				
Tenant financial hardship	-	-	-	77
	42,000	-	42,000	49,577

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. NET INCOME/(EXPENDITURE)

Net income is stated after charging:

	31.03.20	31.03.19
	£	£
Auditors' remuneration	5,800	7,900
Depreciation - owned assets	<u>30,980</u>	<u>24,541</u>

Net incoming resources: Provision of residential accommodation, excluding governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 31.03.20	Total Funds 31.03.19
	£	£	£	£
Total rent receivable (note 5)	164,494	-	164,494	165,972
Total property running costs (note 6)	<u>112,356</u>	<u>-</u>	<u>112,356</u>	<u>88,167</u>
Net incoming resources: provision of residential accommodation	<u>-52,138</u>	<u>-</u>	<u>-52,138</u>	<u>77,805</u>

Analysis over properties

	11 St Albans Avenue £	3 Arcadia Avenue £	5 Arcadia Avenue £	General Estate £	Total Funds 31.03.19 £
Total rent receivable (note 5)	120,466	17,433	20,992	5,603	164,494
Total property running costs (note 6)	<u>53,892</u>	<u>10,538</u>	<u>5,887</u>	<u>42,039</u>	<u>112,356</u>
Net incoming resources: provision of residential accommodation	<u>-66,574</u>	<u>-6,895</u>	<u>15,105</u>	<u>(36,436)</u>	<u>-52,138</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Executive remuneration

Tony Fernand, General Secretary, was paid an honorarium of £3,800 (2019: £3,000) in the year. Other than this the charity has no payroll therefore no staff being paid more than £60,000.

Trustees' expenses

Expenses totalling £961 were reimbursed to 3 members of the Executive in the year (2019: £931 to 3 members of the Executive) for postage, stationery, phone, travel, repairs, renewals and computer costs.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. COMPARATIVES (year ended 31.03.19) FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	135	1,143	1,278
Charitable activities			
Provision of residential accommodation	165,972	-	165,972
Investment income	<u>5,295</u>	<u>-</u>	<u>5,295</u>
Total	171,402	1,143	172,545
EXPENDITURE ON			
Charitable activities			
Provision of residential accommodation	101,030	-	101,030
Charitable grants	49,500	77	49,577
	<u>150,530</u>	<u>77</u>	<u>150,607</u>
Total	150,530	77	150,607
NET INCOME	20,872	1,066	21,938
RECONCILIATION OF FUNDS			
Total funds brought forward	1,416,418	254	1,416,672
TOTAL FUNDS CARRIED FORWARD	<u><u>1,437,290</u></u>	<u><u>1,320</u></u>	<u><u>1,438,610</u></u>

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2019	1,223,316	27,065	1,250,381
Additions	48,691	1,195	49,886
Disposals	(19,820)	-	(19,820)
At 31 March 2020	<u>1,252,187</u>	<u>28,260</u>	<u>1,280,447</u>
DEPRECIATION			
At 1 April 2019	368,689	16,701	385,390
Charge for year	29,824	1,156	30,980
Eliminated on disposal	(19,820)	-	(19,820)
At 31 March 2020	<u>378,693</u>	<u>17,857</u>	<u>396,550</u>
NET BOOK VALUE			
At 31 March 2020	<u>873,494</u>	<u>10,403</u>	<u>883,897</u>
At 31 March 2019	<u>854,627</u>	<u>10,364</u>	<u>864,991</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Funds £	Restricted Funds £	Total Funds 31.03.20 £	Total Funds 31.03.19 £
Subscription debtor	50	-	50	20
Rent arrears net of bad debt provision	45	-	45	36
Prepaid expenses	2,428	-	2,428	2,180
Accrued bank interest	<u>1,815</u>	<u>-</u>	<u>1,815</u>	<u>1,735</u>
	<u>4,338</u>	<u>-</u>	<u>4,338</u>	<u>3,971</u>

12. CURRENT ASSET INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 31.03.20 £	Total Funds 31.03.19 £
Short term and notice bank deposits	<u>549,566</u>	<u>-</u>	<u>549,566</u>	<u>546,326</u>

Current asset investments relate to cash held in several fixed term deposit and notice accounts all of which are of less than one year duration.

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Funds	Restricted Funds	Total Funds 31.03.20	Total Funds 31.03.19
	£	£	£	£
Trade creditors	1,959	-	1,959	5,918
Accrued expenses	5,923	-	5,923	5,479
Rents paid in advance	1,430	-	1,430	1,074
	<u>9,312</u>	<u>-</u>	<u>9,312</u>	<u>12,471</u>

14. MOVEMENT IN FUNDS

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	778,692	4,917	783,609
Fair value reserve	658,598	-	658,598
	<u>1,437,290</u>	<u>4,917</u>	<u>1,442,207</u>
Restricted funds			
Tenant financial hardship fund	1,320	7	1,327
	<u>1,438,610</u>	<u>4,924</u>	<u>1,443,534</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	170,664	(165,747)	4,917
Restricted funds			
Tenant financial hardship fund	7	-	7
	<u>170,671</u>	<u>(165,747)</u>	<u>4,924</u>

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. MOVEMENT IN FUNDS - continued

Comparatives (year ended 31.03.19) for movement in funds

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	757,820	20,872	778,692
Fair value reserve	<u>658,598</u>	<u>-</u>	<u>658,598</u>
	1,416,418	20,872	1,437,290
Restricted funds			
Tenant financial hardship fund	254	1,066	1,320
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>1,416,672</u>	<u>21,938</u>	<u>1,438,610</u>

Comparative (year ended 31.03.19) net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	171,402	(150,530)	20,872
Restricted funds			
Tenant financial hardship fund	1,143	(77)	1,066
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>172,545</u>	<u>(150,607)</u>	<u>21,938</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.18 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	757,820	25,789	783,609
Fair value reserve	<u>658,598</u>	<u>-</u>	<u>658,598</u>
	1,416,418	25,789	1,442,207
Restricted funds			
Tenant financial hardship fund	254	1,073	1,327
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>1,416,672</u>	<u>26,862</u>	<u>1,443,534</u>

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	342,066	(316,277)	25,789
Restricted funds			
Tenant financial hardship fund	1,150	(77)	1,073
TOTAL FUNDS	<u>343,216</u>	<u>(316,354)</u>	<u>26,862</u>

The Tenant Financial Hardship Fund represents donations received to provide extra assistance to tenants.

Unrestricted funds include an amount of £658,598 derived from previous revaluations of the freehold properties.

<u>Funds by net assets</u>	Unrestricted funds Free reserves £	Unrestricted funds Other £	Restricted funds £	Total funds 31.03.20 £
Fixed assets	-	883,897	-	883,897
Debtors: falling due within one year	4,338	-	-	4,338
Investments	549,566	-	-	549,566
Cash at bank and in hand	13,718	-	1,327	15,045
Creditors	(9,312)	-	-	(9,312)
	<u>558,310</u>	<u>883,897</u>	<u>1,327</u>	<u>1,443,534</u>

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2020 other than those stated on notes 8 and 19.

16. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by the members of the Executive, (who are also directors for the purpose of company law and trustees for the purpose of charity law). Members are shown on page 4.

17. LEGACIES

The charitable company received no legacies in the year and were not aware of any due at the balance sheet date.

18. CONTINGENT ASSETS

On 28th August 1996 the charitable company loaned the Bournemouth Methodist Circuit £50,000 by way of an interest free 2nd mortgage on its property known as 83 Walpole Road, Boscombe, Bournemouth. At the time it was written to the Statement of Financial Activities as it is not expected to be recovered. This is regarded as a contingent asset and therefore not recognisable in the balance sheet.

19. DONATED GOODS AND SERVICES

The charitable company received no donated goods or services in the year from third parties. Some tenants contribute to the administration of the residential accommodation and care; their service is recognised by way of a discounted rent, the total of such discounts being £4,300 (2019: £4,425).

THE INCORPORATED BOURNEMOUTH FREE CHURCH COUNCIL

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020**

	31.3.20 £	31.3.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations & subscriptions	77	1,278
Investment income		
Bank deposit interest	6,100	5,295
Charitable activities		
Rents receivable	<u>164,494</u>	<u>165,972</u>
Total incoming resources	170,671	172,545
 EXPENDITURE		
Charitable activities		
Council tax	123	-
Light, heat & water	14,280	10,756
Insurance	5,250	4,843
Lift maintenance	1,590	3,629
Repairs & maintenance	14,838	17,782
Refurbishment	3,160	2,420
Window cleaning	336	403
Gardening	9,197	4,281
Estate expenses	24,627	13,800
Flat co-ordinator and House Committee		
Chairman expenses	104	59
House leaders rent discounts	4,300	4,250
Legal & professional	3,602	1,421
Provision for bad debts	(31)	(18)
Depreciation of Freehold property	29,824	23,389
Depreciation of furniture & fittings	1,156	1,152
Property running costs	<u>112,356</u>	<u>88,167</u>
 Secretarial honorarium	3,800	3,000
Executive members expenses	969	931
Liability insurance	392	352
Conference expenses	400	450
Audit certificate fees	30	30
In memoriam donations	-	200
Auditors remuneration	5,800	7,900
Supports costs - governance	<u>11,391</u>	<u>12,863</u>
 Provision of residential accommodation	<u>123,747</u>	<u>101,030</u>
 Charitable grants	42,000	49,577
Total resources expended	<u><u>165,747</u></u>	<u><u>150,607</u></u>
 Net income	<u><u>4,924</u></u>	<u><u>21,938</u></u>

This page does not form part of the statutory financial statements