

Company registration number IP28490R (England and Wales)

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

COMPANY INFORMATION

Committee members	K Spilsbury (Chair) R Hurd (Vice chair) D Lewis (Treasurer) S Day (Vice treasurer) A James K Spilsbury D Newton S Rogers M Daffern	(Appointed 13 September 2023) (Appointed 13 September 2023)
Secretary	D Newton	
Company number	IP28490R	
Registered office	14 Kempthorne Avenue Low Hill Wolverhampton WV10 9JG	
Auditor	Sumer Auditco Limited The Beehive Beehive Ring Road London Gatwick Airport Gatwick United Kingdom RH6 0PA	
Bankers	HSBC UK Bank plc PO Box 33 9 Queen Square Wolverhampton West Midlands WV1 1TE	

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

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BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

MANAGEMENT COMMITTEE REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Management Committee present their annual report and financial statements for the year ended 31 March 2024.

Principal activities

The association's principal activity during the year was the provision and associated management services of dwelling let exclusively to members of the association, through allowances received from Wolverhampton City Council and is registered under the Co-operative and Community Benefit Societies Act 2014.

Other grants have been received to fund specific projects as detailed in the income and expenditure account. Certain cost saving procedures have been implemented during the year that although mean an increased deficit this year, will ultimately result in future cost savings.

Committee of management

The committee of management are detailed on the Organisation's information page, being elected by the shareholders annually.

K Spilsbury (Chair)

R Hurd (Vice chair)

D Lewis (Treasurer)

S Day (Vice treasurer)

A James

M Brookes

(Resigned 22 August 2023)

K Spilsbury

D Newton

S Rogers

(Appointed 13 September 2023)

M Daffern

(Appointed 13 September 2023)

Auditor

Sumer Auditco Limited were appointed as auditor to the company and in accordance with section 93 of the Co-operative and Community Benefit Societies Act 2014, a resolution proposing that they be re-appointed will be put at a General Meeting.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

MANAGEMENT COMMITTEE REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Statement of disclosure to auditor

The members of the committee of management who held office at the date of approval of this annual report confirm that:

- So far as they are aware, there is no relevant audit information needed by the organisation's auditors in connection with preparing their report, that they have not been made aware of.
- They have taken all the steps that they ought to have taken as committee members in order to make themselves aware of any relevant audit information and to establish that the organisation's auditors are aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board

D Newton
Secretary

15 August 2024

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

MANAGEMENT COMMITTEE'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

The committee of management are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the committee to prepare financial statements for each financial year. Under that law the committee have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the committee must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the committee are required to:

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

The committee are responsible for keeping adequate accounting records that are sufficient to show and explain the organisation's transactions and disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the rules set out in the Co-operative and Community Benefit Societies Act 2014. The committee are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

Opinion

We have audited the financial statements of Bushbury Hill Estate Management Board Limited (the 'organisation') for the year ended 31 March 2024 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows 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 organisation's affairs as at 31 March 2024 and of its profit 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 Co-operative and Community Benefit Societies Act 2014.

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 organisation 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 committee'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 organisation'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 committee 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 annual report other than the financial statements and our auditor's report thereon. The committee are 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.

Opinions on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014

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

- the information given in the committee's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the committee's report has been prepared in accordance with applicable legal requirements.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the organisation and its environment obtained in the course of the audit, we have not identified material misstatements in the committee's report. We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 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 committee' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the committee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing committee's report and from the requirement to prepare a strategic report.

Responsibilities of the committee

As explained more fully in committee's responsibilities statement, the committee 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 committee determine 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 committee are responsible for assessing the organisation'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 committee either intend to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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.

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

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

Based on our understanding of the company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management;
- Assessment of identified fraud risk factors;
- Conducting interviews with appropriate personnel to gain further insight into the control systems implemented, and the risk of irregularity;
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including cash and payroll;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities;
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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, except to the extent otherwise explicitly stated in our report, not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee
- Conclude on the appropriateness of the committee'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 association'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 association 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.

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.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Co-operative's members, as a body, in accordance with Section 87 of the Cooperative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Co-operative's members 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 Co-operative's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Martin John Bradley FCCA
Senior Statutory Auditor
For and on behalf of Sumer Auditco Limited

Date:

Chartered Accountants
Statutory Auditor

The Beehive
Beehive Ring Road
London Gatwick Airport
Gatwick
United Kingdom
RH6 0PA

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Turnover		2,110,363	1,881,473
Repairs and maintenance		(1,255,342)	(1,280,208)
Gross profit		855,021	601,265
Management and supervision		(464,107)	(470,856)
General expenses		(295,662)	(243,382)
Rental income		12,912	12,569
Fraudulent transactions recovered	3	-	70,814
Repayment of amount received in error	3	(14,907)	14,907
Operating profit/(loss)		93,257	(14,683)
Interest receivable and similar income		39,142	-
Net interest on pension scheme		1,000	(25,000)
Net grant income - restricted		2,163	(40,245)
Profit/(loss) before taxation		135,562	(79,928)
Tax on profit/(loss)	5	(9,344)	(4,918)
Profit/(loss) for the financial year		126,218	(84,846)
Other comprehensive income			
Revaluation of tangible fixed assets		18,000	21,000
Actuarial gain on defined benefit pension schemes		184,000	967,000
Tax relating to other comprehensive income		(4,500)	(33,345)
Total comprehensive income for the year		323,718	869,809

The income statement has been prepared on the basis that all operations are continuing operations.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6		163,482		175,383
Investment property	7		313,000		295,000
			<u>476,482</u>		<u>470,383</u>
Current assets					
Debtors	8	92,527		65,201	
Cash at bank and in hand		3,115,543		3,109,903	
		<u>3,208,070</u>		<u>3,175,104</u>	
Creditors: amounts falling due within one year	9	(811,123)		(916,276)	
Net current assets			<u>2,396,947</u>		<u>2,258,828</u>
Total assets less current liabilities			2,873,429		2,729,211
Provisions for liabilities			<u>(37,845)</u>		<u>(33,345)</u>
Net assets excluding pension surplus			2,835,584		2,695,866
Defined benefit pension surplus	10		<u>213,000</u>		<u>29,000</u>
Net assets			<u><u>3,048,584</u></u>		<u><u>2,724,866</u></u>
Capital and reserves					
Called up share capital	11		88		88
Fair value reserve	12		113,536		100,036
Pension fund reserve			213,000		29,000
Other reserves			195,953		142,064
Profit and loss reserves			<u>2,526,007</u>		<u>2,453,678</u>
Total equity			<u><u>3,048,584</u></u>		<u><u>2,724,866</u></u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within the Co-operative and Community Benefit Societies Act 2014 and the FRS 102 Section 1A - smaller entities.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2024

The financial statements were approved by the board of directors and authorised for issue on 15 August 2024 and are signed on its behalf by:

K Spilsbury (Chair)
Board member

R Hurd (Vice chair)
Board member

D Newton
Board member

Company Registration No. IP28490R

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Share capital	Fair value reserve	Pension reserve	Restricted fund	Reserve fund	Cyclical maint. reserve	Profit and loss reserves	Total
	£	£	£	£	£	£	£	£
Balance at 1 April 2022	88	112,381	-	34,864	50,000	53,462	1,584,079	1,834,874
Year ended 31 March 2023:								
Loss	-	-	-	-	-	-	(84,846)	(84,846)
Other comprehensive income:								
Revaluation of tangible fixed assets	-	21,000	-	-	-	-	-	21,000
Actuarial gains on defined benefit plans	-	-	-	-	-	-	967,000	967,000
Tax relating to other comprehensive income	-	(33,345)	-	-	-	-	-	(33,345)
Total comprehensive income	-	(12,345)	-	-	-	-	882,154	869,809
Pension fund movement	-	-	29,000	-	-	-	(29,000)	-
Restricted fund deficit for the year	-	-	-	(40,245)	-	-	40,245	-
Transfer to/from cyclical maintenance reserve	-	-	-	-	-	43,983	(43,983)	-
Deferred tax presentation	-	-	-	-	-	-	21,352	21,352
Pension benefits paid	-	-	-	-	-	-	(1,169)	(1,169)
Balance at 31 March 2023	88	100,036	29,000	(5,381)	50,000	97,445	2,453,678	2,724,866

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital	Fair value reserve	Pension reserve	Restricted fund	Reserve fund	Cyclical maint. reserve	Profit and loss reserves	Total
	£	£	£	£	£	£	£	£
Year ended 31 March 2024:								
Profit	-	-	-	-	-	-	126,218	126,218
Other comprehensive income:								
Revaluation of tangible fixed assets	-	18,000	-	-	-	-	-	18,000
Actuarial gains on defined benefit plans	-	-	-	-	-	-	184,000	184,000
Tax relating to other comprehensive income	-	(4,500)	-	-	-	-	-	(4,500)
Total comprehensive income	-	13,500	-	-	-	-	310,218	323,718
Pension fund movement	-	-	184,000	-	-	-	(184,000)	-
Restricted fund surplus for the year	-	-	-	2,162	-	-	(2,162)	-
Transfer to/from cyclical maintenance reserve	-	-	-	-	-	51,727	(51,727)	-
Balance at 31 March 2024	88	113,536	213,000	(3,219)	50,000	149,172	2,526,007	3,048,584

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	13		(13,042)		88,108
Income taxes paid			(4,676)		(3,133)
			<hr/>		<hr/>
Net cash (outflow)/inflow from operating activities			(17,718)		84,975
Investing activities					
Purchase of tangible fixed assets		(15,784)		(4,770)	
Interest received		39,142		-	
		<hr/>		<hr/>	
Net cash generated from/(used in) investing activities			23,358		(4,770)
			<hr/>		<hr/>
Net increase in cash and cash equivalents			5,640		80,205
Cash and cash equivalents at beginning of year			3,109,903		3,029,698
			<hr/>		<hr/>
Cash and cash equivalents at end of year			3,115,543		3,109,903
			<hr/> <hr/>		<hr/> <hr/>

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Company information

Bushbury Hill Estate Management Board Limited is a private company limited by shares incorporated in England and Wales. The registered office is 14 Kempthorne Avenue, Low Hill, Wolverhampton, WV10 9JG.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 and the Co-operative and Community Benefit Societies Act 2014.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Management allowances are received on a quarterly basis from Wolverhampton City Council in respect of repairs and management. These are recognised net of VAT and on an accruals basis, ie when they fall due.

Income from Big Local Administration Fees represents 5% charge for administration of the Big Local Funding, net of VAT and recognised as it falls due.

Income from Headstart Management fees represent a set fee for administration of Headstart funding, net of VAT and recognised as it falls due.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	15% reducing balance method
Estate fixtures	10% straight line method
Office refurbishment	10% straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Provisions

Provisions are recognised when the company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.11 Employee benefits

Short-term employee benefits are recognised as an expense as they are incurred.

Post-employment defined contribution plans

Amounts in respect of defined contributions are recognised as an expense as they are incurred.

Termination benefits

Provision for determination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or of a group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

1.12 Retirement benefits

Certain employees are members of the West Midlands Pension Fund (WMPF), a multi-employer defined benefit scheme.

FRS 102 requires an employer in such a scheme to identify its share of the pension scheme's assets and liabilities and account for these in the financial statements.

Bushbury Hill Estate Management Limited manages contributions to its pension fund in line with the WMPF valuation recommendations. Pension costs for all of the projects are fully budgeted for and Bushbury Hill Estate Management Limited receives an actuarial valuation on the WMPF scheme on a yearly basis. Issues around risk management of the pension fund are continually assessed through work with staff at WMPF and at Committee of Management's Meetings.

1.13 Funds

Reserve fund

The management agreement with Wolverhampton City Council requires that a reserve fund be set up to provide for future potential shortfalls of income from allowances when measured against the costs of fulfilling the organisation's responsibilities under the management agreement.

Fair value fund

The funds represents the uplift of the Investment Properties from their cost to estimated fair value.

Cyclical maintenance

The management agreement with Wolverhampton City Council requires that a cyclical maintenance fund be established to meet the costs of recurring maintenance work. It also places a financial obligation on the Co-operative to carry out certain cyclical maintenance work and includes an element, based on the likely cost of this work, within the annual allowances paid to the Co-operative.

Accordingly the Co-operative sets aside an amount, by way of reserve, each year which equates to the likely current value of the financial obligation it has to the Council at the year end.

The cyclical maintenance fund can only be utilised for cyclical maintenance as defined in the management agreement.

1.14 Holiday pay accrual

Provision is made at each balance sheet date for holidays accrued but not taken, to the extent that they may be carried forward, calculated at the salary of the relevant employee at that date.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Exceptional items

	2024	2023
	£	£
Expenditure		
Fraudulent transactions	-	(70,814)
Monies repaid received in error	14,907	(14,907)
	<u>14,907</u>	<u>(85,721)</u>

In the prior year, £70,814 was returned to the organisation relating to refunded fraudulent transactions from 2022. In addition £14,907 related to a receipt from an organisation, which has been repaid during the current year.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024	2023
	Number	Number
	16	16
	<u>16</u>	<u>16</u>

Their aggregate remuneration comprised:

	2024	2023
	£	£
Wages and salaries	513,252	467,533
Social security costs	52,086	46,353
Pension costs	68,782	118,749
	<u>634,120</u>	<u>632,635</u>

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Taxation

	2024 £	2023 £
Current tax		
UK corporation tax on profits for the current period	9,586	4,918
Adjustments in respect of prior periods	(242)	-
Total current tax	<u>9,344</u>	<u>4,918</u>

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2024 £	2023 £
Deferred tax arising on: Revaluation of property	4,500	33,345

6 Tangible fixed assets

	Office equipment £	Estate fixtures £	Office refurbishment £	Total £
Cost				
At 1 April 2023	126,639	18,143	226,693	371,475
Additions	15,784	-	-	15,784
At 31 March 2024	<u>142,423</u>	<u>18,143</u>	<u>226,693</u>	<u>387,259</u>
Depreciation and impairment				
At 1 April 2023	99,051	18,143	78,898	196,092
Depreciation charged in the year	5,016	-	22,669	27,685
At 31 March 2024	<u>104,067</u>	<u>18,143</u>	<u>101,567</u>	<u>223,777</u>
Carrying amount				
At 31 March 2024	<u>38,356</u>	-	125,126	163,482
At 31 March 2023	<u>27,588</u>	-	147,795	175,383

7 Investment property

	2024 £
Fair value	
At 1 April 2023	295,000
Revaluations	18,000
At 31 March 2024	<u>313,000</u>

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Debtors	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	5,485	591
Other debtors	56,005	43,734
Prepayments and accrued income	31,037	20,876
	<u>92,527</u>	<u>65,201</u>

9 Creditors: amounts falling due within one year	2024	2023
	£	£
Trade creditors	491,390	655,931
Corporation tax	9,586	4,918
Other taxation and social security	48,409	63,204
Other creditors	206,279	163,437
Accruals and deferred income	55,459	28,786
	<u>811,123</u>	<u>916,276</u>

10 Retirement benefit schemes		
Defined benefit schemes		
West Midlands Pension Fund (WMPF) (Group and Co-operative)		

Defined benefit schemes

West Midlands Pension Fund (WMPF) (Group and Co-operative)

WMPF is a multi-employer defined benefit scheme and is administered by Wolverhampton City Council under the regulations governing the Local Government Pension Scheme (LGPS). The charge to the income and expenditure account for the period under FRS 102 represents the employer's contributions payable.

The figures are based on calculations used to determine the employer contribution rates and allow for estimated cashflows (e.g. contribution income, pension payments etc) and the Fund's return for the year ended 31 March 2024 (using relevant indices where necessary).

In line with the calculations undertaken to determine the employer contributions rates, an allowance was made for the notional transfer of assets to be equal to the liabilities as at the admission date, taking into account market yields at that time and using a basis of calculation similar to the 2021 actuarial valuation of the WMPF. The liabilities were then adjusted in line with FRS 102.

Other

information

Contributions

The employer expects to make payments of £64,000 in the year 31 March 2025.

Note: Deferred taxation has been ignored.

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Retirement benefit schemes (Continued)

<i>Key assumptions</i>	2024	2023
	%	%
Discount rate	4.85	4.75
Expected rate of increase of pensions in payment	2.75	2.95
Expected rate of salary increases	3.75	3.95
Inflation assumption (CPI 2023, CPI 2022)	2.75	2.95
	=====	=====
 <i>Mortality assumptions</i>	 2024	 2023
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	21.1	21.3
- Females	24.1	24.3
	=====	=====
Retiring in 20 years		
- Males	22.3	22.5
- Females	24.5	24.7
	=====	=====

Demographic assumptions

Life expectancy is based on the Fund's Vitacurves with improvements in line with the CMI 2021 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females.

Life expectancy for the prior year is based on the Fund's Vitacurves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females.

A commutation allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits.

<i>Amounts recognised in the income statement</i>	2024	2023
<i>Costs/(income):</i>	£	£
Current service cost	65,000	116,000
Net interest on net defined benefit liability/(asset)	(1,000)	25,000
Other costs and income	(95,000)	60,000
	=====	=====
Total costs/(income)	(31,000)	201,000
	=====	=====

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Retirement benefit schemes	(Continued)	
<i>Amounts recognised in other comprehensive income</i>	2024	2023
<i>Costs/(income):</i>	£	£
Actual return on scheme assets	(90,000)	(50,000)
Less: calculated interest element	90,000	50,000
	<hr/>	<hr/>
Return on scheme assets excluding interest income	-	-
Actuarial changes related to obligations	(90,000)	(996,000)
	<hr/>	<hr/>
Total costs/(income)	(90,000)	(996,000)
	<hr/> <hr/>	<hr/> <hr/>

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2024	2023
	£	£
Liabilities/(assets):		
Present value of defined benefit obligations	1,889,000	1,860,000
Fair value of plan assets	(2,102,000)	(1,889,000)
	<hr/>	<hr/>
Surplus in scheme	(213,000)	(29,000)
	<hr/> <hr/>	<hr/> <hr/>

	2024
	£
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 April 2023	1,860,000
Current service cost	65,000
Benefits paid	(55,000)
Actuarial gains and losses	(90,000)
Interest cost	89,000
Other	20,000
	<hr/>
At 31 March 2024	1,889,000
	<hr/> <hr/>

The defined benefit obligations arise from plans which are wholly or partly funded.

	2024
	£
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2023	1,889,000
Interest income	90,000
Benefits paid	(55,000)
Contributions by the employer	63,000
Other	115,000
	<hr/>
At 31 March 2024	2,102,000
	<hr/> <hr/>

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Retirement benefit schemes

(Continued)

The actual return on plan assets was £90,000 (2023 - £50,000).

	2024	2023
	£	£
<i>Fair value of plan assets</i>		
Equity instruments	1,282,000	1,285,000
Property	126,000	132,000
Other bonds	589,000	416,000
Cash/liquidity	105,000	56,000
	<u>2,102,000</u>	<u>1,889,000</u>

11 Called up share capital

	2024	2023	2024	2023
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Members shares of 10p each	886	886	88	88
	<u>886</u>	<u>886</u>	<u>88</u>	<u>88</u>

Each member shall hold one share only in the association and, as a consequence, be entitled to a single vote. The shares are neither withdrawable or transferable, carry no rights of interest, dividend nor bonus, and are forfeited and cancelled on cessation of membership.

12 Reserves

General surplus	Relates to surpluses made since the organisation became independent
Reserve fund	The EMB set up a reserve fund to meet the following potential liabilities: a) Anticipated costs in future years resulting from under spending on repairs and services b) Known commitments to future work c) A contingency against costs arising from unforeseen circumstances
Cyclical maintenance reserve	Amounts set aside which equate to the likely current value of the financial obligation it has to the Council in respect of cyclical maintenance work
Restricted fund	This represents funds not yet spent from grants received on behalf of the Big Local and Headstart as the locally trusted organisation Following a change in accounting policy any unspent grant is shown as deferred income in creditors as any unspent grant is repayable
Fair value reserve	Represents the uplift of the Investment Properties from their cost to their estimated fair value

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Cash (absorbed by)/generated from operations

	2024 £	2023 £
Profit/(loss) for the year after tax	126,218	(84,846)
Adjustments for:		
Taxation charged	9,344	4,918
Finance costs	(1,000)	25,000
Investment income	(39,142)	-
Depreciation and impairment of tangible fixed assets	27,685	27,020
Pension scheme non-cash movement	1,000	51,831
Movements in working capital:		
Increase in debtors	(27,326)	(8,301)
(Decrease)/increase in creditors	(109,821)	72,486
Cash (absorbed by)/generated from operations	<u>(13,042)</u>	<u>88,108</u>

14 Analysis of changes in net funds

	1 April 2023 £	Cash flows 31 March 2024 £	
Cash at bank and in hand	3,109,903	5,640	3,115,543

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	2024		2023	
	£	£	£	£
Income				
Allowance from Wolverhampton City Council		1,931,997		1,780,001
The Wrekin Housing Trust		-		35,366
Big Local administration fee		3,741		4,013
Headstart management fee		9,000		4,231
Smart Meter project income		16,373		-
Community centre income		30,827		1,200
Levelling up project income		48,664		-
New Park Village project income		4,998		-
Other income		8,900		-
Fencing income received - (ring-fenced)		55,863		43,983
Bank interest		-		12,679
		<hr/>		<hr/>
		2,110,363		1,881,473
Repairs and maintenance		(1,255,342)		(1,280,208)
		<hr/>		<hr/>
Gross profit		855,021		601,265
Other operating income				
Rent received	15,311		14,280	
General repairs	(2,399)		(1,711)	
	<hr/>		<hr/>	
		12,912		12,569
Management and supervision costs		(464,107)		(470,856)
General expenses		(295,662)		(243,382)
Exceptional items				
Fraudulent transactions		-		70,814
Monies repaid received in error		(14,907)		14,907
		<hr/>		<hr/>
Operating profit/(loss)		93,257		(14,683)
Interest receivable and similar income				
Bank interest received	39,142		-	
	<hr/>		<hr/>	
		39,142		-
Interest payable and similar expenses				
Net interest on defined benefit liability		1,000		(25,000)

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

DETAILED INCOME STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	2024		2023	
	£	£	£	£
Other gains and losses				
Big Local income	103,459		92,056	
Big Local expenses	(103,293)		(111,089)	
Headstart income	365,824		290,507	
Headstart expenses	(363,827)		(311,719)	
	<u> </u>	2,163	<u> </u>	(40,245)
Profit/(loss) before taxation		<u>135,562</u>		<u>(79,928)</u>

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

SCHEDULES TO THE INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Repairs and maintenance		
General repairs and maintenance	490,421	413,951
Planned maintenance	14,789	121,180
Planned fencing program	284,290	380,000
Void management expenses	190,940	138,751
Redecoration grants	18,608	11,104
Estate security	1,475	4,149
Damp and mould	31,594	-
Property management salaries	174,599	168,724
Social security costs	21,821	19,404
Property management pensions	26,805	22,945
	<hr/>	<hr/>
	1,255,342	1,280,208
	<hr/> <hr/>	<hr/> <hr/>
Management and supervision costs		
Wages and salaries	320,795	283,732
Social security costs	30,265	26,949
Temporary staff	299	8,520
Health and safety	3,496	2,464
Trivial benefits	1,408	658
Staff pension costs defined benefit (allocation)	41,977	95,804
Reward and recognition	14,378	5,734
Recruitment	3,181	823
Rent	4,500	4,500
Water rates	1,221	892
Power, light and heat	4,570	4,399
Insurance	14,193	14,042
Repairs	8,094	8,753
Building security	3,382	3,066
Cleaning	12,348	10,520
	<hr/>	<hr/>
	464,107	470,856
	<hr/> <hr/>	<hr/> <hr/>

BUSHBURY HILL ESTATE MANAGEMENT BOARD LIMITED

SCHEDULES TO THE INCOME STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
General expenses		
Training	21,661	17,855
Community events and outreach	34,918	34,659
Community centre costs	53,458	90,887
Information house utilities	-	536
IT Costs	7,222	6,047
Staff travel costs	1,040	3,077
Downsizing and homeswapper costs	2,254	1,000
Secure cash in transit	1,546	1,262
Tenancy sustainment	12,724	1,093
Legal and professional fees	1,769	3,413
Consultancy fees	3,738	9,335
Accountancy	19,092	-
Non audit remuneration paid to auditors	-	10,567
Audit fees	8,390	6,500
Bank charges	300	294
Printing, postage and stationery	13,489	13,618
Printing and publicity	5,528	6,440
Telecommunications	4,309	3,779
Sundry expenses	6,504	6,000
Smart meter project expenditure	16,373	-
New Park Village project Expenditure	4,998	-
Levelling up project expenditure	48,664	-
Depreciation	27,685	27,020
	<hr/>	<hr/>
	295,662	243,382
	<hr/> <hr/>	<hr/> <hr/>
