

COMPANY REGISTRATION NUMBER: NI024103  
CHARITY REGISTRATION NUMBER: NIC105286

**The Somme Association**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2023**

**AUBREY CAMPBELL & COMPANY**  
Chartered accountants & statutory auditor  
631 Lisburn Road  
Belfast  
BT9 7GT

**The Somme Association**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2023**

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# The Somme Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

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The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

## Reference and administrative details

Registered charity name            The Somme Association

Charity registration number        NIC105286

Company registration number       NI024103

Principal office and registered office    233 Bangor Road  
Newtownards  
Co. Down  
BT23 7PH

## The trustees

Mr A McFarland  
Mr E Holmes  
Mr J Monteith                                (Resigned 3 August 2022)  
Mr L Cree  
Mr L Logan  
Mr V Deshpande  
Mrs E Hoy

Auditor                                        Aubrey Campbell & Company  
Chartered accountants & statutory auditor  
631 Lisburn Road  
Belfast  
BT9 7GT

# **The Somme Association**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

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#### **Structure, governance and management**

##### **Governing Document**

The Somme Association is a charitable company limited by guarantee, incorporated on 26 January 1990. The 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. In the event of the company being wound up, members are required to contribute an amount not exceeding £10 to the Charity's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member for payment of the charity's debts and liabilities contracted before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves.

##### **Recruitment and Appointment of Trustees**

The Directors of the Company are also charity Trustees for the purpose of charity law and under the company's Articles are members of the Somme Association. Under the requirement of the Memorandum and Articles of Association, the Trustees of the Somme Association Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. All members of the Board give their time voluntarily and receive no benefit from the charity. Any expenses reclaimed from the charity are set out in the accounts.

##### **Organisational Structure**

The Somme Association has a Board of Trustees of 6 members who, meet quarterly or more frequently, if required. The Board is responsible for the strategic direction and policy of the Charity.

The Director of the Somme Association, attends meetings of the Board, but has no voting rights.

Day to day responsibility for the management of the charity is delegated to the Director, who is responsible for ensuring that the charity delivers the services in accordance with its objectives set out in the Memorandum of Understanding, and that key performance indicators are met. The Director has responsibility for the day to day operational management of the staff at the Somme Museum and at the Ulster Memorial Tower, and for ensuring staff members continue to develop their skills and working practices in line with good practice.

##### **History**

The Somme Association was formed in 1990 with the aim of educating the public and commemorating, on a cross-community basis, the role played by Irish men and women in the First World War. It administers the Ulster Memorial Tower in France, and in 2004 purchased Thiepval Wood through a grant from the Department of Culture, Arts and Leisure. It has over the last few years carried out archaeological excavations of the trenches in Thiepval Wood, from where the Ulster Division made its historic charge on the 1st July 1916. The Wood was opened for guided tours in July 2006 and work continues on the original First World War trenches. The Association also owns Craigavon House in East Belfast, former home of Sir James Craig, Northern Ireland's first Prime Minister and central figure in the Home Rule Crisis.

The Somme Heritage Centre opened in 1994 and became a fully accredited museum in 2002 under Museums, Libraries and Archives (MLAUK). The Trustees of the Somme Association decided to change the Museum's name to Somme Museum in 2014 and this was approved by Museums, Libraries and Archives in the same year. The Somme Museum (SM) operates as an educational facility, independent museum and as a tourist attraction.

The Museum examines Ireland's role in the First World War with special reference to local cross-community involvement in the three volunteer Divisions raised in Ireland: the 10th and 16th

# The Somme Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

#### Year ended 31 March 2023

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(Irish) Divisions, and the 36th (Ulster) Division. It provides public access to educational material that references the significant local historical, political, cultural and heritage context of the years 1910-22 and specifically in relation to the Battle of the Somme.

The Museum conducts outreach work with schools; providing learning materials and links with the school curriculum. The Museum has also established relationships with a number of community and voluntary sector organisations which it aims to develop particularly within the women's sector. Since 2000, the Museum has expanded into the Second World War and other modern international conflicts.

The key aims of the Museum include strengthening cross-community understanding and knowledge of shared heritage, improving cross-border relationships, promoting reconciliation and building on education/ outreach facilities and programmes - particularly towards youth and women. This supports the Executive's statement that events will be organised under the principles of:

- educational focus;
- reflection;
- inclusivity;
- tolerance;
- respect;
- responsibility; and,
- interdependence.

The SM has an extensive collection of material from the First World War period and in the last number of years a growing collection from World War Two.

In 1998, a 'Management Committee' was formed for the SM, which incorporated members of the Somme Association, Ards Borough Council, North Down Borough Council, and interested individuals with educational, business and community relations backgrounds. With the re-organisation of local government, the structure of the Committee has changed and now includes three Councillors from Ards and North Down Borough Council.

# **The Somme Association**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

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#### **Objectives and activities**

##### **Vision**

To assist in bringing the people of the island of Ireland to a mutual understanding through the commemoration and interpretation of the experiences of the men and women who lived, served, fought and died in modern international conflicts.

##### **Mission**

To improve community relations through commemoration and education on the important role played by Irish Soldiers in defence of freedom in the modern era in a balanced, accurate and entertaining manner - through the provision of museum displays and experiences at the Somme Museum, and through the visitor experience at the Ulster Memorial Tower and Thiepval Wood in France.

##### **Values**

The Somme Association occupies a unique position, in which it has the respect and support of the full range of organisations and political parties representing communities from across the island of Ireland. As a result, it is able to make a significant contribution towards building a united and shared community in line with Northern Ireland Executive aims and priorities. The Association achieves this through promoting a factual and balanced analysis of the events surrounding the First World War, in order to educate all sections of our community in our shared history - a history which cannot be claimed by any one group to the exclusion of others.

The whole community of Northern Ireland will benefit through the development of a common understanding of the commitment and sacrifices made by peoples from a Nationalist and Unionist background as they stood and fought together on the Western Front during the First World War.

Although the story of the First World War is often told through the military and regimental museums in Ireland, the Somme Museum provides a shared space where people from various backgrounds can come to learn more about family members and the wider history of the war including the social and political conditions that prevailed at home.

Through its professional approach in researching the history of the First World War, the Somme Association is committed to addressing the need for a shared community set out by the Northern Ireland Executive and works closely with and supports the education sector in developing material to support the schools' curriculum requirements.

##### **Our Key Aims**

Our key aims are as follows:

- To strengthen our cross-community standing, and knowledge of our shared heritage;
- To improve Cross-border relationships;
- To build on our education/outreach facilities and programmes particularly towards youth;
- To develop our exhibition areas to provide greater public access to material held by the Museum; and,
- To improve our collections and collections management procedures.

##### **Public Benefit Statement**

The Somme Association is satisfied that it adheres to the public benefit test set out by the Charities Commission for Northern Ireland due to the objectives and activities it provides.

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# The Somme Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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#### Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

#### Achievements and performance

Somme Association: Mr John Monteith resigned from the Board of Trustees in July 2022. On behalf of the Board, the Chairman thanks him for his outstanding support for the Association over recent years.

Ulster Memorial Tower: The Ulster Memorial Tower at Thiepval, France, was closed in March 2020 and the couple staffing the site were closeted in the stone tower throughout the Covid pandemic. France eventually eased its restrictions and the site opened again in May 2021. However, continuing restrictions in the UK continued to reduce visitor numbers. Under the annual cycle, the Tower is closed to visitors during December, January and February.

On 31st January 2023, unexpected resignation letters were received from the Tower staff, making several pages of allegations against the Association and its staff. They also abandoned the Tower accommodation. This caused serious difficulties over staffing and having to send a specialist team to sort out the chaos at the Tower, and to prepare for public opening on 1st March.

A Trustee was tasked to investigate the allegations. It has taken some time to extract from the couple written evidence to back up the claims made and the veracity of the accusations. A report to the Board of Trustees will be made in due course. The Director was able to sort out the confusion and to find staff to take over in France. The Board thank her and the other key volunteers who stepped in to stabilise the situation.

Craigavon House: Craigavon House featured by name in the political agreement 'New Decade New Approach'. However, the collapse of the Stormont institutions has prevented a solution being found. The Association has continued to insure and look after the site and it is to be hoped that a solution to its refurbishment and reuse may be found in due course. The Chairman and Director have continued to meet with parties interested in developing a settled future for the House, including the Somme Nursing Home.

Somme Museum: With reductions in income and financial support, the Somme Museum was obliged to reassess its methods of operation. Initially, it opened to walk-in visitors each Wednesday and on one Saturday a month. These timings evolved into each Wednesday and Saturday. However, the Museum has introduced a booking system for group visits and this has proved successful. The system for school visits has returned to normal and this continues to be our main business. The Museum has operated a very successful 'Christmas in the Trenches' experience in December 2022.

The Association has continued to work with the Heritage Lottery Fund over a grant application to fund a management consultancy study into future possibilities for the museum, including where it should be sited, and how it can be sustainably funded in order to secure its future.

Museum at Whitespots: The Chairman and Director have a series of meetings with Ards & North Down Borough Council, throughout the year, regarding the development of Whitespots Country Park and possible development of a new gateway centre for the site.

# **The Somme Association**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2023**

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## **Financial review**

The Somme Association has continued to operate in very difficult financial circumstances. The Department for Communities has continued to fund Commemoration activities and exhibitions. The Department of Finance has continued core funding for the Ulster Memorial Tower. The Association has been successful in applications to support outreach activities. Discussions with the French tax authorities, with regard to the Association's liability to VAT, are ongoing.

The Association has continued in its efforts to transfer Craigavon House into suitable hands and there are encouraging signs that a solution may emerge.

## **Plans for future periods**

The Somme Association is encouraged to believe that funding for a study into the future of the Somme Museum may be available shortly. The Association has continued to be in discussion with the Department of Finance regarding potential refurbishment and enhancement of the Ulster Memorial Tower Visitor Centre at Thiepval. The Association is seeking to ensure a secure future for the Somme Museum, which provides such a unique educational and cultural experience. Discussions continue with Ards and North Down Borough Council, and other partners, to construct a plan for the development of the Museum, in parallel with the development of Whitespots Country Park

## **Trustees' responsibilities statement**

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# The Somme Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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## Auditor

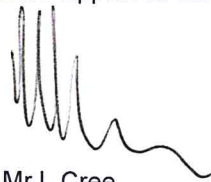
Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 21 March 2024 and signed on behalf of the board of trustees by:



Mr A McFarland  
Trustee



Mr L Cree  
Trustee

# **The Somme Association**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Somme Association**

**Year ended 31 March 2023**

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#### **Qualified opinion**

We have audited the financial statements of The Somme Association (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

# The Somme Association

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of The Somme Association

(continued)

#### Year ended 31 March 2023

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##### Basis for qualified opinion

The Association has historically regarded trade at the Ulster Tower visitor's centre, situated at Thiepval (France), as exempt from 'Taxe sur la Valeur Ajoutée' or TVA (French VAT).

The Association approached Triplet & Associés ('Triplet'), a firm of attorneys based in Lille, in an attempt to get assurance on the issue. The firm responded by email on 5th March 2020, detailing a number of relevant advices and conclusions, which appear to be contrary to this treatment, as follows:

(1) Revenue generated by the sale of hot and cold drinks, snacks, postcards, souvenirs and memorabilia is subject to French VAT at the appropriate rate; and

(2) Unless exemption from filing is achieved (subject to a number of strict conditions, including authorisation by the taxing authorities), French VAT must be accounted for on sales, and returns filed from the month the threshold is breached.

Applying these guidelines to recent trade at the Ulster Tower, the correspondence from the firm states that:

- despite the fact that taxable turnover is less than the upper threshold of €91,000 in 2017, they could not conclude that an exemption was applicable to 2017 without turnover information for 2016.

- in respect of 2018, the taxable turnover during the year exceeds the upper limit of €91,000. Accordingly, even if an exemption can be applied to 2017, French VAT returns would need to be filed at some point during that year.

- in respect of 2019, given that in 2018 the threshold had been breached, French VAT returns would need to be filed every month.

They continue by stating as the VAT threshold of €94,300 of sales was not breached for the 2020 or 2021 year, VAT returns would therefore not normally be required for those periods.

Triplet's correspondence to the Association alludes to the fact that the French tax authorities remain completely unaware of vatable activity at the Ulster Tower, and it is therefore at risk of refusal to the French VAT exemption regime which would have applied up to 2018 (and subsequently through to 2023). They continue by stating that the Association needs to apply to the French tax authorities for VAT registration, providing an explanation of the situation and, if relevant, applying for VAT exemptions where possible (whilst providing appropriate draft French VAT returns).

In response, the Association engaged Triplet to file the necessary VAT returns for 2017 to 2019 - this was completed, by email, on 24th March 2020. As per discussions with the client they are yet to receive a response from the French government departments of their submission. Accordingly, the Association remains unable to demonstrably confirm their level of exemption from VAT (between 2016 and 2023 inclusive), and to accurately quantify the amount of VAT which will become due (note that, to any liability calculated, a penalty of 10% will be applied plus late interest).

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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# **The Somme Association**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Somme Association**

*(continued)*

#### **Year ended 31 March 2023**

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##### **Material uncertainty related to going concern**

In forming our qualified opinion, we have considered the adequacy of the disclosure made in note 3 of the financial statements concerning The Somme Association's ability to continue as a going concern.

The statement of financial activity (SOFA) shows that the Association suffered a financial loss in the year ended 31 March 2023 of £35,547 (2022: £65,865).

We acknowledge the Board's attempt to perform a financial review of the year ended 31st March 2024, given the limited resources available, and in light of inherently uncertain times, both generally and for the tourism and not for profit sectors.

Cash flow projections were not available, and the information presented was not substantively auditable. Historically, although income in the form of government grants - the backbone of the Association's viability - has ultimately been received, the precise timing of any substantial sums has been sporadic.

Accordingly, we agree with the Board that an underlying material uncertainty exists which may cast significant doubt with regard to the Association's ability to continue as a going concern, given:

- the sporadic timing and quantum of government grants to cover core funding; and,
- the indefinite nature of voluntary donations, sizeable or otherwise.

It is also noteworthy that long standing issues which may affect the viability of the Association in the short to medium term, such as the sale of Craigavon House, sums owed to HM Revenue and Customs in respect of PAYE and National Insurance Contributions arrears and the VAT status of the Ulster Tower in France also linger.

Our opinion is not modified in respect of this matter.

##### **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 trustees are responsible for the other information. 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.

# The Somme Association

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of The Somme Association (continued)

Year ended 31 March 2023

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

#### Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained during the course of the audit, we have not identified material misstatements in the trustees' annual report (incorporating the directors' report).

Except for the matter described in the basis for qualified opinion section of our report as described above, solely of the limitation on our work:

- relating specifically to the tax status of the Ulster Memorial Tower visitor centre in France, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and

- relating specifically to the tax status of the Ulster Memorial Tower visitor centre in France, we were unable to determine whether adequate accounting records had been kept.

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:

- 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 the returns; or
- certain disclosures of directors remuneration specified by law are not made; and
- the directors 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 the directors reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

#### Responsibilities of trustees

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

# The Somme Association

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of The Somme Association

(continued)

Year ended 31 March 2023

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#### 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management; we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
  - reading the minutes of meetings of those charged with governance; and
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# The Somme Association

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of The Somme Association (continued)

Year ended 31 March 2023

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- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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

# **The Somme Association**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Somme Association**

*(continued)*

#### **Year ended 31 March 2023**

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

#### **Use of our report**

This report is made solely to the charity's 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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Magee (Senior Statutory Auditor)

For and on behalf of  
Aubrey Campbell & Company  
Chartered accountants & statutory auditor  
631 Lisburn Road  
Belfast  
BT9 7GT

21 March 2024

# The Somme Association

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
<b>Income and endowments</b>	<b>Note</b>				
Donations and legacies	5	39,158	107,000	146,158	208,881
Charitable activities	6	—	13,343	13,343	6,880
Other trading activities	7	61,364	—	61,364	14,378
Other income	8	—	1,500	1,500	1,500
<b>Total income</b>		<u>100,522</u>	<u>121,843</u>	<u>222,365</u>	<u>231,639</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of other trading activities	9	29,838	—	29,839	8,288
Expenditure on charitable activities	10,11	64,252	163,822	228,073	289,216
<b>Total expenditure</b>		<u>94,090</u>	<u>163,822</u>	<u>257,912</u>	<u>297,504</u>
<b>Net expenditure and net movement in funds</b>		<u>6,432</u>	<u>(41,979)</u>	<u>(35,547)</u>	<u>(65,865)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		(302,435)	888,479	586,044	651,909
<b>Total funds carried forward</b>		<u>(296,003)</u>	<u>846,500</u>	<u>550,497</u>	<u>586,044</u>

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

The notes on pages 18 to 32 form part of these financial statements.

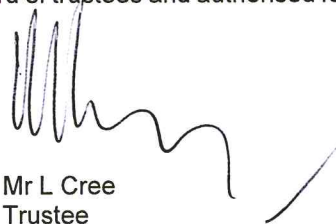
**The Somme Association**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible fixed assets	17	858,619	894,974
<b>Current assets</b>			
Stocks	18	7,246	7,969
Debtors	19	13,149	35,898
Cash at bank and in hand		12,569	9,936
		<u>32,964</u>	<u>53,803</u>
<b>Creditors: amounts falling due within one year</b>	21	341,086	362,733
<b>Net current liabilities</b>		<u>308,122</u>	<u>308,930</u>
<b>Total assets less current liabilities</b>		<u>550,497</u>	<u>586,044</u>
<b>Net assets</b>		<u>550,497</u>	<u>586,044</u>
<b>Funds of the charity</b>			
Restricted funds		846,500	888,479
Unrestricted funds		(296,003)	(302,435)
<b>Total charity funds</b>	23	<u>550,497</u>	<u>586,044</u>

These financial statements were approved by the board of trustees and authorised for issue on 21 March 2024, and are signed on behalf of the board by:



Mr A McFarland  
Trustee



Mr L Cree  
Trustee

The notes on pages 18 to 32 form part of these financial statements.

**The Somme Association**  
**Company Limited by Guarantee**

**Statement of Cash Flows**

**Year ended 31 March 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net expenditure		(35,547)	(65,865)
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		36,830	37,223
Accrued (income)/expenses		(1,482)	257
<i>Changes in:</i>			
Stocks		723	222
Trade and other debtors		22,749	7,139
Trade and other creditors		1,876	12,867
Cash generated from operations		<u>25,149</u>	<u>(8,157)</u>
Net cash from/(used in) operating activities		<u>25,149</u>	<u>(8,157)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(475)	—
Net cash used in investing activities		<u>(475)</u>	<u>—</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		24,674	(8,157)
<b>Cash and cash equivalents at beginning of year</b>		<u>(12,105)</u>	<u>(3,948)</u>
<b>Cash and cash equivalents at end of year</b>	<b>20</b>	<u>12,569</u>	<u>(12,105)</u>

The notes on pages 18 to 32 form part of these financial statements.

# **The Somme Association**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 March 2023**

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#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 233 Bangor Road, Newtownards, Co. Down, BT23 7PH.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

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

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

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### Going concern

In preparing the financial statements, the trustees have considered the continued support of funding organisations, financiers and creditors.

During the year ended 31 March 2023, the Association realised a net deficit of £35,547 (2022: £65,865 deficit).

The Ulster Tower was open to visitors for the full season in 2023 and the museum in Newtownards has reopened to visitors on a part time basis and for prebooked group bookings. Profits generated in Thiepval have been particularly important in years gone by and the return of tourist footfall to the Ulster Tower and its environs is welcomed. And although the timing of grant income remains an issue in terms of cash flow management, such income has been forthcoming, albeit to a lesser extent than in previous years.

Although the Association remains committed to selling a property of significant local historical interest which has the potential to generate a considerable sum for the Association, sums owed to HM Revenue and Customs have increased and, although confident that any potential VAT liability will be manageable, the Association's status with regard to the Ulster Tower in France remains unconfirmed.

The Directors are acutely aware of their obligation to monitor the going concern status, via management's continued focus on current and anticipated income and expenditure. The return to normality at Thiepval is tempered by the continued restricted opening hours at the Newtownards facility, and reduced levels of pledged government grant funding into the 2023/24 financial year. Liabilities accruing with HM Revenue and Customs continue to accrue, and the VAT situation at the Ulster Tower remains inconclusive. In this climate, the Board and management acknowledge their responsibility to find solutions to such issues, whilst making sound strategic decisions regarding the viability of the operation at home and abroad.

The Association rely on, and are grateful for, the support of the bank and other third parties to whom they remain indebted. As at the date of approval of the financial statements, the Board is not aware of any conditions that exist which may result in the withdrawal of support in the next 12 months by any known creditor, however they acknowledge that the current economic trading conditions and resultant lack of certainty regarding cash inflows suggest that a material uncertainty exists which casts significant doubt upon the Association's ability to continue as a going concern.

On consideration of the uncertainties described above, the trustees have a reasonable expectation that the Somme Association has adequate resources and support to continue in operational existence for the foreseeable future. For these reasons, they consider that the preparation of the financial statements on a going concern basis is appropriate. Accordingly, the financial statements do not contain any adjustments that would result if bank or credit facilities were withdrawn or future funding or finance became unavailable.

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### **Judgements and key sources of estimation uncertainty**

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

The key judgements and estimates that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

##### *Depreciation*

The company's statement of financial position reflects a tangible fixed asset class which is subject to depreciation. Depreciation rates are based upon the expected economic lives of the related tangible fixed assets. Any variation in the useful economic lives of the asset class will have an impact on the balance sheet and financial position of the company. The useful economic lives of tangible fixed assets are uncertain and, therefore, the actual economic life of an asset may be shorter or longer than expected. There have been no significant revisions to the estimated lives during the current financial year.

##### **Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

##### **Fund accounting**

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

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

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

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### Incoming resources

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

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

##### Resources expended

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

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

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

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

---

#### 3. Accounting policies *(continued)*

##### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Copyright - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

##### Tangible assets

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

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Where information on the cost or value of an asset is not available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, the asset shall not be recognised in the statement of financial position.

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### Depreciation

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

Land and buildings	-	2% straight line
Baxter Hut	-	3% straight line
Fixtures and fittings	-	20% straight line
Motor vehicles	-	20% straight line
Thiepval Wood	-	2% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Limited by guarantee

The charity is a company limited by guarantee, not having a share capital and is registered in Northern Ireland. The liability of members is limited to £10.

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

#### 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
<b>Donations</b>			
Membership subscriptions	14,784	–	14,784
Donations	14,374	–	14,374
<b>Grants</b>			
Dpt for Communities grants	–	29,000	29,000
TBUC grants	–	–	–
DFP grants	–	47,000	47,000
Ards and NDBC grants	10,000	–	10,000
NIMC grant	–	–	–
HMRC JRS grant	–	–	–
National Lottery Heritage Fund	–	31,000	31,000
	<u>39,158</u>	<u>107,000</u>	<u>146,158</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Membership subscriptions	14,258	–	14,258
Donations	18,581	–	18,581
<b>Grants</b>			
Dpt for Communities grants	–	29,000	29,000
TBUC grants	–	41,566	41,566
DFP grants	–	87,000	87,000
Ards and NDBC grants	10,000	–	10,000
NIMC grant	–	2,000	2,000
HMRC JRS grant	–	6,476	6,476
National Lottery Heritage Fund	–	–	–
	<u>42,839</u>	<u>166,042</u>	<u>208,881</u>

#### 6. Charitable activities

	Restricted Funds £	Total Funds 2023 £	Restricted Funds £	Total Funds 2022 £
Sale of goods/services as part of direct charitable activities	<u>13,343</u>	<u>13,343</u>	<u>6,880</u>	<u>6,880</u>

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 7. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Shop sales	20,402	20,402	3,644	3,644
Cafe sales	30,613	30,613	3,915	3,915
Hunt income	3,081	3,081	2,948	2,948
Thiepval Wood sales	7,018	7,018	3,721	3,721
Event Income	250	250	150	150
	<u>61,364</u>	<u>61,364</u>	<u>14,378</u>	<u>14,378</u>

#### 8. Other income

	Restricted Funds £	Total Funds 2023 £	Restricted Funds £	Total Funds 2022 £
GOLI income	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>

#### 9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of other trading activities - Shop and cafe costs	<u>29,838</u>	<u>29,839</u>	<u>8,288</u>	<u>8,288</u>

#### 10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Headquarters	10,278	275	10,552
Ulster Tower	13,333	55,748	69,081
Somme Museum	46,517	71,998	118,515
Support costs	(5,876)	35,801	29,925
	<u>64,252</u>	<u>163,822</u>	<u>228,073</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Headquarters	10,762	4,909	15,670
Ulster Tower	27,637	73,988	101,625
Somme Museum	46,689	79,300	125,990
Support costs	10,130	35,801	45,931
	<u>95,218</u>	<u>193,998</u>	<u>289,216</u>

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# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

#### 11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Headquarters	10,552	–	10,552	15,670
Ulster Tower	69,081	–	69,081	101,625
Somme Museum	118,515	–	118,515	125,990
Governance costs	–	29,925	29,925	45,931
	<u>198,148</u>	<u>29,925</u>	<u>228,073</u>	<u>289,216</u>

#### 12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	36,830	37,223
Foreign exchange differences	946	42

#### 13. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>6,623</u>	<u>6,250</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>2,208</u>	<u>2,083</u>

#### 14. Staff costs

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

	2023 £	2022 £
Wages and salaries	119,068	119,334
Employer contributions to pension plans	2,454	2,640
Other employee benefits	–	1,123
	<u>121,522</u>	<u>123,097</u>

The average head count of employees during the year was 5 (2022: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Somme Museum	3	4
Ulster Tower	2	2
	<u>5</u>	<u>6</u>

**The Somme Association**  
**Company Limited by Guarantee**

**Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2023**

**14. Staff costs** *(continued)*

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

**15. Trustee remuneration and expenses**

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

**16. Intangible assets**

	<b>Copyright £</b>
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	10,394
<b>Amortisation</b>	
At 1 April 2022 and 31 March 2023	10,394
<b>Carrying amount</b>	
At 31 March 2023	–
At 31 March 2022	–

**17. Tangible fixed assets**

	Land and buildings £	Baxter Hut £	Fixtures and fittings £	Motor vehicles £	Thiepval Wood £	<b>Total £</b>
<b>Cost</b>						
At 1 Apr 2022	1,292,120	49,268	472,029	18,798	415,840	2,248,055
Additions	–	–	475	–	–	475
<b>At 31 Mar 2023</b>	<u>1,292,120</u>	<u>49,268</u>	<u>472,504</u>	<u>18,798</u>	<u>415,840</u>	<u>2,248,530</u>
<b>Depreciation</b>						
At 1 Apr 2022	708,727	13,137	469,231	18,798	143,188	1,353,081
Charge for the year	25,842	1,642	1,029	–	8,317	36,830
<b>At 31 Mar 2023</b>	<u>734,569</u>	<u>14,779</u>	<u>470,260</u>	<u>18,798</u>	<u>151,505</u>	<u>1,389,911</u>
<b>Carrying amount</b>						
At 31 Mar 2023	<u>557,551</u>	<u>34,489</u>	<u>2,244</u>	<u>–</u>	<u>264,335</u>	<u>858,619</u>
At 31 Mar 2022	<u>583,393</u>	<u>36,131</u>	<u>2,798</u>	<u>–</u>	<u>272,652</u>	<u>894,974</u>

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 17. Tangible fixed assets *(continued)*

The Somme Museum is located near the training ground of the 36th (Ulster) Division, near Newtownards, the museum examines Ireland's role in the Great War, hosts schools' conferences, educational seminars, and exhibitions on more recent conflicts. The museum has increasingly focused upon the community relations potential of our shared history as a vehicle to developing mutual understanding and reconciliation. The museum was opened in 1994.

The Ulster Tower visitor's centre is located at the site of the Ulster Tower, Thiepval, France. The centre comprises an exhibition area, AV room, cafe/shop with adjoining seating area and customer toilets and is a focus for thousands of visitors each year who come to visit the Ulster Tower and Thiepval Wood.

Craigavon House and Thiepval Wood are regarded as being heritage assets. Further details can be found in note 3 of the financial statements.

During the year ended March 2013 the charity was gifted two Baxter Huts by the Ministry of Defence. The huts were used variously throughout the 20th century as soldier's billets and for housing internees. The huts are a unique part of local history and were without market value. Due to the poor state of repair of the huts and the damage involved in the taking down of the huts, one hut was constructed from the two. The trustees are, therefore, of the opinion that the costs of obtaining a valuation for the original huts would be disproportionate in terms of the benefit derived. The costs incurred in the construction of the hut have been capitalised and are being depreciated.

The trustees thank the Heritage Lottery Fund for their financial support of this project.

In 2004 the Somme Association received a grant from the Department of Arts, Culture and Leisure towards the purchase of Thiepval Wood.

#### 18. Stocks

	2023	2022
	£	£
Raw materials and consumables	7,246	7,969

#### 19. Debtors

	2023	2022
	£	£
Trade debtors	295	—
Prepayments and accrued income	6,445	4,723
Other debtors	6,409	31,175
	<u>13,149</u>	<u>35,898</u>

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

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#### 20. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2023	2022
	£	£
Cash at bank and in hand	12,569	9,936
Bank overdrafts	—	(22,041)
	<u>12,569</u>	<u>(12,105)</u>

#### 21. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	—	22,041
Trade creditors	2,290	10,265
Accruals and deferred income	23,259	24,741
Social security and other taxes	102,896	87,531
Other creditors	212,641	218,155
	<u>341,086</u>	<u>362,733</u>

Bank loans as detailed above includes bank loans and overdrafts.

The bank overdrafts of £nil (2022: £22,041) disclosed under creditors falling due within one year are secured by the company.

First Trust Bank holds a legal mortgage/charge over Craigavon House as security against borrowings.

#### 22. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,454 (2022: £2,640).

# The Somme Association

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

## 23. Analysis of charitable funds

### Unrestricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
General funds	(302,435)	100,522	(94,090)	(296,003)

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	(256,146)	57,217	(103,506)	(302,435)

### Restricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Somme Association Restricted Fund	888,479	121,843	(163,822)	846,500

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Somme Association Restricted Fund	908,055	174,422	(193,998)	888,479

## 24. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	2,244	856,375	858,619
Current assets	(107,161)	140,125	32,964
Creditors less than 1 year	(191,086)	(150,000)	(341,086)
<b>Net assets</b>	<u>(296,003)</u>	<u>846,500</u>	<u>550,497</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	2,798	892,176	894,974
Current assets	(92,500)	146,303	53,803
Creditors less than 1 year	(212,733)	(150,000)	(362,733)
<b>Net assets</b>	<u>(302,435)</u>	<u>888,479</u>	<u>586,044</u>

# The Somme Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

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#### 25. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	9,936	2,633	12,569
Bank overdrafts	(22,041)	22,041	—
	<u>(12,105)</u>	<u>24,674</u>	<u>12,569</u>

#### 26. Contingencies

A contingent liability exists in respect of professional services provided to the charity by Alastair Coey architects. To date, professional fees have not been delivered to the Association for payment, although the trustees believe that the value of the engagement can be reasonably estimated to be in the region of £85,000 (the exact quantum has not been agreed). The trustees do not expect payment of any amount to be considered until agreement has been reached on the validity of the work performed and the associated costs, in addition to receipt of funds from the sale of Craigavon House.

#### 27. Limitation of auditors liability

The company has entered into a liability limitation agreement with its auditor, Aubrey Campbell and Company on the following basis:

(a) the maximum aggregate amount of the auditor's liability to the company shall not exceed the sum of seven times the fees payable (excluding expenses and value added tax) under the engagement letter agreed for the financial period, or £30,000, whichever is the lesser amount.

(b) the agreement was passed by a resolution of the company's members on 12th March 2024.

#### 28. Related parties

The Association has a close relationship with Ards and North Down Borough Council, which nominates 3 members of the Somme Museum Management Committee and provides funding to enable the Museum to carry out its charitable objects. The Somme Museum received £10,000 (2022: £10,000) in grant support and £1,625 (2022: £1,150) membership subscriptions, Museum ticket sales and event income from Ards and North Down Borough Council in the year. At the balance sheet date £nil (2022: £nil) remained due to the Somme Museum.

**The Somme Association**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 31 March 2023**

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The following pages do not form part of the financial statements.

# The Somme Association

## Company Limited by Guarantee

### Detailed Statement of Financial Activities

Year ended 31 March 2023

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	2023 £	2022 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Membership subscriptions	14,784	14,258
Donations	14,374	18,581
Dpt for Communities grants	29,000	29,000
TBUC grants	–	41,566
DFP grants	47,000	87,000
Ards and NDBC grants	10,000	10,000
NIMC grant	–	2,000
HMRC JRS grant	–	6,476
National Lottery Heritage Fund	31,000	–
	<u>146,158</u>	<u>208,881</u>
<b>Charitable activities</b>		
Sale of goods/services as part of direct charitable activities	13,343	6,880
<b>Other trading activities</b>		
Shop sales	20,402	3,644
Cafe sales	30,613	3,915
Hunt income	3,081	2,948
Thiepval Wood sales	7,018	3,721
Event Income	250	150
	<u>61,364</u>	<u>14,378</u>
<b>Other income</b>		
GOLI income	1,500	1,500
	<u>1,500</u>	<u>1,500</u>
<b>Total income</b>	<u>222,365</u>	<u>231,639</u>

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# The Somme Association

Company Limited by Guarantee

## Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2023

	2023 £	2022 £
<b>Expenditure</b>		
<b>Costs of other trading activities</b>		
Opening stock	7,969	8,191
Purchases	29,116	8,066
Closing stock	7,246	7,969
	<u>29,839</u>	<u>8,288</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	119,068	119,334
Pension costs	2,454	2,640
Other post-retirement benefits	–	1,123
Light and heat	8,373	7,055
Repairs and maintenance	6,603	11,551
Insurance	22,121	22,416
Other motor/travel costs	25,995	19,035
Legal and professional fees	9,724	8,708
Telephone	4,639	3,834
Other office costs	3,299	5,714
Depreciation	36,830	37,223
Foreign exchange gain/loss	946	42
Write off VAT account	(16,629)	–
Sundry expenses	568	1,218
Bank charges	2,952	2,662
Exhibition and event costs	1,130	46,661
	<u>228,073</u>	<u>289,216</u>
<b>Total expenditure</b>	<u>257,912</u>	<u>297,504</u>
<b>Net expenditure</b>	<u>(35,547)</u>	<u>(65,865)</u>

# The Somme Association

Company Limited by Guarantee

## Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2023

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	2023	2022
	£	£
<b>Costs of other trading activities</b>		
<b>Costs of other trading activities - Shop and cafe costs</b>		
Shop and cafe costs - opening stock	7,969	8,191
Shop and cafe costs - purchases	29,116	8,066
Shop and cafe costs - closing stock	(7,246)	(7,969)
	<u>29,839</u>	<u>8,288</u>
<b>Costs of other trading activities</b>	<u>29,839</u>	<u>8,288</u>

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# The Somme Association

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2023

	2023	2022
	£	£
<b>Expenditure on charitable activities</b>		
<b>Headquarters</b>		
<i>Activities undertaken directly</i>		
Headquarters - pension costs	1,800	1,800
Headquarters - repairs & maintenance	326	438
Headquarters - insurance	—	926
Headquarters - other motor/travel costs	5,355	5,805
Headquarters - telephone	846	199
Headquarters - other office costs	1,625	1,504
Headquarters - sundry expenses	—	1,093
Headquarters - Bank charges	326	597
Headquarters - Exhibition and event costs	274	3,308
	<u>10,552</u>	<u>15,670</u>
<b>Ulster Tower</b>		
<i>Activities undertaken directly</i>		
Ulster Tower - wages/salaries	35,656	36,108
Ulster Tower - light & heat	2,042	2,828
Ulster Tower - repairs & maintenance	4,879	5,790
Ulster Tower - insurance	3,757	3,638
Ulster Tower - other motor/travel costs	18,657	13,219
Ulster Tower - telephone	1,557	1,432
Ulster Tower - other office costs	233	248
Ulster Tower - foreign exchange gain/loss	946	42
Ulster Tower - sundry expenses	120	15
Ulster Tower - bank charges	341	425
Ulster Tower - Exhibition and event costs	893	37,880
	<u>69,081</u>	<u>101,625</u>
<b>Somme Museum</b>		
<i>Activities undertaken directly</i>		
Somme Museum - wages/salaries	83,412	83,226
Somme Museum - pension costs	654	840
Somme Museum - Redundancy	—	1,123
Somme Museum - light & heat	6,331	4,227
Somme Museum - repairs & maintenance	1,398	5,323
Somme Museum - insurance	18,364	17,852
Somme Museum - other motor/travel costs	1,983	11
Somme Museum - telephone	2,236	2,203
Somme Museum - other office costs	1,441	3,962
Somme Museum - sundry expenses	448	110
Somme Museum - bank charges	2,285	1,640
Somme Museum - Exhibition and event costs	(37)	5,473
	<u>118,515</u>	<u>125,990</u>
Carried forward		
	<u>118,515</u>	<u>125,990</u>

# The Somme Association

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2023

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	2023 £	2022 £
Brought forward	118,515	125,990
	<u>118,515</u>	<u>125,990</u>
<b>Governance costs</b>		
Governance costs - accountancy fees	2,208	2,083
Governance costs - audit fees	6,623	6,250
Governance costs - legal and other professional fees	893	375
Governance costs - depreciation	36,830	37,223
Governance costs - write off	(16,629)	–
	<u>29,925</u>	<u>45,931</u>
<b>Expenditure on charitable activities</b>	<u>228,073</u>	<u>289,216</u>

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