

**ADDINGTON FUND**  
**TRUSTEES' REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

Charity Number: 1097092  
Company Number: 4654186

# ADDINGTON FUND

## TRUSTEES AND ADVISORS

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Charity Number: 1097092

Company Number: 4654186

Registered Office: 9 Barford Exchange  
Wellesbourne Road  
Barford  
Warwickshire  
CV35 8AQ

Trustees: A M Brooks Pdip AFM MRAC (resigned 21 July 2021)  
D T Canty BSc MSc MRICS MBPR (Agric) TECH IOSH (resigned 21 July 2021)  
Mrs L J Dibble  
P C Jinman OBE, BVet Med DipArb MRCVS FCIArb FRAGS (Chairman)  
S G Mountjoy DFM, FBIAC  
Mrs C Ryder  
MR Redfearn FIAGrM  
D K Rowlands (resigned 21 July 2021)  
P Snodgrass MA (Cantab) (Secretary)  
Mrs C V Stevens  
R J Wyatt BSc(Agric) FRICS FAAV

Secretary: P Snodgrass MA (Cantab)

Chief Executive Officer: W E Young

Bankers: National Westminster Bank Plc  
59 Parade  
Leamington Spa  
Warwickshire  
CV32 4BH

Auditors: Luckmans Duckett Parker Limited  
1110 Elliott Court  
Coventry Business Park  
Herald Avenue  
Coventry  
CV5 6UB

Solicitors: Ladders LLP  
10 Elm Court  
Arden Street  
Stratford upon Avon  
CV37 6PA

Stockbrokers: Brewin Dolphin  
4<sup>th</sup> Floor 9 Colmore Row  
Birmingham  
B3 2BJ

# ADDINGTON FUND

## TRUSTEES' REPORT

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The Trustees present their report and the accounts for the year ended 31 March 2021. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)

### Objectives of the Addington Fund

The trustees confirm that they have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the charity's aims and objectives and planning future activities. The charity's objects (the Objects) are the promotion for the public benefit of rural regeneration in areas of social or economic deprivation, in particular by:-

- (a) The relief of poverty
- (b) The provision of housing for those who are in need provided that such power shall not extend to relieving any local authority or other bodies of a statutory duty to provide or improve housing.

Copies of the Memorandum of Association can be obtained on request.

### Chairman's report

Addington Fund started out as a consequence of two disease events in the farm livestock of this nation, Swine Fever and Foot and Mouth Disease. In the case of the latter outbreak, the countryside virtually shut down and considerable hardship occurred for all who lived and worked or relied upon farming and rural dwelling.

This last financial year and as I write this chairman's introduction to the accounts, the current year, has seen the extraordinary and unique situation of a country that has been largely shut down because of a human disease caused by an easily spread respiratory virus, Covid -19.

The effect on all charities, some more than others, is that the long-established ways of raising funds from sponsored events, coffee mornings, and in our case breakfasts, dinners and attendance and fund raising at agricultural shows has virtually ceased.

It is at times like this that I am most grateful to the staff and the trustees, past and present, for the foresight to ensure that the charity has reserves to allow us to continue to function effectively and continue the work of the charity. As a charity we are also extremely grateful to all those who have helped and managed to still contribute ensuring that, even though curtailed in our fund-raising activities, donations still have reached us.

At the same time as having the challenge of Covid-19, the continuing roll out of significant agricultural change both as a consequence of leaving the European Union and because of climate induced changes in global and national land use, agricultural and environmental policies and practices will almost certainly give rise to greater calls on the charity as those who are not able or struggle, seek assistance. Despite the problems of the year and as I look forward to the next year, there are a number of projects that are under consideration or in their early stages that will require considerable funding. Our current financial position does allow us to start to actively pursue these new initiatives that will provide further help to those most needing it, whilst still being ready to assist with the sudden demands that so sadly can arise. Clearly, we hope that these new initiatives including significant housing projects, can find further funding in the coming year to see them all through to completion.

Addington Fund was founded to help, and it remains the clear intention of the board that we continue with that set aim. On behalf of all the trustees I thank our staff, volunteers and supporters for seeing the charity through these difficult times. Our reward is being able to help those in need when they most need it.



Peter Jinman OBE, BVet Med DipArb MRCVS FCI Arb FRagS Chairman of the Addington Fund

# ADDINGTON FUND

## TRUSTEES' REPORT (continued)

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### Chief Executive's Report

The Addington Fund continues to focus on the five designated areas of operation: -

- **Disaster Relief** and emergency response on farm especially when animal welfare is at stake.
- **Retirement Homes** for farmers who have no means of purchasing a retirement home.
- **Affordable Rural Housing** for those involved in agricultural and rural industries.
- **Young Entrants Scheme** to give youth a chance.
- **George Stephens Trust Fund** to help farm workers both working and retired.

It continues to astound me how our priorities need to change continually as dictated by demand, sometimes on a day-to-day basis according to the challenges faced by farmers and the rural community. At the Addington Fund we endeavour to adapt as needed and provide a quick non-bureaucratic response to all situations.

There is no doubt that farming is going through a period of massive change in the lead up to 2028 when the support systems change. The provision of a retirement scheme for farmers for the first time in the Agriculture Act of November 2020 is sure to stimulate demand for our retirement homes and could for the first time lead us to providing dedicated retirement areas or cul-de-sacs for retired farmers in the future.

It is though, the lack of affordable rural housing for youngsters that caused us the most concern in the year. Not only can many working in agriculture and other rural trades not afford to buy, but they also cannot afford to rent and it means that we will have to look at schemes that will help address this real problem if we are going to meet one of our goals of creating a sustainable rural economy. If we fail to address this sustainable rural communities will turn into satellite villages of second homeowners and commuters.

In a similar way we remain concerned about the lot of some farmworkers having encountered some real cases of hardship. Thanks to a second large donation from a private donor in the North-West our Trustees are considering expanding the remit of The George Stephens Trust Fund to help in that area by broadening scope and increasing level of donations and including a provision for emergency temporary accommodation.

As the agriculture industry faced up to the undoubted post-Brexit challenges during the year it was important that the big UK farming charities stood together and in this difficult year the Farming Help umbrella reached new heights. The four England based national Charities (Addington, FCN, Forage Aid and RABI) under the guidance of The Prince's Countryside Fund through new Director Keith Halstead and the stewardship of Lord Curry of Kirkharle the members have had a seat at the higher table that enabled us to pass on the concerns from rural people to those who can change and influence. In so doing we believe we have made a difference.

Behind the scenes DEFRA board member Miss Elizabeth Buchanan continued to play a pivotal role in getting our voice heard and I must praise Secretary of State George Eustice MP for the culture of openness and the approachable way in which DEFRA operated during the financial year.



The success of Farming Help leads some of the charities involved to believe that there are further opportunities to save on costs and reduce duplication and competition through cooperation. These avenues will be explored in full during the oncoming year which financially could be a tough one if the economy does not click back into life quickly. Any savings through joined up synergies could then come into their own and ease pressure on our, at times stretched resources.



# **ADDINGTON FUND**

## **TRUSTEES' REPORT (continued)**

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### **Review of operations**

In the two previous years we have successfully driven down operational costs by an average of £20k a year and the pandemic gave us the opportunity to get this down to a record low in recent times of just under £450k. This does not depict the whole story in that under the guidance and hard work of our Marketing and Events Manager Annie Winn we were able to totally revamp the whole of our marketing portfolio and absorb the associated costs. These included a much-needed new website with online donation function, new video equipment, a new suite of leaflets, sponsored pull up banners and a commemorative 20<sup>th</sup> anniversary booklet in preparation for the resumption of face-to-face fundraising. We have greatly increased our social media presence online too and entered the video age all to immediate good effect. I feel our fundraising profile has been raised considerably and we are now a very recognised force in our field.

We also took advantage of the low interest rates to negotiate a secured loan of £1.158m with our bank NatWest which will enable us to take advantage of any development opportunities in the right area with the right partners should they arise.

All the work and planning carried out during the financial year 20-21 means we enter the next financial year with a sizeable war chest ready to meet our self-imposed stiff target we have set ourselves. Currently we own or have shares 66 properties but it is our target to hit 100 in the next five years. The reduced affordable rents we charge look increasingly attractive to tenants in today's market pace but still enable us to pay out 90p in the £1 from donations to good causes that meet our charitable target. We believe firmly that by expanding our housing portfolio we will be able to hit the 100% payout figure on all donations which will put the Addington Fund in a very prominent and enviable position amongst charities. We also want to hit the £1m turnover figure and then consistently from then on and see increasing our property portfolio as the best way to meet our charitable goals as a means of achieving these ambitious goals.

Not only that it will further give us opportunity to develop our Young Entrants Scheme where we plan to use the legacy farms which have been pledged to us to use as starting grounds for first generation farmers to bring in hard working young entrepreneurs into the industry with new ideas drive and initiative.

While financially the Addington Fund has fared very well in the year there have been frustrations where you feel Covid has at times been used as an excuse rather than being the reason for poor service by some contractors. Unacceptably slow conveyancing on property transactions to name one, slow responses from local authorities and utility companies and a dip in service in some areas are frustrations we have learned to live with during the year but have noted for future reference.

The pandemic though did show the resilience of both farmers and rural people and their ability to cope with the unexpected. Addington has continued to help with disaster relief in the forms of goods and services in some cases of individual hardship. Mercifully we have not suffered from any national disease outbreaks or prolonged inclement weather. For the first time we have helped out on farms shut down by positive TB tests. These farms have had one thing in common in that they had embarked on specialist ventures such as pedigree heifer replacements, specialist calf production or raw milk and one reactor can kill their businesses overnight. Sometimes we have linked aid to specialist help perhaps from a Duchy of Cornwall advisor or The Prince's Resilience Fund to help turn the business around and make it more durable. We have also helped a few tenants when their incomes dried up in the first months of lockdown. Mercifully most businesses were diversified enough to come through and buoyed by good prices in both arable and livestock sectors. Some businesses have actually strengthened as a result of entrepreneurial flair and grasping some of the new opportunities that have arisen in the twelve-month period.

### **Financial Review**

The Covid lockdown year pretty much coincided with the whole of this financial year 2020-21 and it of course ensured the end of all face-to-face fundraising for the duration which on the face of it could have been a devastating blow to the Addington Fund.

However, The Fund has been set up prudently over the last 20 years by the Trustees to operate in a sustainable way which shields us from the unexpected. At the start of the financial year, it looked like we were set to lose a quarter of a million pounds in direct fundraising activity and so it proved. I am therefore absolutely delighted to report that not only did we weather the storm but Addington increased its turnover from just under £740k to over £853k which given the circumstances is an incredible result and a credit to the Addington team. Not only that, no staff were furloughed and we remained independent of any state support throughout the year.

# **ADDINGTON FUND**

## **TRUSTEES' REPORT (continued)**

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It is pleasing therefore that our net income for the year increased from £138,083 in the previous year to £538,538. This is further borne out by The Funds increase in net worth by nearly £1m to £13,434,532 which puts us in a strong position ready for the major changes and the painful consequences we expect agriculture to go through in the next few years. We are now in a real position to deliver.

We are indebted to our supporters and donors new and old from so many different areas of the industry we are in. There are too many to mention them all, but I must highlight the NFU Mutual Charitable Trust who helped us turn a good financial year into an outstanding one and I must thank their former Chief Executive Lindsay Sinclair and current CEO Nick Turner in particular, for their fantastic financial support during the year. Likewise, in the South-West we have been backed to the hilt by The Cornish Mutual where our relationship with CEO Peter Beaumont is as strong as is his predecessor Alan Goddard who has now retired to Lincolnshire. In a similar vein we once again received another substantial donation from The Hutchinson Charitable Trust for which we are truly grateful, and it is our plan to recognise some of these contributions on some of the many building developments we have in the pipeline to help meet the unprecedented demand we are facing for our housing services.

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

Addington Fund is a registered charity and a company limited by guarantee. The Fund changed its name from The ARC Addington Fund to Addington Fund on 8 September 2011. Originally established in March 2001 as The Arthur Rank Centre Addington Fund, the assets were transferred to the current Addington Fund (formerly known as the ARC-Addington Fund) in 2003. The ARC-Addington Fund was incorporated under the Companies Act 1985 on 31st January 2003. The Trustees continue to conduct annually a full review to ensure the charities activities comply with the Charity Commission and Companies House and risk management policies.

The Trustees meet at least four times a year either virtually or face to face to deal with the growing responsibilities of the charity, calling in expertise where required, to consider the development of the Fund and to adopt accounts and appoint auditors. All have adapted to virtual Zoom or Teams meetings and the running of the charity continued to operate seamlessly under the imposed remote working environment.

### **Trustee appointment, induction and training**

The Directors of the Charitable Company are also the Charity Trustees for the purposes of charity law. New trustees are briefed on their legal obligations under Charity and Company law, the contents of the Memorandum and Articles of Association, decision-making processes, the business plan and recent financial performance of the charitable company. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate training events where these will facilitate the undertaking of their role. Indeed, all were offered and attended various online training courses through the year.

Trustees are elected for an initial four-year term and may be elected for up to an additional two periods of three years and a total of 10 years. For a serving current Chairman this can be extended.

Trustees are picked according to their skill sets to fill identified gaps in the knowledge of Trustees. It is important to the Fund that there is expertise in the key areas of farming, housing, planning, risk, law, land agency and finance. Furthermore, we need the business skills and compassion to administer and deliver to meet our clearly sighted goals.

### **Trustees**

A M Brooks PdipAFM MRAC (resigned 21 July 2021)  
D T Canty BSc MSc MRICS MBPR (Agric) TECH IOSH (resigned 21 July 2021)  
Mrs LJ Dibble  
P C Jinman OBE, BVet Med DipArb MRCVS FCI Arb FRAgS (Chairman)  
S G Mountjoy DFM, FBIAC  
Mrs C Ryder  
M R Redfearn FIAgrM  
D K Rowlands (resigned 21 July 2021)  
P Snodgrass MA (Cantab) (Secretary)  
Mrs C V Stevens  
R J Wyatt BSc(Agric) FRICS FAAV

# **ADDINGTON FUND**

## **TRUSTEES' REPORT (continued)**

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### **Organisation**

The Addington Fund continues to operate from 9 Barford Exchange, Wellesbourne Road, Barford, Warwickshire CV35 8AQ.

The eleven trustees at the Addington Fund, two of which finish their terms in the next financial year, have continued to go the extra mile and perform beyond their call of duty. The sub-committees for Housing, Marketing and Fundraising, Governance and Resource, Addington Development Company and the overarching Executive Committee have all delivered under the watchful eyes of Roger Wyatt, Christine Ryder, Vice-Chairman Martin Redfearn and Simon Mountjoy under the careful insightful stewardship of Chairman Peter Jinman. Zoom calls became the norm and it was business as usual. I am delighted to report as well as performing their duties so well not one Trustee claimed any expenses from Addington in the financial year which is real dedication to duty and the charitable cause.

The only change this year has seen the appointment of a Vice-Chair to deputise for the Chairman as and when needed. It was agreed by the Trustees that the Vice-Chairman should always be the Chair of the Governance Resource Committee but not does not necessarily mean that person is the next Chairman in waiting. No additional Trustees have been appointed this year.

The Addington staff adapted to homeworking seamlessly and Deputy Director Sue English ensured that the provision of IT and new systems through our IT contractors was up to the task and did not impinge on productivity. While our Project Manager Mike Williams was able to examine potentials within our property portfolio which culminated in planning permission for a three-bedroom plot in at Trevorva near Probus in Cornwall and a profitable sale for development on land owned in Truro. The proceeds of which will go towards the finance the afore said new build. No new members of staff were recruited in the financial year.

Our long serving Patron Lord Robert Iliffe announced his decision to step down in the next year and at the time of writing the search is well under way to find a suitable high-profile successor. Lord Iliffe has been an absolute stalwart for the Addington Fund and rural life and will be sorely missed.

The Rt Hon The Countess Bathurst, The Hon Mrs Rupert Soames and the Right Reverend John Stroyan have again served as our three Vice-Patrons.

### **Risk management**

Lockdown was used as an opportunity to totally revamp The Funds Risk Management strategy. Under the watchful eye of Trustee Clair Stevens a new risk register was created with full colour coding and scoring system administered by The Governance and Resource Sub-Committee.

Similarly the Fund engaged Ceres Rural as part of their sponsorship to Addington to review and rewrite our Health and safety Policy to sit alongside our existing NatWest Mentor resource with its 24/7 helpline.

Both are major additions to our armoury but totally dependent on annual and ongoing review by fully engaged members of staff.

### **Insurance**

Insurance costing £1,119 has been taken out to cover the charity's trustees and officers against liabilities in relation to the charity. The cover is for up to £5m which the management of the charity feel is appropriate for today's marketplace.

### **Fundraising standards**

The Addington Fund carries out fundraising at farming events across the country throughout the year using its own staff and trustees. This is the only active fundraising that the charity performs and there is no use of professional fundraisers.

The charity is now regulated by the Fundraising Regulator which is the independent regulator of charitable fundraising in England, Wales and Northern Ireland.

Registered with



FUNDRAISING  
REGULATOR

# **ADDINGTON FUND**

## **TRUSTEES' REPORT (continued)**

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### **Reserves policy**

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity. The members of the Trustees Discretionary Fund are adamant that The Fund must retain a disaster relief fighting fund in case of freak weather or disease outbreak which must be available, at all times to use as and when necessary. The Trustees Discretionary fund closed at the end of the year at a healthy £611,087. We also retain our £100,000 general reserve fund in easy access savings for unexpected emergency response as and when needed.

### **Investment policy**

Our investments continue to be managed by Brewin Dolphin and quickly recovered from the bad start to the financial year to perform well and certainly out did the low interest bank and building society accounts which have been opened up by the Fund in recent times. The Trustees consider this to be the best home for unspent restricted donations which again has been proved right.

### **Key management personnel remuneration**

The trustees consider the board of trustees and the chief executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 3 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Fund's policy, withdraw from decisions where a conflict of interest arises. This applies to both full trustee meetings and sub-committee meetings.

### **Achievements and performance**

Without doubt the biggest achievement of the charity has been to carry on unabated in such trying times. It is a testament to the adaptability of both staff and Trustees that this was possible.

Not only that The Fund has managed to significantly increase net worth, turnover and income without any state support. The solid platform created during this year puts Addington in a strong position to capitalise on some of the many housing projects we have in the offing and we enter the 2021-22 year in a positive state of mind and a good position.

### **Plans for the future**

Survival and growth are about the charity's ability to change and adapt to different challenges. The Trustees are confident that there has been a sound platform created to achieve our goals: -

- To have Funds ready and available to buy building plots, construct new houses on donated plots and buy new build houses at cost when offered them. This will help achieve the above goal and strengthen our balance sheet to help further meet clear charitable objectives.
- To hit £1m Turnover and regularly thereafter.
- 100 houses fully or part owned.
- At least two retirement houses in every county in England and Wales.
- Use our collateral to buy into the cheap current borrowing to fund projects and continue to maximise assets and look for further opportunities.
- Engage with stakeholders and partners to finance and deliver more projects, especially retirement homes.
- To increase our presence in the North of England and Wales while providing more affordable homes in the more affluent counties.
- To raise the profile of the Addington Fund and make Addington an obvious point for grant distribution.
- Launch an Addington Ambassadors Scheme to engage high profile names within the industry to promote Addington and launch a fundraising Friends of Addington appeal.

### **Closing comments**

To summarise the year the Addington Fund has come through this nationally traumatic time, financially in good heart and has had a good year during where we have prepared and laid good bedrock to catapult The Fund to the next stage. This solid performance means we enter the next year with clear charitable objectives, a very strong team with the desire and funds to take us forward. I believe we have become an attractive proposition to donators, investors, landowners, would be partners and stakeholders and as a result we have some fantastic housing project irons in the fire. In view of our strong position, we can pick and choose and will only enter agreements where everyone involved is financially committed to the charitable aim of the project. By standing fast and adhering to this the Addington



# ADDINGTON FUND

## TRUSTEES' REPORT (continued)

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Fund will be able to help more people in the long run by becoming more sustainable and even more efficient as a charity.

Finally, I would like to thank all those who have contributed to the Addington Fund in any shape or form over the year in particular my excellent Trustees, hardworking dedicated staff, our sponsors both private and corporate, supporters like Trevor Glasper our coordinator and ambassador in the South West who give both time and money to the cause and I look forward to next few years as Addington hopefully reaches unprecedented new heights based on what we have achieved this year.

### Small Companies' Exemptions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2016 relating to small companies.

### Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of Addington Fund for the purposes of company law) are responsible for preparing the Trustees' Annual 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 trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

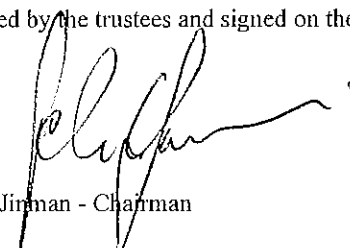
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS102),
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material 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 operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement as to Disclosure of Information to Auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the trustees and signed on their behalf by:

  
Mr P C Jimman - Chairman

9 Barford Exchange  
Wellesbourne Road  
Barford  
Warwickshire  
CV35 8AQ

Date 5/11/2021

# **ADDINGTON FUND**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ADDINGTON FUND**

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### **Opinion**

We have audited the financial statements of Addington Fund (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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

# **ADDINGTON FUND**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ADDINGTON FUND (continued)**

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

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

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

### **Responsibilities of trustees**

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

### **Our responsibilities for the audit of the financial statements**

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

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:

Enquiring of management and employees, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:-

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
- Detecting and responding to the risks of fraud and whether they were aware of any actual, suspected, or alleged fraud and.
- The internal controls established to mitigate risk relating to fraud or non-compliance with laws and regulations.

We identified areas of law and regulation that could reasonably be expected to have a material effect on the financial statements from our general charitable sector experience, discussions with management (as required by auditing standards) and we discussed with management the policies and procedures regarding compliance with laws and regulations. The most significant considerations for the charitable company are the Charities Act, Companies Act 2006, tax legislation and employment laws.

All identified laws and regulations were communicated throughout the audit team, and they remained alert to any indications of non-compliance throughout the audit.

Auditing standards limit the audit procedures to identifying non-compliance of these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if there is any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, and audit will not detect the breach.

To identify risk of material misstatement due to fraud, we carried out discussions amongst the audit team to assess areas where and how fraud might occur in the financial statements and any potential indicators. The

following areas were identified :-

- Management override of controls through the posting of inappropriate accounting entries or journals
- Fraud risk relating the revenue recognition, although the recognition of rental revenue is straightforward with limited opportunity for manipulation.
- Fraud risk due to the valuation of properties at the year end, this is minimised where a professional valuation has been obtained.

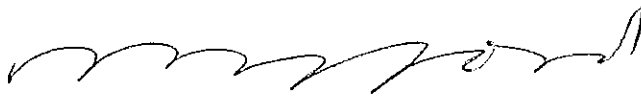
We tested the appropriateness of accounting journals and other adjustments made in the accounts preparation based on a risk criteria.

Owing to the inherent limitation of the audit , there is an unavoidable risk that we may not have detected some material misstatements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulation is from the events and transaction reflected in the financial statement, the less likely in the inherently limited procedure required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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

#### Use of our report

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



Mark Spafford FCCA ACA

Senior Statutory Auditor

For and on behalf of

Luckmans Duckett Parker Limited  
Statutory Auditor  
Chartered Accountants  
1110 Elliott Business Park  
Herald Avenue  
Coventry  
CV5 6UB

Date: 12.11.2021



# ADDINGTON FUND

## STATEMENT OF FINANCIAL ACTIVITIES (INCOME AND EXPENDITURE)

For the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total £	2020 Total £
<b>Income</b>						
Donations and legacies		300,150	63,625	-	363,775	283,122
Income from charitable activities		395,118	-	-	395,118	386,393
Other income on raising funds		288	-	-	288	21,695
Investment income		8,439	15,534	-	23,973	45,567
Other income		70,522	-	-	70,522	2,700
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total income		774,517	79,159	-	853,676	739,477
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>						
Expenditure on raising funds	1	15,838	3,584	-	19,422	35,405
Charitable activities	2	412,363	24,656	-	437,019	597,403
Tax on activities		12,254	-	-	12,254	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		440,455	28,240	-	468,695	632,808
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income before investment gains</b>		334,062	50,919	-	384,981	106,669
Net (losses)/gains on investment assets		632,835	34,209	4,344	671,388	147,871
Loan overage charge on revaluation of property		(18,566)	-	-	(18,566)	(3,952)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (expenditure)/income</b>		948,331	85,128	4,344	1,037,803	250,588
Transfers between funds	12	-	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		948,331	85,128	4,344	1,037,803	250,588
Funds brought forward at 1 April		10,684,724	1,562,018	149,807	12,396,549	12,145,961
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Funds carried forward at 31 March</b>		11,633,055	1,647,146	154,151	13,434,352	12,396,549
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

# ADDINGTON FUND

## STATEMENT OF FINANCIAL ACTIVITIES (INCOME AND EXPENDITURE)

For the year ended 31 March 2021

### Analysis of comparative statement of financial activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total £
<b>Income</b>				
Donations and legacies	189,807	93,315	-	283,122
Income from charitable activities	386,393	-	-	386,393
Other income on raising funds	21,695	-	-	21,695
Investment income	25,368	20,199	-	45,567
Other income	2,700	-	-	2,700
	<hr/>	<hr/>	<hr/>	<hr/>
Total income	625,963	113,514	-	739,477
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>				
Expenditure on raising funds	31,744	3,661	-	35,405
Charitable activities	430,168	167,235	-	597,403
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	461,912	170,896	-	632,808
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net income before investment gains</b>	164,051	(57,832)	-	106,669
Net (losses)/gains on investment assets	133,079	17,104	(2,312)	147,871
Loan overage charge on revaluation of property	(3,952)	-	-	(3,952)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (expenditure)/income</b>	293,178	(40,278)	(2,312)	250,588
Transfers between funds	69,430	(69,430)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>	362,608	(109,708)	(2,312)	250,588
Funds brought forward at 1 April	10,322,116	1,671,726	152,119	12,145,961
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Funds carried forward at 31 March</b>	10,684,724	1,562,018	149,807	12,396,549
	<hr/>	<hr/>	<hr/>	<hr/>

# ADDINGTON FUND

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2021

	2021 £	2020 £
Gross income from external sources		
- Unrestricted funds	774,517	625,963
- Restricted funds	79,159	113,514
	<hr/>	<hr/>
	853,676	739,477
	<hr/>	<hr/>
Expenditure	435,097	593,327
Interest payable	16,367	30,131
Depreciation less book profit	4,977	9,350
	<hr/>	<hr/>
Total expenditure for the year	456,441	632,808
	<hr/>	<hr/>
Net income for the year before profit on disposal of investment assets	397,235	106,669
Realised profit/ (loss) on disposal of investment assets	153,557	31,414
	<hr/>	<hr/>
Tax payable	(12,254)	-
Net income for the year	538,538	138,083
	<hr/>	<hr/>

# ADDINGTON FUND (Company number:4654186)

## BALANCE SHEET

31 March 2021

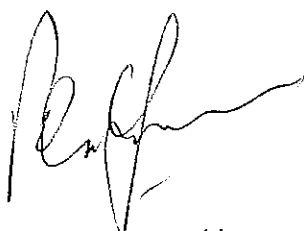
	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	5	267,006	269,733
Investment properties	6	11,255,092	10,972,640
Other investments	7	768,450	643,212
		<hr/>	<hr/>
		12,290,548	11,885,585
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	8	35,884	236,684
Short term deposits		1,127,591	421,526
Cash at bank and in hand		431,853	292,218
		<hr/>	<hr/>
		1,595,328	950,428
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	9	(296,201)	(302,709)
		<hr/>	<hr/>
<b>Net current assets</b>		1,299,127	647,719
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		13,589,675	12,533,304
		<hr/>	<hr/>
<b>Creditors: amounts falling due after more than year</b>	11	(155,323)	(136,755)
		<hr/>	<hr/>
<b>Net assets</b>		13,434,352	12,396,549
		<hr/>	<hr/>
<b>Funds</b>			
Unrestricted funds:			
- General funds	12	100,000	100,000
- Designated funds	12	11,533,055	10,584,724
Restricted funds	12	1,647,146	1,562,018
Endowment funds	12	154,151	149,807
		<hr/>	<hr/>
		13,434,352	12,396,549
		<hr/>	<hr/>

The trustees have prepared the financial statements in accordance with section 394 of the Companies Act 2006 and section 132 of the Charities Act 2011.

The accounting policies and notes on pages 15 to 25 form part of these accounts.

The financial statements were approved by the Board of Trustees and authorised for issue on *5th November 2021*

CHAIRMAN – Mr P C Jinman





**ADDINGTON FUND**  
**STATEMENT OF CASH FLOWS**  
For the year ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	14	560,004	(76,698)
<b>Cash flows from investing activities</b>			
Interest and dividends		24,842	51,627
Proceeds from sale of fixed assets		13,500	2,700
Proceeds from the sale of strategic housing properties		477,334	241,276
Purchase of fixed assets		(15,750)	(12,598)
Purchase of strategic housing properties		(219,446)	(745,620)
Proceeds from sale of investments		122,263	624,441
Purchase of investments		(126,528)	(57,811)
<b>Net cash provided by (used in) investing activities</b>		276,215	104,015
<b>Cash flows provided by (used in) financing activities</b>			
Repayments of borrowing		-	(594,060)
Cash inflows from new borrowing		9,481	-
<b>Net cash flows from financing activities</b>		9,481	(594,060)
<b>Change in cash and cash equivalents in the year</b>		845,700	(566,743)
Cash and cash equivalent brought forward		713,744	1,280,487
<b>Cash and cash equivalents carried forward</b>		1,559,444	713,744
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		1,127,591	292,218
Short term deposits		431,853	421,526
<b>Cash and cash equivalents at 31 March 2021</b>		1,559,444	713,744

# **ADDINGTON FUND**

## **ACCOUNTING POLICIES**

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### **Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The accounts present a true and fair view and no changes have been made to the accounting policies.

No changes to accounting estimates have occurred in the reporting period.

No material prior year errors have been identified in the reporting period.

### **Basis of preparation**

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

### **Funds**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees out of unrestricted general funds for particular purposes.

Restricted funds – these are funds that can only be used for specific purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Endowment Fund represents those assets that must be held permanently by the charity. Income arising on the endowment fund can only be used in accordance with the donor's wishes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Income**

#### **Recognition of income**

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the funds
- any performance conditions attached to the item(s) of income have been met
- it is possible that the income will be received
- the amount can be measured with reliability.

#### **Income with related expenditure**

Where income has related expenditure the income and related expenditure are reported gross in the SOFA.

#### **Grants and donations**

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

# **ADDINGTON FUND**

## **ACCOUNTING POLICIES**

---

### **Gifts in kind**

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually received.

### **Tax reclaims on donations and gifts**

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

### **Volunteer help**

The value of any voluntary help received is not included in the accounts.

### **Investment income**

Interest on funds held on deposit is included when receivable. Dividends receivable are recognised when declared.

### **Investment gains and losses**

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year. Realised and unrealised gains are not separated in the Statement of Financial activities.

### **Expenditure and liabilities**

#### **Liability recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **Governance costs**

Include costs of the preparation and audit of the statutory accounts, the costs of Trustee meetings and cost of any legal advice to the Trustees on governance or constitutional matters.

#### **Operating leases**

Rentals payable under operating leases are charged to the SOFA as incurred.

#### **Pension costs**

The charity operates a defined contribution scheme. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### **Tangible fixed assets**

Tangible fixed assets are capitalised at cost if they can be used for more than one year and cost at least £2,000.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life as follows:

Motor vehicles and trailers	Over 4 years
Office equipment	Over 4 years
Property – Buildings	Over 50 years commencing the year after acquisition
Property improvements – solar panels	Over 10 years

#### **Strategic Rural Housing Scheme Properties**

The properties are valued professionally on a five-year cycle from the date of acquisition and in intervening years using an inflation index on the previous year's values. Developments that have a buy back option clause based on cost with no deduction for grants received and building project properties in progress are valued at cost.

#### **Fixed asset investments**

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Investments in subsidiaries are measured at cost less impairment.

# **ADDINGTON FUND**

## **ACCOUNTING POLICIES**

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### **Debtors**

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

### **Short term deposits**

Short term deposits with a maturity of six months or less at the balance sheet date.

### **Cash at bank and in hand**

Cash and bank balances on demand.

### **Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.



# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2021

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
<b>1 Expenditure on raising funds</b>				
Incurring seeking donations	-	-	-	-
Staging fundraising events, etc.	2,070	-	2,070	26,574
Publicity	12,057	-	12,057	2,730
Portfolio management costs	1,711	3,584	5,295	6,101
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>15,838</b>	<b>3,584</b>	<b>19,422</b>	<b>35,405</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
<b>2 Charitable activities</b>				
<b>Grants payable</b>				
Grants and assistance payable to individuals	-	14,565	14,565	157,214
Grant refunded to donor	-	3,591	3,591	10,021
	<hr/>	<hr/>	<hr/>	<hr/>
	-	18,156	18,156	167,235
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Property portfolio expenses</b>				
Property expenses, repairs, insurance and abortive costs	73,437	1,500	74,937	58,510
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Support costs</b>				
Staff costs	253,558	5,000	258,558	251,286
Rent and rates	2,431	-	2,431	2,306
Other premises costs	3,276	-	3,276	5,344
Insurance	1,717	-	1,717	1,091
Travel and subsistence	7,639	-	7,639	25,657
Office costs	14,703	-	14,703	14,178
Subscriptions	605	-	605	1,772
Sundry expenses	1,610	-	1,610	468
Professional fees	12,121	-	12,121	9,339
Finance charges	681	-	681	5,476
Interest payable	16,367	-	16,367	30,131
Depreciation	11,003	-	11,003	12,050
<b>Governance costs</b>				
Auditors' remuneration	13,215	-	13,215	12,560
	<hr/>	<hr/>	<hr/>	<hr/>
	338,926	5,000	343,926	371,658
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>412,363</b>	<b>24,656</b>	<b>437,019</b>	<b>597,403</b>
	<hr/>	<hr/>	<hr/>	<hr/>

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

	2021 £	2020 £
<b>3 Staff costs</b>		
Wages and salaries	203,206	205,500
Social security costs	19,661	21,054
Pension costs	25,575	16,098
Other healthcare costs	10,116	8,634
	<u>258,558</u>	<u>251,286</u>
The average monthly number of persons employed by the Charity during the year was:	4.00	4.00

Re-imbursement of travelling, subsistence and related expenses paid to Trustees was £nil (2020-£nil).

One employee received emoluments in the band of £80,001 to £90,000

The key management personnel of the charity comprise the trustees and Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £97,129 (2020: £97,710).

	2021 £	2020 £
<b>4 Net incoming resources are stated after charging:</b>		
Depreciation and amounts written off tangible fixed assets	11,003	12,050
Book profit on disposal of tangible fixed assets	6,026	2,700
Auditors' remuneration - audit	4,620	4,300
Auditors' remuneration - other services	8,595	8,260

5	Tangible fixed assets	Property & improvements £	Vehicles & equipment £	Total £
	<b>Cost</b>			
	1 April 2020	313,533	27,548	341,081
	Additions	-	15,750	15,750
	Disposals	-	(14,950)	(14,950)
		<u>313,533</u>	<u>28,348</u>	<u>341,881</u>
	31 March 2021	313,533	28,348	341,881
	<b>Depreciation</b>			
	1 April 2020	63,085	8,263	71,348
	Eliminated on Disposals	-	(7,476)	(7,476)
	Charged in the year	7,525	3,477	11,002
		<u>70,610</u>	<u>4,265</u>	<u>74,875</u>
	31 March 2021	70,610	4,265	74,875
	<b>Net book value</b>			
	31 March 2021	242,923	24,083	267,006
	31 March 2020	250,448	19,285	269,733

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

	2021 £	2020 £
<b>6 Strategic Rural Housing Scheme Properties</b>		
62 properties and 4 workshops let through the Strategic Rural Housing Scheme (2020 – 64 properties and 4 workshops)		
1 April	10,972,640	10,273,204
Additions	219,447	745,620
Disposals	(431,765)	(241,639)
Revaluation gain / (loss)	494,770	195,455
	<hr/>	<hr/>
31 March	11,255,092	10,972,640
	<hr/>	<hr/>
Historical cost of investments held at 31 March	10,577,535	10,736,400
	<hr/>	<hr/>

The properties are valued professionally on a ten-year (previously five-year) cycle at 31 March from the date of acquisition and in intervening years using an inflation index on the previous year's values. Building project properties in progress are valued at cost.

### Analysis of valuation

Valued in year ended 31 March	No. of Properties/ workshops	Original Cost £	Re-valued at £	Indexed value at year end £
2015	4	466,979	511,155	634,133
2016	6	815,490	828,407	1,003,707
2017	2	184,981	193,158	213,309
2018	2	320,119	337,500	369,881
2019	28	4,640,097	4,391,211	4,793,489
2021	6	1,418,276	1,200,000	1,200,000
	<hr/>	<hr/>	<hr/>	<hr/>
	48	7,845,942	7,461,431	8,214,519
	<hr/>	<hr/>	<hr/>	<hr/>
Properties acquired in year ended				
2016	3	381,243	N/A	462,792
2017	4	501,300	N/A	572,773
2018	2	252,857	N/A	298,937
2019	4	656,230	N/A	731,144
2020	4	720,931	N/A	755,892
2021	1	219,032	N/A	219,035
	<hr/>	<hr/>	<hr/>	<hr/>
Total	18	2,731,593	N/A	3,040,573
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total at 31 March</b>	<b>66</b>	<b>10,577,535</b>	<b>N/A</b>	<b>11,255,092</b>
	<hr/>	<hr/>	<hr/>	<hr/>

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

	2021 £	2020 £
<b>7 Other investments</b>		
1 April	643,212	1,261,099
Additions at cost/market value	126,531	57,811
Disposals	(113,297)	(592,674)
Revaluation gain/(loss) including interest accrual	112,004	(83,024)
	<hr/>	<hr/>
31 March	768,450	643,212
	<hr/>	<hr/>
Historical/original cost of investments held at 31 March including interest accrual	768,450	664,312
	<hr/>	<hr/>
<b>Analysis of investments</b>	<b>£</b>	<b>£</b>
Listed investments	750,558	624,104
Cash held within the investment portfolio	15,346	16,562
Unquoted shares	2,545	2,545
Subsidiary undertaking	1	1
	<hr/>	<hr/>
31 March	768,450	643,212
	<hr/>	<hr/>

### Subsidiary undertaking

The wholly owned subsidiary undertaking Addington Development Company Limited (ADC) was incorporated on 16 May 2017 in the United Kingdom (company number 10772372) and donates all of its profits to the charity. ADC acts as a development company for the charity's Strategic Rural Housing Scheme. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2021 £	2020 £
Turnover (charged to charity)	394	11,760
Cost of sales and administrative expenses	(1,336)	(19,713)
Donation to Addington Fund	-	-
	<hr/>	<hr/>
Retained in subsidiary	(942)	(7,953)
	<hr/>	<hr/>
The assets and liabilities of the subsidiary were:		
Current assets	5,370	90,912
Current liabilities	(10,516)	(96,990)
	<hr/>	<hr/>
Total assets	(5,146)	(6,078)
	<hr/>	<hr/>
Aggregate share capital and reserves	(5,146)	(6,078)
	<hr/>	<hr/>



# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

	2021	2020
	£	£
<b>8 Debtors:</b>		
<b>Due within one year</b>		
Tenant debtors	3,123	2,417
Trade debtors	1,000	2,155
Prepayments and accrued income	14,665	15,263
Subsidiary undertaking	10,016	87,950
Other debtors	7,080	128,899
	<hr/>	<hr/>
	35,884	236,684
	<hr/>	<hr/>
	£	£
<b>9 Creditors: amounts falling due within one year</b>		
Accruals for grants payable	1,750	9,267
Trade creditors	20,974	19,130
Accruals and deferred income	44,611	50,357
Taxation and social security	19,384	7,288
Loan – Jersey Cattle Society (see note 11)	200,000	200,000
Bank Loan	9,482	-
Other creditors	-	16,667
	<hr/>	<hr/>
	296,201	302,709
	<hr/>	<hr/>
	£	£
<b>10 Deferred income</b>		
Balance brought forward	29,471	27,884
Amount released in year	(29,471)	(27,884)
Amount deferred in year	31,197	29,471
	<hr/>	<hr/>
	31,197	29,471
	<hr/>	<hr/>
Deferred income comprises rent, sponsorship and function income received in advance.		
<b>11 Creditors: amounts falling due after more than one year</b>	£	£
Secured loan - Jersey Cattle Society	118,000	118,000
Secured loan – National Farmers Union	-	-
Accrual of secured loan overage charge	37,323	18,756
Other creditors	-	-
	<hr/>	<hr/>
	155,323	136,756
	<hr/>	<hr/>

The secured loans are secured on the properties to which they relate.

The accrual of secured loan overage charge is the additional amount payable on redemption of the loans based on an agreed formula relating to the value of the property.

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

12	Statement of funds	1 April 2020 £	Income £	Expenditure £	Overage, Gains/ (Losses) £	Transfers £	31 March 2021 £
	<b>General reserve</b>	100,000	774,517	(440,455)	614,269	(948,331)	100,000
	<b>Designated funds:</b>						
	Fixed asset fund	269,733	-	-	-	(2,727)	267,006
	Revaluation reserve	215,141	-	-	-	565,921	781,062
	Addington Strategic Housing Scheme:						
	- Investment properties	10,044,962	-	-	-	(181,337)	9,863,625
	- Available for applications	54,888	-	-	-	566,474	621,362
	<b>Total designated funds</b>	10,584,724	-	-	-	948,331	11,553,055
	<b>Total unrestricted funds</b>	10,684,724	774,517	(440,455)	614,269	-	11,633,055
	<b>Restricted funds:</b>						
	Keepers' Key Fund	200	(200)	-	-	-	-
	Cheshire Rural Trust	24,707	-	-	-	-	24,707
	Trustees' Discretionary NFU George Stephens Trust Fund	609,287	15,055	(13,455)	-	200	611,088
	Regional Funding	80,365	32,129	-	5,562	-	118,056
	Regional Properties	61,008	675	(4,090)	-	4,800	62,393
	Somerset Levels	685,263	-	-	28,647	-	713,910
	Kenwyn Affordable	88,458	-	-	-	-	88,458
	Somerford Keynes	500	-	-	-	-	500
	Staffing Costs – Website	5,000	-	-	-	(5,000)	-
	Covid-19	5,000	-	(5,000)	-	-	-
	NFU – Trevorva New Build	-	10,000	(5,104)	-	-	4,896
	Welsh Government Dry Weather Grant	-	21,500	(1,500)	-	-	20,000
		2,230	-	909	-	-	3,139
	<b>Total restricted funds</b>	1,562,018	79,159	(28,240)	34,209	-	1,647,146
	<b>Endowment funds:</b>						
	Trustees' Discretionary Fund Capital	126,694	-	-	-	-	126,694
	Queen Victoria's Gift Fund	23,113	-	-	4,344	-	27,457
		149,807	-	-	4,344	-	154,151
	<b>Total funds</b>	12,396,549	853,676	(468,695)	652,822	-	13,434,352

# **ADDINGTON FUND**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

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### **12 Statement of funds (continued)**

The general reserve represents the free funds of the charity that are not designated for particular purposes.

The fixed asset fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of tangible fixed assets.

The revaluation reserve is required by the Companies Act 2006 and represents the amount by which investment properties and other investments exceed their historical cost.

The Trustees, from experience gained during the Foot and Mouth epidemic of 2001/02, have designated the Addington Strategic Rural Housing Scheme for the purchase of property to be let to those who were employed in the agricultural and kindred industries and need accommodation as a result of having to retire from farming or leaving a non-viable business.

The Keepers' Key Fund is to help gamekeepers who experience hardship in relation to housing needs.

Cheshire Rural Trust Funds are restricted to meet the hardship needs of families farming in Cheshire

The Trustees' Discretionary Fund was received following appeals arising from natural disasters affecting farmers and is used to maintain a constant ability to administer hardship grants that assist families who encounter unforeseen circumstances and are unable to find any other form of assistance. The fund includes gifts that are restricted to specific areas in Great Britain.

The NFU George Stephens Trust distributes income to disadvantaged families, respecting the wishes of the original settlor.

The Regional Fund holds monies donated to help families in specific counties and regions of England and Wales.

The Regional Properties Fund represents the investment properties acquired in the regions from restricted funds, the figure includes revaluation adjustments.

The Somerset Levels Fund having fulfilled any obligations relating to the flooding problems the current balance will be used to address housing needs in Somerset.

The Kenwyn Affordable, Trevorva New Build and Somerford Keynes Funds hold donations made specifically for projects in Cornwall and Gloucestershire.

Queen Victoria's Gift Fund is held as an Endowment Fund and any interest generated is credited to the Restricted Trustees Discretionary Fund.

The Covid-19 Fund is held to assist farmers affected by Covid-19.

Welsh Government Dry Weather Grant is to help Welsh farmers in difficulties due to the dry weather.

The charity has conducted a thorough review of its restricted funds and has been able to satisfy itself that the restriction attached to certain funds has been satisfied.

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

13	Analysis of net assets between funds	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
	Fund balances at 31 March 2021 are represented by:					
	Tangible fixed assets	-	267,006	-	-	267,006
	Investment properties	-	10,578,699	676,393	-	11,255,092
	Other investments	-	186,963	554,846	26,641	768,450
	Net current assets	100,000	655,712	415,905	127,510	1,299,127
	Creditors over one year	-	(155,323)	-	-	(155,323)
		100,000	11,553,057	1,647,144	154,151	13,434,352

14	Reconciliation of net movement in funds to net cash flow from operating activities	2021 £	2020 £
	Net movement in funds	1,037,803	250,588
	Add back depreciation charge	11,003	12,050
	Add back book profit on disposal of fixed assets	6,026	2,700
	Deduct interest income shown as investing activities	(23,973)	(45,567)
	Add back losses/ (deduct gains) on investments	(671,388)	(147,871)
	Add back loan overage charge on revaluation of property	18,566	3,952
	Decrease/(increase) in debtors	200,800	(86,680)
	Increase/(decrease) in creditors	(18,833)	(65,871)
		560,004	(76,698)

### 15 Transactions with related parties

There have been no related party transactions in the year.

### 16 Financial Commitments

At 31 March 2021 the entity had financial commitments totalling £195,000 (2020: £nil).