

**ADDINGTON FUND**

**TRUSTEES' REPORT**

**AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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: Mrs L J 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  
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 2022. 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

I started my chairman's comments last year by referring to the origins of the Addington Fund, born out of two major animal disease outbreaks. The year then headed into a worldwide human disease pandemic, Covid -19. This year's accounts still reflect the effect of the pandemic, and it is not over, but gives rise to great concerns as to a seasonal resurgence. In addition, the UK has and is experiencing another widespread animal disease problem, that of Avian Influenza. There are times when I wonder if those who asked me to take on the Addington chairmanship had the foresight to realise a chairman with a veterinary degree might be useful!

As ever the work of staff and trustees has continued despite all the above and demand for assistance grows. Changes in farming practice because of environmental challenges and government policies post exit from the European Union have combined with a marked demand for rural housing. The latter brought about by the exit from confined urban dwelling forced by requirements for control of the spread of Covid -19. The arrival of added financial pressures because of sharply significant energy costs can only add to demands on the charity from new applicants for help but also for all we are currently helping.

To be positive the year has seen a welcome return of the Addington Fund being able to attend major agricultural shows and farming award ceremonies, which has not only been an opportunity to play an active part in showing off the best of British agriculture, but also for those involved in the industry in the broadest sense, to support the Addington Fund.

The accounts reflect a year of emergence and as such still show the effects of the lockdown world. The value of property, particularly in the rural environment, has risen during the year as pressure from buyers seeking more space should lockdown occur again and particularly giving rural access meant that our balance sheet values for properties owned by the charity, rose. However, the downside has been the increased asking price for new property that the Trust needed or wanted to acquire. The marked rise in building costs and materials has added upward pressure on property prices and maintenance costs.

The year has seen some changes in the Trustee membership. My considerable thanks go to those who have stood down this year and who have given such sterling service over their term as trustees.

This does mean that the board is needing some new members, but the committee structure has been working well and the plan to introduce new members to the committees as a trialling ground for full trustee membership has started and it has been gratifying to see this taking shape.

Lord Iliffe had for many years been the patron of the Fund and his decision to stand down led to our seeking a new patron. I thank him most sincerely for his time and input.

It was with great pleasure that we were able to announce that HRH The Countess of Wessex accepted our invitation to take on the role of patron and we were delighted when she not only visited our stand at the Westmoreland show but also later in the year, came to the charity offices in Barford and joined trustees and staff for a working lunch. It soon became clear that her years in marketing, prior to her marriage to Prince Edward, had equipped her with an eye for opportunity and promotion which she intended to use to benefit the charity.

# ADDINGTON FUND

## TRUSTEES' REPORT (continued)

My considerable thanks go to the hard-working staff. They may be small in number, but they certainly deliver and for that the trustees are most grateful.



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

### Chief Executive's Report

The Addington Fund's focus remains in our five areas of operation: -

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

Like many charities, our turnover was lower than previous years at just over £677,000, but it was very pleasing to see the Charity's net worth rise to a record of just under £15m. Our future plans continue to limit borrowings from third parties although I was delighted to finalise the provision of a seven-figure secured overdraft facility with our own bankers NatWest which will enable us to take advantage of any favourable property deals that meet our charitable objectives with supportive stakeholders.

The announcement by DEFRA of their lump sum exit plan in February gave farmers looking to retire a slight incentive and we are anticipating an increased demand from qualifying farmers in the next financial year. However, the increased prices of rural properties, particularly in the Southwest, while having a positive impact on our net worth, is making purchases of our retirement homes increasingly difficult. Our retirement homes policy revolves around keeping farmers in their chosen locality, but house prices is threatening this and we are finding that our new-build properties, working with supportive stakeholders, significantly reduces the cost of providing a home and looking forward, we may need to direct our approved housing applicants to an existing, vacant Addington home. This strays slightly away from our current model where our beneficiaries have a hand in choosing the location to retire to.

Over the course of the year, we have spoken to many stakeholders and partners who have expressed an interest in collaborative developments to help ease the housing situation, and to also benefit Addington. I am happy to say we have many irons in many fires and it is great to see the support we are generating which will enable us to hopefully build more shared equity homes.

We see shared equity schemes as the way forward for both our affordable and retirement housing portfolios as it incentivises tenants and effectively, they become Addington Fund partners, and in the case of youngsters it will be their first step on the property ladder.

We were delighted to sign a Heads of Terms Agreement with The Duchy of Cornwall to build 6 houses on donated land and it is our intention to turn this into the first retirement housing crescent for retired farmers. We are truly grateful to The Duchy of Cornwall for this great gesture and it is something we hope to repeat in other parts of the country.

The rental income from our housing portfolio continues to be the bedrock on which Addington was founded and is the key to our sustainability as a charity. Combine this with prudent cost control and excellent staff we believe it is our recipe for continued growth. In that context we will never be over staffed or extravagant.

Staff remain the biggest Addington asset. We are lucky to have a strong team of just five people all highly skilled,

# ADDINGTON FUND

## TRUSTEES' REPORT (continued)

talented and hard working with their own areas of responsibility and I would like to thank them all for their support and dedication they show on a daily basis. Sue English my Deputy is the Operational and Financial lynchpin within the charity, Project Manager Mike Williams provides the attention to detail needed within our organisation while Annie Winn our Marketing and Events Manager has taken us to new spheres in promoting and fundraising using social media and broadcasting.

At the end of the year Holly Beckett announced that she wanted to concentrate on her Focussed Farmers business which specialises in wellbeing through positive thinking. Holly made a notable contribution in her twelve months with the Fund - not least helping to streamline processes, reduce meeting times and improve time management. Her work on our social value evaluation, which we did in-house was vital and a true triumph which showed that as an organisation, we generate a £12.37 return in social value for every £1 spent. This financial year, 89% of donations went straight into the next good cause rather than being absorbed in operational costs, it speaks volumes about our efficiency. Our social value certificate will accompany every funding bid from now and I would like to thank Holly for her pioneering work in that field and wish her well with Focussed Farmers.

Personally, I regard recruiting as the most important job any manager does and it always amazes me at times how little effort and detail are put into the recruitment process elsewhere, often with catastrophic consequences. I am delighted to say that we have recruited Emily Egan who will commence work with us in the next financial year with the task of bridging the gap between operations and marketing within Addington and we wish Emily well in the years to come.

I am still conscious that our focus still remains very much in the Southwest and that is something we will have to address if we are going to have total coverage in England and Wales. Likewise, we must make sure we have enough office cover and resource as we continue to grow.

Annie's work in promoting us digitally is starting to pay dividends and indeed notoriety. It is a hard line to tread as many of the people we help want to remain off the radar but fundraising has to be full on. Early in the financial year we launched our Young Entrants Scheme as we saw this as the missing link in our cycle

Travelling around the country I have always been impressed where young farmers have been given or take on heavy responsibility early in life and often end up running very large and successful farm businesses. With this in mind we launched our Young Entrants Scheme which will use dedicated legacy farms to bring in agriculturally trained young farmers into the industry. I am delighted to say that on the back of this we have already been promised six farms for this purpose. Our plan is to make these high-profile cases with panels of experts on hand to guide and mentor these young farmers in those pioneering early years.

Similarly, we are looking for a partner to build some work live units (two-bedroom flats above a workshop) linked to 10-acre parcels of land, to give raw, would-be young farmers the opportunity to have a go (initially on a part time basis) at farming on a very affordable rent. This could be whatever enterprise they feel confident in and it would be a proving ground to getting a larger tenancy.

Another major change made during the year was to widen the remit of the The George Stephens Trust Fund, which is used to help farmworkers, working or retired. Grants are now available to those in financial difficulty or impoverished of up to £1000 not only for the purchase of white goods but also wider needs which were outside the scope of the original Fund. I am delighted to say that this has resulted in many more applications. We are particularly grateful to a supporter in the North of England whose generosity has enabled these changes.

Mercifully our disaster relief work in the absence of any major weather event or national disease outbreak has been manageable and we have continued to help individual farms on a case-by-case basis. This year that has included highly specialised farms which have been adversely affected by a positive bovine TB test and farms in the monogastric sectors of pig and poultry which have been hit by the downturn in the pig industry and the wider serious problem of Avian flu. The resilience of these farms in this totally unsubsidised sector of agriculture never fails to astound me, especially given the problems they have faced in the last 12 months and yet they still bounce back. So, it was a pleasure to help a few get back on their feet with feed costs and cleaning down to enable them to restock.

At the Addington Fund we endeavour to adapt as needed and provide a quick, non-bureaucratic response to all situations and our priorities change on a day-to-day basis according to the challenges faced by farmers and the rural community.

The change in the way support payments are made have now started in the lead up to 2028 and we are still waiting to see the true impact of this significant reduction in farm payments. I do believe though that the gap between those at the top and those at the bottom has already widened and clearly some farmers are able to change and adapt quicker, and better, than others.

## **ADDINGTON FUND**

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

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The other big change that occurred in the financial year was the re-launch of Farming Help. Three charities: Addington Fund, Forage Aid and FCN are now working more collaboratively together each with their niche areas. Addington - housing and disaster relief, FCN - mental wellbeing and support and Forage Aid - farm to farm relief. The plan is to increase our ties and to attend shows and conferences under one Farming Help banner. We are truly grateful for the support we have received from Keith Halstead Director at The Princes' Countryside Fund and the DEFRA team.

# **Farming Help**

Farming charities supporting you

Our relationship with DEFRA continues to flourish and the openness and feedback offered to the charity world combined with the continuity Headed by Secretary of State George Eustice and Ministers Victoria Prentis and Rebecca Pow has led to some fruitful and open conversations and briefings.

#### **Review of operations**

This was the year where the charity started to return to post pandemic normal along with the rest of world and it was pleasing as we cranked up activities and amid rising costs in the last quarter, we only saw a net increase in expenditure of only £30k to £267k still less than where we were 5 years ago. However, with inflation and possible recession around the corner this will be increasingly difficult especially as we return to a full events calendar.

This will also be the year where we built the platform to take Addington to the level paving the way by increasing our net worth and the elimination of third-party borrowing and building reserves to finance more building projects for retirement homes.

The launch of the Young Entrants Scheme gives Addington total coverage throughout the Farming life cycle and gives us a foot hole in all key areas with clearly identifiable goals and objectives.

Whatever lies around the corner in these uncertain times I am confident that Addington enters it in a strong position to tackle and help those in the times ahead.

#### **Financial Review**

The absence of a large six figure donation this year did hit our turnover but the benefit of the growth of our net worth by over £1.5m was gratifying and control on costs and resisting the temptation to borrow continued to reap reward and we remain financially strong with the net income for the year a creditable £154,823.

Our key main benefactors continued to back us well namely The NFUM Charitable Trust, The Hutchinson Charitable Trust and The Prince's Countryside Fund all while other corporate donors including The Cornish Mutual and a new exclusive sponsorship deal with Mole Valley Farmers where we became their nominated charity which attracted a great deal of publicity and bottom-line benefit. Existing supply agreements with For Farmers and Abbott and Co make it possible for us to deliver emergency relief direct to farm on a national supplies of compound feed and hay, straw, and silage.

#### **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.

# **ADDINGTON FUND**

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

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### **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 FI AgrM  
D K Rowlands (resigned 21 July 2021)  
P Snodgrass MA (Cantab) (Secretary)  
Mrs C V Stevens  
R J Wyatt BSc(Agric) FRICS FAAV

### **Organisation**

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

Two Trustees Al Brooks and David Rowlands came to the end of their third terms and stood down and long-standing Trustee Roger Wyatt announced his intention to step down and the end of his tenure next year and stood down as the Chairman of The Housing committee. David Canty also stepped down due exacting work commitments which left us light at board level. However, we resisted the temptation to recruit new Trustees on masse and used our sub-committee structure which we have set up to pave the way for streamline decision making as to act as a proving ground for new Trustees.

In the last two years we have created a Marketing and Fundraising Committee and a Governance and Resource Committee to work alongside the existing Housing Committee and The Addington Development Fund Ltd Committee.

The Chairman of all four Committees then sit together along with The Chairman and CEO on The Executive Committee. All committees meet prior to the quarterly trustee meeting and annual Director's meeting. Each Committee make firm recommendations which go before the Executive Committee on route to the full Trustees meeting for adoption. The aim shorter more productive incisive meetings for quicker better thought-out decision making.

We were therefore pleased to recruit Marketing and Media strategist Emma Craigie to sit as a co-opted member on The Marketing and Fundraising Committee chaired by Christine Ryder and former Devon County Show Secretary Richard Maunder who joined The Governance and Resource Committee chaired by Vice Chairman Martin Redfearn. Whilst that left us with only eight Trustees it gave us the resource to reach quorums on all sub committees and both Richard and Emma were given full voting rights on their respective sub-committees.

It was also decided that the Chair of The GRC Sub Committee would also be the Vice Chairman of Addington

# **ADDINGTON FUND**

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

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although not necessarily the next Chairman.

The Executive Committee is Chaired by the Chairman Peter Jinman or Martin if Peter was unavailable. Company Secretary Peter Snodgrass can also attend Exec Meetings along with Deputy Director Sue English.

### **New Patron**

As announced last year our long serving Patron Lord Robert Iliffe announced his decision to step down as our patron and so the search for a new one began and we were absolutely delighted when HRH The Countess of Wessex GCVO accepted The Trustees invitation to become our new one last September. HRH has already made a telling contribution to The Fund visiting our show stand at The Westmorland Show as soon as she was appointed and then a full visit tour office last November. We are absolutely delighted to have her support and drive behind the Addington Fund.

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

### **Risk management**

We continue to review all key documentation and policies annually including The Risk Register, Health and Safety Register. NatWest Mentor continue to provide our HR and Health and Safety Support and Ceres Rural act as additional Health and Safety consultants.

### **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

### **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 £616,180. 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.



# **ADDINGTON FUND**

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

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### **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**

The Addington Fund continues to deliver as we enter this massive period of change in agriculture where support changes, or dare I say disappears for some farms in 2028. The gap between the top farms and those at the bottom is the widest we have ever seen but to counteract this we have a really strong platform to help those in need and we are sure that this number will rise even though those who farm continues to fall.

### **Plans for the future**

Survival and growth are about the charity's ability to change and adapt to different challenges. The Trustees are confident enough to set stiff targets and as CEO I have my own 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 to give us a solid base to work from.
- 100 houses fully or part owned.
- At least two retirement houses in every county in England and Wales. Easier to achieve in some counties rather than others owing to property prices, planning differences and the way Addington are seen in different counties.
- Use our collateral to buy into the cheaper current borrowing to fund projects which as interest rates rise will become more important as it will give us a competitive advantage.
- Engage with stakeholders and partners to finance and deliver more projects, especially retirement homes and young entrant opportunities.
- To increase our presence in the North of England and Wales while providing more affordable homes in the more affluent counties and to recruit someone to help us achieve this.
- To raise the profile of the Addington Fund in all areas and make Addington the obvious point for grant distribution.
- To get the Addington Ambassadors Scheme working to publicise and promote the work we do.

### **Closing comments**

As we continue in these challenging times I am confident that the Addington Fund with our resources, connections and quality trained excellent staff will cope with what lies ahead. Financially we are in good heart to support those who we work alongside with to deliver on farm. We cannot however, be looked upon as tap to help the unprofitable stay in business and relief on farm will always be a one off offer of help to usually viable farms to help them become profitable again or to help provide an exit strategy for those who can't. For this reason I believe we have become an attractive proposition to donators, investors, landowners, would be partners and stakeholders to partner with us in future housing projects for the young and old. In view of our strong position, we can pick and choose and will only enter into agreements where everyone involved is financially committed to the charitable aim of the project. By standing fast and adhering to this the Addington Fund will be able to help more people in the long run by becoming more sustainable and even more efficient as a charity.

Our alliance in Farming Help with The Farming Community Network and Forage Aid is a lynch pin to success which enables us all to concentrate in our niche areas and succeed through greater efficiency. 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. More farmers than ever are going to

# **ADDINGTON FUND**

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

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need help and we have to be there to deliver in all areas to help keep this industry viable, sustainable and profitable.

### **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:

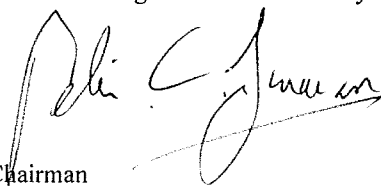
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS102),
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material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

9 Barford Exchange  
Wellesbourne Road  
Barford  
Warwickshire  
CV35 8AQ

Date 7.7.2021 December 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 2022 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 2022 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

# ADDINGTON FUND

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

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<sup>th</sup> December 2022

# ADDINGTON FUND

## STATEMENT OF FINANCIAL ACTIVITIES (INCOME AND EXPENDITURE)

For the year ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
<b>Income</b>						
Donations and legacies		174,139	54,754	-	228,893	363,775
Income from charitable activities		400,336	-	-	400,336	395,118
Other income on raising funds		19,265	-	-	19,265	288
Investment income		13,386	15,311	-	28,697	23,973
Other income		-	-	-	-	70,522
Total income		607,126	70,065	-	677,191	853,676
<b>Expenditure</b>						
Expenditure on raising funds	1	34,935	4,071	-	39,006	19,422
Charitable activities	2	456,746	10,820	-	467,566	437,019
Tax on activities		-	-	-	-	12,254
Total expenditure		491,681	14,891	-	506,572	468,695
Net income before investment gains		115,445	55,174	-	170,619	384,981
Net (losses)/gains on investment assets		1,358,551	67,298	2,189	1,428,038	671,388
Loan overage charge on revaluation of property		(29,318)	-	-	(29,318)	(18,566)
Net (expenditure)/income		1,444,678	122,472	2,189	1,569,339	1,037,803
Transfers between funds	12	20,500	(20,500)	-	-	-
Net movement in funds		1,465,178	101,972	2,189	1,569,339	1,037,803
Funds brought forward at 1 April		11,633,055	1,647,146	154,151	13,434,352	12,396,549
Funds carried forward at 31 March		13,098,233	1,749,118	156,340	15,003,691	13,434,352

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 2022

### Analysis of comparative statement of financial activities

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

**ADDINGTON FUND**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
For the year ended 31 March 2022

	2022 £	2021 £
Gross income from external sources		
- Unrestricted funds	607,126	774,517
- Restricted funds	70,065	79,159
	<hr/>	<hr/>
	677,191	853,676
	<hr/>	<hr/>
Expenditure	484,730	435,097
Interest payable	7,230	16,367
Depreciation less book profit	14,612	4,977
	<hr/>	<hr/>
Total expenditure for the year	506,572	456,441
	<hr/>	<hr/>
Net income for the year before profit on disposal of investment assets	170,619	397,235
Realised profit/ (loss) on disposal of investment assets	(15,796)	153,557
	<hr/>	<hr/>
Tax payable	-	(12,254)
<b>Net income for the year</b>	<hr/> <hr/> 154,823	<hr/> <hr/> 538,538



**ADDINGTON FUND** (Company number:4654186)

## BALANCE SHEET

31 March 2022

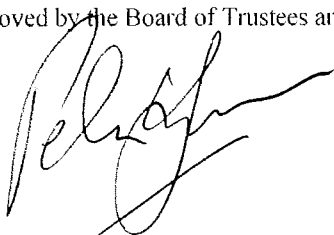
	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	5	252,394	267,006
Investment properties	6	12,653,938	11,255,092
Other investments	7	1,404,651	768,450
		<hr/>	<hr/>
		14,310,983	12,290,548
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	8	37,282	35,884
Short term deposits		879,855	1,127,591
Cash at bank and in hand		260,056	431,853
		<hr/>	<hr/>
		1,177,193	1,595,328
		<hr/>	<hr/>
<b>Creditors:</b> amounts falling due within one year	9	(299,844)	(296,201)
		<hr/>	<hr/>
<b>Net current assets</b>		877,349	1,299,127
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		15,188,332	13,589,675
		<hr/>	<hr/>
<b>Creditors:</b> amounts falling due after more than year	11	(184,641)	(155,323)
		<hr/>	<hr/>
<b>Net assets</b>		15,003,691	13,434,352
		<hr/>	<hr/>
<b>Funds</b>			
Unrestricted funds:			
- General funds	12	100,000	100,000
- Designated funds	12	12,998,233	11,533,055
Restricted funds	12	1,749,118	1,647,146
Endowment funds	12	156,340	154,151
		<hr/>	<hr/>
		15,003,691	13,434,352
		<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 *7th December 2022*

CHAIRMAN – Mr P C Jinman



**ADDINGTON FUND**  
**STATEMENT OF CASH FLOWS**  
For the year ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	14	132,831	560,004
<b>Cash flows from investing activities</b>			
Interest and dividends		29,794	24,842
Proceeds from sale of fixed assets		-	13,500
Proceeds from the sale of strategic housing properties		400,000	477,334
Purchase of fixed assets		-	(15,570)
Purchase of strategic housing properties		(388,073)	(219,446)
Proceeds from sale of investments		46,041	122,263
Purchase of investments		(640,126)	(126,528)
<b>Net cash provided by (used in) investing activities</b>		(552,364)	276,215
<b>Cash flows provided by (used in) financing activities</b>			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	9,481
<b>Net cash flows from financing activities</b>		-	9,481
<b>Change in cash and cash equivalents in the year</b>		(419,533)	845,700
Cash and cash equivalent brought forward		1,559,444	713,744
<b>Cash and cash equivalents carried forward</b>		1,139,911	1,559,444
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		879,855	1,127,591
Short term deposits		260,056	431,853
<b>Cash and cash equivalents at 31 March 2022</b>		1,139,911	1,559,444

# **ADDINGTON FUND**

## **ACCOUNTING POLICIES**

---

### **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 2022

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
<b>1 Expenditure on raising funds</b>				
Incurring seeking donations	-	-	-	-
Staging fundraising events, etc.	18,224	-	18,224	2,070
Publicity	13,109	-	13,109	12,057
Portfolio management costs	3,602	4,071	7,673	5,295
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>34,935</b>	<b>4,071</b>	<b>39,006</b>	<b>19,422</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
<b>2 Charitable activities</b>				
<b>Grants payable</b>				
Grants and assistance payable to individuals	470	8,820	9,290	14,565
Grant refunded to donor	-	-	-	3,591
	<hr/>	<hr/>	<hr/>	<hr/>
	470	8,820	9,290	18,156
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Property portfolio expenses</b>				
Property expenses, repairs, insurance and abortive costs	80,245	-	80,245	74,937
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Support costs</b>				
Staff costs	279,851	2,000	281,851	258,558
Rent and rates	1,782	-	1,782	2,431
Other premises costs	6,401	-	6,401	3,276
Insurance	1,617	-	1,617	1,717
Travel and subsistence	28,891	-	28,891	7,639
Office costs	13,940	-	13,940	14,703
Subscriptions	1,810	-	1,810	605
Sundry expenses	6,349	-	6,349	1,610
Professional fees	1,289	-	1,289	12,121
Finance charges	1,613	-	1,613	681
Interest payable	7,230	-	7,230	16,367
Depreciation	14,612	-	14,612	11,003
<b>Governance costs</b>				
Auditors' remuneration	10,646	-	10,646	13,215
	<hr/>	<hr/>	<hr/>	<hr/>
	376,031	2,000	378,031	343,926
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>456,746</b>	<b>10,820</b>	<b>467,566</b>	<b>437,019</b>
	<hr/>	<hr/>	<hr/>	<hr/>

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

	2022 £	2021 £
<b>3 Staff costs</b>		
Wages and salaries	219,024	203,206
Social security costs	21,314	19,661
Pension costs	30,554	25,575
Other healthcare costs	10,959	10,116
	<u>281,851</u>	<u>258,558</u>
The average monthly number of persons employed by the Charity during the year was:	5.00	4.00
	<u>5.00</u>	<u>4.00</u>

Re-imbursement of travelling, subsistence and related expenses paid to Trustees was £nil (2021-£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 £99,579 (2021: £97,129).

	2022 £	2021 £
<b>4 Net incoming resources are stated after charging:</b>		
Depreciation and amounts written off tangible fixed assets	14,612	11,003
Book profit on disposal of tangible fixed assets	-	6,026
Auditors' remuneration - audit	4,650	4,620
Auditors' remuneration - other services	5,996	8,595
	<u>25,258</u>	<u>29,244</u>

5	Tangible fixed assets	Property & improvements £	Vehicles & equipment £	Total £
	<b>Cost</b>			
	1 April 2021	313,533	28,348	341,881
	Additions	-	-	-
	Disposals	-	-	-
		<u>313,533</u>	<u>28,348</u>	<u>341,881</u>
	31 March 2022	313,533	28,348	341,881
	<b>Depreciation</b>			
	1 April 2021	70,610	4,265	74,875
	Eliminated on Disposals	-	-	-
	Charged in the year	7,525	7,087	14,612
		<u>78,135</u>	<u>11,352</u>	<u>89,487</u>
	31 March 2022	78,135	11,352	89,487
	<b>Net book value</b>			
	31 March 2022	235,398	16,996	252,394
	31 March 2021	242,923	24,083	267,006

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

	2022 £	2021 £
<b>6 Strategic Rural Housing Scheme Properties</b>		
63 properties and 4 workshops let through the Strategic Rural Housing Scheme (2021 – 62 properties and 4 workshops)		
1 April	11,255,092	10,972,640
Additions	388,071	219,447
Disposals	(400,000)	(431,765)
Revaluation gain / (loss)	1,410,774	494,770
	<hr/>	<hr/>
31 March	12,653,938	11,255,092
	<hr/>	<hr/>
Historical cost of investments held at 31 March	10,492,849	10,577,535
	<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	730,150
2016	6	815,490	828,407	1,120,466
2017	1	149,365	151,919	188,515
2018	2	320,119	337,500	423,181
2019	28	4,640,097	4,391,211	5,419,266
2021	5	945,517	800,000	864,144
2022	1	35,616	59,707	59,707
	<hr/>	<hr/>	<hr/>	<hr/>
	47	7,373,183	7,079,899	8,805,429
	<hr/>	<hr/>	<hr/>	<hr/>
Properties acquired in year ended				
2016	3	381,243	N/A	527,674
2017	4	501,300	N/A	624,863
2018	2	252,857	N/A	352,421
2019	4	656,230	N/A	834,164
2020	4	720,931	N/A	883,581
2021	1	219,032	N/A	237,732
2022	2	388,073	N/A	388,076
	<hr/>	<hr/>	<hr/>	<hr/>
Total	20	3,119,666	N/A	3,848,511
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total at 31 March</b>	<b>67</b>	<b>10,492,849</b>	<b>N/A</b>	<b>12,653,940</b>
	<hr/>	<hr/>	<hr/>	<hr/>



# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

	2022 £	2021 £
<b>7 Other investments</b>		
1 April	768,450	643,212
Additions at cost/market value	640,126	126,531
Disposals	(42,243)	(113,297)
Revaluation gain/(loss) including interest accrual	38,318	112,004
	<hr/>	<hr/>
31 March	1,404,651	768,450
	<hr/>	<hr/>
Historical/original cost of investments held at 31 March including interest accrual	1,266,456	661,798
	<hr/>	<hr/>
<b>Analysis of investments</b>	<b>£</b>	<b>£</b>
Listed investments	1,239,852	750,558
Cash held within the investment portfolio	24,058	15,346
Unquoted shares	2,545	2,545
Subsidiary undertaking	1	1
	<hr/>	<hr/>
31 March	1,266,456	768,450
	<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:

	2022 £	2021 £
Turnover (charged to charity)	-	394
Cost of sales and administrative expenses	-	(1,336)
Donation to Addington Fund	-	-
	<hr/>	<hr/>
Retained in subsidiary	-	(942)
	<hr/>	<hr/>
The assets and liabilities of the subsidiary were:		
Current assets	5,370	5,370
Current liabilities	(10,516)	(10,516)
	<hr/>	<hr/>
Total assets	(5,146)	(5,146)
	<hr/>	<hr/>
Aggregate share capital and reserves	(5,146)	(5,146)
	<hr/>	<hr/>

# ADDINGTON FUND

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

		2022 £	2021 £
8	<b>Debtors:</b>		
	<b>Due within one year</b>		
	Tenant debtors	2,770	3,123
	Trade debtors	3,175	1,000
	Prepayments and accrued income	13,663	14,665
	Subsidiary undertaking	10,016	10,016
	Other debtors	7,658	7,080
		<hr/>	<hr/>
		37,282	35,884
		<hr/>	<hr/>
		£	£
9	<b>Creditors: amounts falling due within one year</b>		
	Accruals for grants payable	-	1,750
	Trade creditors	17,012	20,974
	Accruals and deferred income	67,106	44,611
	Taxation and social security	6,244	19,384
	Loan – Jersey Cattle Society (see note 11)	200,000	200,000
	Bank Loan	9,482	9,482
	Other creditors	-	-
		<hr/>	<hr/>
		299,844	296,201
		<hr/>	<hr/>
		£	£
10	<b>Deferred income</b>		
	Balance brought forward	31,197	29,471
	Amount released in year	(31,197)	(29,471)
	Amount deferred in year	28,672	31,197
		<hr/>	<hr/>
		28,672	31,197
		<hr/>	<hr/>
		£	£
11	<b>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	66,641	37,323
	Other creditors	-	-
		<hr/>	<hr/>
		184,641	155,323
		<hr/>	<hr/>

Deferred income comprises rent, sponsorship and function income received in advance.

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 2022

12	Statement of funds	1 April 2021 £	Income £	Expenditure £	Overage, Gains/ (Losses) £	Transfers £	31 March 2022 £
	<b>General reserve</b>	100,000	607,126	(491,681)	109,130	(224,575)	100,000
	<b>Designated funds:</b>						
	Fixed asset fund	267,006	-	-	-	(14,612)	252,394
	Revaluation reserve	781,062	-	-	1,369,280	-	2,150,342
	Addington Strategic Housing Scheme:						
	- Investment properties	9,863,625	-	-	(149,177)	-	9,714,448
	- Available for applications	621,362	-	-	-	259,687	881,049
	<b>Total designated funds</b>	11,533,055	-	-	1,220,103	245,075	12,998,233
	<b>Total unrestricted funds</b>	11,633,055	607,126	(491,681)	1,329,233	20,500	13,098,233
	<b>Restricted funds:</b>						
	Cheshire Rural Trust	24,707	-	-	-	-	24,707
	Trustees' Discretionary	611,088	14,356	(12,011)	-	2,749	616,181
	NFU George Stephens Trust Fund	118,056	32,205	(1,005)	2,807	-	152,063
	Regional Funding	62,393	3,500	-	-	-	65,893
	Regional Properties	713,910	-	-	64,491	-	778,401
	Somerset Levels	88,458	-	-	-	-	88,458
	Kenwyn Affordable	500	-	-	-	(500)	-
	Staffing Costs-New Post	-	20,000	-	-	-	20,000
	Staffing Costs-Support Sessions	-	2,000	(2,000)	-	-	-
	Covid-19	4,896	-	(1,871)	-	(2,749)	276
	NFU – Trevorva New Build	20,000	-	-	-	(20,000)	-
	Welsh Government Dry Weather Grant	3,139	-	-	-	-	3,139
	<b>Total restricted funds</b>	1,647,146	72,061	(16,887)	67,298	(20,500)	1,749,118
	<b>Endowment funds:</b>						
	Trustees' Discretionary Fund Capital	126,694	-	-	-	-	126,694
	Queen Victoria's Gift Fund	27,457	-	-	2,189	-	29,646
		154,151	-	-	2,189	-	156,340
	<b>Total funds</b>	13,434,352	679,187	(508,568)	1,398,721	-	15,003,691

# **ADDINGTON FUND**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2022

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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 2022

13	Analysis of net assets between funds	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
	Fund balances at 31 March 2022 are represented by:					
	Tangible fixed assets	-	252,395	-	-	252,395
	Investment properties	-	11,875,537	778,401	-	12,653,938
	Other investments	-	807,415	567,589	29,646	1,404,650
	Net current assets/(liabilities)	100,000	247,528	403,127	126,694	877,349
	Creditors over one year	-	(184,641)	-	-	(184,641)
		<u>100,000</u>	<u>12,998,234</u>	<u>1,749,117</u>	<u>156,340</u>	<u>15,003,691</u>

	2022 £	2021 £
14 <b>Reconciliation of net movement in funds to net cash flow from operating activities</b>		
Net movement in funds	1,569,340	1,037,803
Add back depreciation charge	14,612	11,003
Add back book profit on disposal of fixed assets	-	6,026
Deduct interest income shown as investing activities	(28,697)	(23,973)
Add back losses/(deduct gains) on investments	(1,452,889)	(671,388)
Add back loan overage charge on revaluation of property	39,975	18,566
Decrease/(increase) in debtors	(2,495)	200,800
Increase/(decrease) in creditors	(7,014)	(18,833)
	<hr/>	<hr/>
	132,832	560,004

### 15 Transactions with related parties

There have been no related party transactions in the year.

### 16 Financial Commitments

At 31 March 2022 the entity had financial commitments totalling £nil (2021: £195,000).