

ADDINGTON FUND
TRUSTEES' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Charity Number: 1097092
Company Number: 4654186

ADDINGTON FUND

TRUSTEES AND ADVISORS

Charity Number: 1097092

Company Number: 4654186

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

Trustees: Mrs L J Dibble
S G Mountjoy DFM, FBIAC
Mrs C Ryder
M R Redfearn FIAGrM (Interim Chairman)
P Snodgrass MA (Cantab) (Secretary)
Mrs C V Stevens
E K C Murray-Clarke
R Maunder
Andrew Ward MBE
Thomas Hind

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
4th Floor 9 Colmore Row
Birmingham
B3 2BJ

ADDINGTON FUND

TRUSTEES' REPORT

The Trustees present their report and the accounts for the year ended 31 March 2023. 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).

Chairman's report

It is with a heavy heart that I sit down to write this report – because it should be being created by Peter Jinman.

While I am conscious that these notes should refer principally to Addington's accounts for the financial year 2022-2023, at the time of writing there are issues which demand more immediate address.

For twelve years Peter Jinman OBE was a trustee and, more recently, hugely effective chair of the Addington Fund. As well as being a much loved husband and father, he was a busy and highly regarded professional. His roles included those of a working vet, advisor to Governments on animal and related human health issues, past president of both the Royal College of Veterinary Surgeons and the British Veterinary Association, Chair of the Farmers Club, County Councillor, Liveryman of the Worshipful Company of Farmers, and Freeman of the City of London. And much, much more. A man who wore many hats, but for none of which was his head even remotely too big.

Peter was diagnosed with cancer towards the end of 2022, yet remained fully participative in Addington's affairs and meetings, as well as his many other commitments and interests, throughout his illness. Peter died on May 25th 2023. He is and will remain a much missed friend and colleague.

Also this year we bade farewell to our CEO Bill Young – but under happier circumstances. After five successful years in the role, as these and previous accounts evidence, Bill told the trustees that he felt that he had at least one more good job to do, and they agreed that he should be free to seek it out and stamp his mark elsewhere. We are grateful to Bill for his dedication to our charity, and the financial and other successes to which he has made such a valuable contribution. We wish him continuing personal and professional success in which ever role he chooses to adopt in the future.

Of course a charity's success is not measured purely in cash surpluses and strengthening balance sheets. While financial resources are usually necessary in order to carry out our work, we rely heavily on our staff in order to promote our work, and to get it done. I have always been impressed with the hard work, dedication and professionalism of our small team at Barford, and never more so than this year. I sincerely thank them all.

Another key measure of the success of any charity must be its effectiveness, and delivery on its charitable objectives. There are no obvious empirical measures of such things, although we are pleased that our Social Value review suggests that our return on charitable spend is over 12:1. We are extremely proud of the way in which our small team handle difficult, often complex enquiries and requests for support, and of their empathy and engagement with those who come to us for help. We will continue to look for ways in which to measure, and increase, our effectiveness in the farming and wider rural sectors.

We are always grateful to our supporters and donors. Every pound is precious, no matter its source, but this year we have been blessed with two particularly large legacies which have significantly strengthened our ability to carry out our objectives.

We are also, as ever, grateful to our patron HRH The Countess of Wessex – now Duchess of Edinburgh – and our vice patrons The Rt Honourable The Countess Bathurst, The Hon Mrs Rupert Soames and The Rt Reverend John Stroyan. Their help and support is hugely valuable, and I thank them most sincerely.

In the coming year, following the loss of both Peter and Bill, the trustees will take the opportunity to evaluate the way in which we work and are structured, and I look forward to reporting the outcome of those deliberations next year. In the meantime I am pleased to report another successful year for Addington, and to assure all our friends and supporters that we will continue our work to deliver on our objectives, and grow our beneficiaries while maintaining financial resilience.

Martin Redfearn
Interim Chair

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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.

Public benefit

Addington Fund delivers public benefit through five principal channels.

The *Trustees' Discretionary Fund* (TDF) offers short-term financial support to farming families who are affected by factors – often extreme weather or animal disease events – which are completely outside of their control.

The *Strategic Rural Housing Scheme* (SRHS) provides housing for farming families needing to retire from the industry, or who are otherwise obliged to leave due to ill health, bereavement, or other factors beyond their control and, in so doing, will lose their family home. Wherever possible we work with eligible beneficiaries to identify properties which will allow them to continue to live in and contribute to the communities with which they are familiar.

Eligibility for our *Affordable Housing Scheme* (AHS) is wider. It is open to anyone working in a rural industry but who struggle to find an affordable property sufficiently close to their place(s) of work, and also to farm workers losing their tied cottage at the end of their working life. This part of our property portfolio typically comprises homes built by us on donated land or land purchased at reduced value, or homes bequeathed to the charity. Both housing schemes offer rents which are typically 20% below the average market rate in the area.

The *George Stephens Trust Fund* (GSTF) is specifically available to those working on farms, or retired farm workers, who find themselves in financial hardship. It provides grants towards essential kitchen and bathroom 'white goods', and other home furnishings at the trustees' discretion.

Our *Young Entrants Scheme* (YES) is still in its infancy, but the vision of trustees is to provide affordable opportunities to enable youngsters to establish their first step on the farming ladder.

Review of operations, achievements and performance

The proven models of our TDF, and both our rural housing schemes, remain the core work of the charity.

The TDF was conceived in 2004 as a means of continuing the work first undertaken by the charity to provide support for farming families affected by Classical Swine Fever in 2000, and Foot and Mouth Disease in 2001. It consists of an endowment fund and a restricted fund and, since 2007 has been the preferred vehicle to deliver our disaster relief work.

Thankfully there were no large scale weather or animal disease related events during the year under review. That said, we had ninety hardship applications to the TDF, and fifty-three expressions of interest in our two housing schemes.

We continued to support farmers across England and Wales affected by circumstances which compromised the farm's ability to feed their livestock, and Bovine Tuberculosis continues to be an issue. Confirmed cases of TB are spreading worryingly across more of England and Wales, affecting dairy and beef farmers who would never previously have considered that their geographical area would become a hot spot. Situations where we are called upon are becoming more complex.

Our first house purchase was in 2002 and, as many of our tenants were at or beyond retirement age when they first met us, it is inevitable that this relationship will not last forever. We are proud and pleased that, during their time with us, our tenants' dignity and independence has been maintained and enjoyed in 'their Addington home for life.' Nevertheless, when the time comes, property is sold, and the funds return to the charity to enable us to support more families in the future. This is a true act of repurposing the original donation!

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Over 60% of our SRHS tenants have a share of equity in their property, which adds to the dignity of their retirement and also reduces the amount of capital the charity needs to commit to secure a successful house purchase. When such properties are sold the proceeds are shared between Addington and the tenant, or their estate, in direct proportion to the shared equity – thus passing gains from appreciating property values to their rightful place.

Our housing schemes are niche but, for those we are able to help, the benefits to the family, and the wider rural community are huge. The ripple effect of keeping people in an environment where they feel safe, comfortable, and close to family and friends is difficult to quantify. Addington does not promote itself as a charity specialising in mental health issues, but we see the positive impact that providing a safe, appropriate, secure, and affordable home can have on our beneficiaries which we believe must have a positive impact on their mental wellbeing.

As the Basic Payments Scheme – the principal subsidy scheme for farmers throughout UK - winds down, it was envisaged that more tenants would apply to the Lump Sum Exit Scheme and look to Addington for help with the shortfall to buy their 'retire to' home. In practice demand was not as high as we had expected but nevertheless continues at a steady rate and creates challenges for us to match our resources to the on-going demand.

The ability of Addington Fund to help more families is obviously linked to the level of donation income. The corporate sector has seen significant pressure on marketing and social responsibility budgets, yet many agriculturally related businesses continue to support us. Every contribution is special, regardless of the amount or value. Sponsorships for our farming awards and awards dinners, the loose change dropped into a bucket at the exit of an agricultural show, regular donations by standing order, a cheque in the morning's post, a collection from a church service, or a donation to the proceeds from a fund-raising dinner – they all count. To receive a letter from a solicitor saying that Addington has been bequeathed a house is a particular honour, and to take a telephone call offering Addington a farm is very humbling. Discussions are taking place with several families who wish to eventually bequeath their farm to Addington to create opportunities for young families to farm.

In this financial year we have benefitted from two special legacies which, combined, came to just short of £1m. The common thread between the donors was a love of the countryside, animals, and the country way of life. In this ever-increasingly urban focused world, it is encouraging that things like maintaining a healthy countryside do still matter.

Farming is a vital industry. After all, we all need to eat. The agricultural industry also takes responsibility for the environment and biodiversity, public access to our beautiful countryside, and the generation of renewable energy. Experience gained from our Cornwall and Devon Farm Business Awards, and from talking to Young Farmers Clubs around the country, highlights the quality and ability of our next generation of farmers, if only we could find more opportunities for them to farm.

Addington uses as many opportunities as possible to promote British farming, be it at a Harvest Festival, a fund-raising breakfast of local food, or a dinner to explain the importance and complexity of the agricultural industry. The Addington Cornwall Farm Business Awards and the Addington Devon Farm Business Awards continue to recognise the calibre of farming families and farming businesses in both counties.

In financial terms Addington is often thought to be a medium sized charity, but at heart we are a small charity, run on a daily basis by a small executive team, but one that cares passionately for the wellbeing of the families who come to us. Knowledge of farming and country life runs through both trustees and staff; we do understand the sector in which we work. Some of the housing applications we receive are very complicated, involving issues around relationships, health and finance, yet every case is dealt with in a sympathetic but realistic manner.

Thanks to the albeit below market rent income from our property portfolio we are able to cover a very high proportion of our running costs ourselves. In hard cash terms this means that, for every £1 we receive in donations, we can apply at least £0.95 to our charitable work. Moreover a recently completed Social Value exercise estimated for every £1 we spent, the social value return was £12.37.

The Trustees again extend their sincere thanks to all the sponsors and donors who have supported the Addington Fund throughout the year.

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Financial Review

The Trustees continue to grow the charity: the balance sheet net worth stands at £16.1m this year, up over £1.1m on the previous year. Our property values stood up well, but our desktop valuation shows a north/south divide with some valuations falling in the North East and Wales. Properties are professionally valued every 10 years.

Since COVID 19 it is no secret that the charitable sector has struggled to attract the level of funding achieved pre-COVID, and legacies can make so much difference to charity accounts. In this financial year, we received one large legacy in particular which has contributed towards the £959,998 increase in our donated income. Charity accounting rules state that the value of the legacy as notified in that accounting year must be accounted for in that year, whether the legacy has reached the charity or not.

As the shows and events scene is now more or less back to pre-COVID normal, our income from fundraising activities which include our Farm Business Awards, charity dinners, and sponsors support increased from £27,307 and, with interest rates rising, our investment income has improved on last year also.

All donations are welcome but for those that come with a restriction, it can be challenging for a charity to find a use for the gift as expressed by the benefactor. We do our best, but there are counties in England and Wales where we have not yet had any calls for help.

The cost of running the charity increased by £73,503 to £647,846, but with hardship grants totalling, £98,458, £21,000 of the increase is due to our having provided more financial help to farming families. Property maintenance costs increased by £8,500 and an additional member of staff contributed towards the increase in running costs. This one extra staff member took us up to a total of six. For a charity of our financial and social worth, we run on a skeleton team.

At the beginning of this financial year the Bank of England Base Rate was 0.75% but by the year-end stood at 4.25%. Although we have a term loan facility with the NatWest bank, trustees stress tested the cost of borrowing to fund property purchases on a regular basis and have not been able to justify the cost of acquiring or developing properties on borrowed money. Interest bearing accounts were slow to follow base rate increases and, with an erratic Stock Market, finding a suitable home for the charity's cash deposits was more challenging than ever. At the end of the year, cash investments are currently held in ten different accounts in order to spread the risk.

Structure, governance and management

Addington Fund is a registered charity and a company limited by guarantee. Addington 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.

Addington Fund continues to play a key role in *Farming Help*, alongside colleagues from Farming Community Network and Forage Aid. We are grateful to The Princes Countryside Fund, now The Royal Countryside Fund, for their loyal financial support which enabled the rebranding of Farming Help and enabled the charities to have a joint presence at many shows and events throughout the year.

In the year under review Addington trustees have been in discussion with the trustees of fellow farming charity Forage Aid to investigate the two charities uniting, and there will be further information in our 2024 Annual Report.

The trustees meet at least four times a year either virtually, face to face or in combination to oversee the responsibilities of the charity, calling in further expertise where required. Sub-committees, each chaired by a Trustee, oversee the charity's housing, grants, marketing, and governance, meeting in advance of the main Board of Trustees.

Our Patron, HRH The Duchess of Edinburgh takes an enthusiastic interest in our work. Since she became our Patron in 2021, The Duchess has visited our office to meet the staff and gave her input into our marketing materials. She attended

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a farm tour at the Smerrill Dairy Unit on the Bathurst Estate in Gloucestershire, in association with The Royal Agricultural University. Kindly hosted by The Earl and Countess Bathurst, the day consisted of a tour around the dairy unit followed by a lunch and a tour of the campus. HRH's visit highlighted the importance of the dairy industry within agriculture, and the difficulties the whole industry is currently facing. She visited our stand at Groundswell in June and our CEO even appeared in Hello magazine walking through the cattle yards at The Dairy Unit! Two members of staff were also invited to the King's Garden Party in Buckingham Palace at HRH's request.

The Rt Hon The Countess Bathurst, The Hon Mrs Rupert Soames and the Right Reverend John Stroyan have again served as Vice-Patrons. We are sincerely grateful to them all. The Trustee term of office policy meant that Mr Roger Wyatt stepped down in August. We are hugely grateful to Roger for the years he has been so actively involved as a Trustee.

Peter Charles Jinman OBE BVet Med DipArb MRCVS FCIArb, FRAGS
20 February 1951 – 25 May 2023

Peter served as a Trustee and Chair of Trustees of Addington Fund for twelve years and was very much a hands-on member of the Board. Peter was as comfortable testing cattle for TB as in advising government on animal welfare policy. Peter lost a short but valiant fight against cancer, which robbed us of a very dear friend who is desperately missed by all his colleagues in the farming world and beyond.

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

Mrs LJ Dibble
P C Jinman OBE BVet Med DipArb (deceased 25 May 2023)
S G Mountjoy DFM, FBIAC
Mrs C Ryder
M R Redfearn FIAGrM (Interim Chairman)
P Snodgrass MA (Cantab) (Secretary)
R J Wyatt (resigned 4 August 2022)
Mrs C V Stevens
E K C Murray-Clarke (appointed 7 September 2022)
R Maunder (Retired 4 August 2022)
Andrew Ward MBE (appointed 10 May 2023)
Thomas Hind (appointed 10 May 2023)

No Trustee had any financial interest in the charity at any time during the year.

Risk management

The trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to

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lessen these risks.

Insurance

Insurance to cover the charity's Trustees and officers against liabilities in relation to the charity is in place costing £1,253 with cover of up to £5m.

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.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity. Considering the financial performance of the Fund over the last twenty-two years the Trustees consider a level of £100,000 to be prudent. This provides an adequate contingency to cover management and administration and support costs. Unrestricted funds above this level are designated for the Addington Fund Strategic Housing Scheme.

Investment policy

To be able to respond to needs instantly, a significant level of investments other than investment properties are held in short term cash deposits. Where possible the terms of deposit are adjusted to reflect the effects of the current financial market. The Governance & Resource subcommittee are responsible for overseeing the charity's investments and both our investment managers, Brewin Dolphin and Epworth Investments, present to Trustees annually.

The Trustees' Discretionary Fund Endowment Fund and NFU George Stephens Fund are held as blue-chip equities.

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, controlling, running and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note three to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive is reviewed annually and normally increased in accordance with average earnings.

Plans for the future

There is no such thing in our world as 'business as usual', although the trustees are confident in the ability of our small but dedicated team to continue to run the core activities of the charity. We are also very aware of the pressures on such a small team at times, while being conscious of the need to contain running costs. Accordingly we set goals that are realistic in the context of our financial and human resources.

Our goals are informed by our history and more recent experiences. Our financial performance is budgeted, and monitored, on a minimum of a quarterly basis. In that process the delivery of our charitable objectives, and the human resource available to deliver them, is also always considered.

We expect the demand for our rural housing schemes to continue at least at previous levels. Our ability to meet

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demand will, as ever, be constrained by our financial resources. While we have had a term loan facility available to us, the recent rise in the cost of borrowing has, in the opinion of trustees, deterred us from using the facility. Our below market rents are one factor but, even at full market rents, building or developing property on borrowed money on the scale on which we operate, is not a sound basis for expansion.

Our disaster relief work is a more nuanced issue. While our Trustees' Discretionary Fund has significant headroom already, we find that the generosity of the farming and wider community come together to provide additional resources when a part of the farming industry is in dire need of support. This element of our work is in our DNA from our origins on Classical Swine Fever and Foot and Mouth Disease in 2000 and 2001 respectively.

Taking all these factors into account the trustees' goals for the immediate future, and longer term, are:

- To maintain and raise the profile of Addington throughout England and Wales to make us attractive as a recipient of financial grants, legacies donations and sponsorships of all kinds. Such work is essential in order to provide the means with which to expand our work under all of our five channels of delivery.
- To broaden our geographic footprint by acquiring and/or building retirement and affordable homes, as finances allow, in more and different counties.
- To be in a position to provide disaster relief – on whatever scale may be appropriate under particular circumstances – to individuals and communities throughout England and Wales.
- To create and offer affordable opportunities for young people to take their first steps on the farming ladder.
- To engage with stakeholders and partners of all kinds in order to help us achieve these goals

Organisation

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

The Trustees devolve responsibility for the day-to-day management of the Fund to the Chief Executive. The average monthly number of persons employed by the Charity during the year was five.

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.

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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 Martin Redfearn – Interim Chair

9 Barford Exchange
Wellesbourne Road
Barford
Warwickshire
CV35 8AQ

Date

14/12/2023

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ADDINGTON FUND

Opinion

We have audited the financial statements of Addington Fund (the 'charitable company') for the year ended 31 March 2023 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 including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income, 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 other information comprises the information included in the trustees' annual report², other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

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

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.

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.

ADDINGTON FUND

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

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. 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: 15.11.2023

ADDINGTON FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCOME AND EXPENDITURE)

For the year ended 31 March 2023

		Unrestricted funds	Restricted funds	Endowment funds	2023 Total	2022 Total (as restated)
	Note	£	£	£	£	£
Income						
Donations and legacies		1,108,141	80,750	-	1,188,891	228,893
Income from charitable activities		488,397	-	-	488,397	468,107
Other income on raising funds		46,572	-	-	46,572	19,265
Investment income		24,088	17,723	-	41,811	28,697
Other income		-	-	-	-	-
Total income		1,667,198	98,473	-	1,765,671	744,962
Expenditure						
Expenditure on raising funds	1	39,670	12,783	-	52,453	39,006
Charitable activities	2	474,966	120,427	-	595,393	535,337
Total expenditure		514,636	133,210	-	647,846	574,343
Net income before investment gains		1,152,562	(34,737)	-	1,117,825	170,619
Net (losses)/gains on investment assets		(1,047)	(3,149)	(1,398)	(5,594)	1,428,038
Loan overage charge on revaluation of property		-	-	-	-	(29,318)
Net (expenditure)/income		1,151,515	(37,886)	(1,398)	1,112,231	1,569,339
Transfers between funds	12	38,796	(38,796)	-	-	-
Net movement in funds		1,190,311	(76,682)	(1,398)	1,112,231	1,569,339
Funds brought forward at 1 April		13,369,317	1,478,033	156,340	15,003,690	13,434,351
Funds carried forward at 31 March		14,559,628	1,401,351	154,942	16,115,921	15,003,690

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 2023

Analysis of restated comparative statement of financial activities

	Unrestricted funds	Restricted funds	Endowment funds	2022 Total (as restated) £
	£	£	£	
Income				
Donations and legacies	174,139	54,754	-	228,893
Income from charitable activities	468,107	-	-	468,107
Other income on raising funds	19,265	-	-	19,265
Investment income	13,386	15,311	-	28,697
Total income	674,897	70,065	-	744,962
Expenditure				
Expenditure on raising funds	34,935	4,071	-	39,006
Charitable activities	456,746	78,591	-	535,337
Total expenditure	491,681	82,662	-	574,343
Net income before investment gains	183,216	(12,597)	-	170,619
Net (losses)/gains on investment assets	1,358,551	67,298	2,189	1,428,038
Loan overage charge on revaluation of property	(29,318)	-	-	(29,318)
Net (expenditure)/income	1,512,449	54,701	2,189	1,569,339
Transfers between funds	20,500	(20,500)	-	-
Net movement in funds	1,532,949	34,201	2,189	1,569,339
Funds brought forward at 1 April	11,836,368	1,443,833	154,151	13,434,352
Funds carried forward at 31 March	13,369,317	1,478,034	156,340	15,003,691

ADDINGTON FUND

SUMMARY INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2023

	2023	2022
	£	(as restated)
	£	£
Gross income from external sources		
- Unrestricted funds	1,667,198	674,897
- Restricted funds	98,473	70,065
	<hr/>	<hr/>
	1,765,671	744,962
	<hr/>	<hr/>
Expenditure	484,730	552,501
Interest payable	-	7,230
Depreciation less book profit	7,087	14,612
	<hr/>	<hr/>
Total expenditure for the year	647,846	574,343
	<hr/>	<hr/>
Net income for the year before profit on disposal of investment assets	1,117,825	170,619
Realised profit/ (loss) on disposal of investment assets	(12,353)	(15,796)
	<hr/>	<hr/>
Net income for the year	1,105,472	154,823
	<hr/>	<hr/>

ADDINGTON FUND (Company number:4654186)

BALANCE SHEET


31 March 2023

		2023	2022
	Note	£	(as restated) £
Fixed assets			
Tangible fixed assets	5	245,308	252,394
Investment properties	6	13,209,131	12,653,938
Other investments	7	1,315,343	1,404,651
		<u>14,769,782</u>	<u>14,310,983</u>
Current assets			
Debtors	8	512,047	37,282
Short term deposits		587,334	879,855
Cash at bank and in hand		332,311	260,056
		<u>1,431,692</u>	<u>1,177,193</u>
Creditors: amounts falling due within one year	9	(85,553)	(299,844)
Net current assets		<u>1,346,139</u>	<u>877,349</u>
Total assets less current liabilities		16,115,921	15,188,332
Creditors: amounts falling due after more than year	11	-	(184,641)
Net assets		<u>16,115,921</u>	<u>15,003,691</u>
Funds			
Unrestricted funds:			
- General funds	12	100,000	100,000
- Designated funds	12	14,459,628	13,269,317
Restricted funds	12	1,401,351	1,478,034
Endowment funds	12	154,942	156,340
		<u>16,115,921</u>	<u>15,003,691</u>

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


Martin Redfearn – Interim Chair
14/12/2023

ADDINGTON FUND
STATEMENT OF CASH FLOWS
For the year ended 31 March 2023

		2023	2022
	Note	£	(as restated) £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	14	621,592	132,831
Cash flows from investing activities			
Interest and dividends		42,908	29,794
Proceeds from sale of fixed assets		-	-
Proceeds from the sale of strategic housing properties		185,442	400,000
Purchase of fixed assets		-	-
Purchase of strategic housing properties		(662,419)	(388,073)
Proceeds from sale of investments		250,139	46,041
Purchase of investments		(264,808)	(640,126)
Net cash provided by (used in) investing activities		(448,738)	(552,364)
Cash flows provided by (used in) financing activities			
Repayments of borrowing		(393,121)	-
Cash inflows from new borrowing		-	-
Net cash flows from financing activities		(393,121)	-
Change in cash and cash equivalents in the year		(220,267)	(419,533)
Cash and cash equivalent brought forward		1,139,912	1,559,445
Cash and cash equivalents carried forward		919,645	1,139,912
Cash and cash equivalents consists of:			
Cash at bank and in hand		587,334	879,856
Short term deposits		332,311	260,056
Cash and cash equivalents at 31 March 2023		919,645	1,139,912

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 (continued)

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 (continued)

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 2023

	Unrestricted funds	Restricted funds	2023 Total	2022 Total (as restated)
	£	£	£	£
1 Expenditure on raising funds				
Incurring seeking donations	-	-	-	-
Staging fundraising events, etc.	27,493	3,787	31,280	18,224
Publicity	5,772	5,117	10,889	13,109
Portfolio management costs	6,405	3,879	10,284	7,673
Total	39,670	12,783	52,453	39,006
	Unrestricted funds	Restricted funds	2023 Total	2022 Total (as restated)
	£	£	£	£
2 Charitable activities				
Grants payable				
Grants and assistance payable to individuals	-	98,458	98,458	77,061
	-	98,458	98,458	77,061
Property portfolio expenses				
Property expenses, repairs, insurance and abortive costs	85,789	-	85,789	80,245
Support costs				
Staff costs	289,911	20,000	309,911	281,851
Rent and rates	2,000	-	2,000	1,782
Other premises costs	5,221	-	5,221	6,401
Insurance	1,768	-	1,768	1,617
Travel and subsistence	34,553	1,521	36,074	28,891
Office costs	15,015	448	15,463	13,940
Subscriptions	3,432	-	3,432	1,810
Sundry expenses	2,417	-	2,417	6,349
Professional fees	9,785	-	9,785	1,289
Finance charges	1,699	-	1,699	1,613
Interest payable	3,903	-	3,903	7,230
Depreciation	7,087	-	7,087	14,612
Governance costs				
Auditors' remuneration	12,386	-	12,386	10,646
	389,177	21,969	411,146	378,031
Total	474,966	120,427	595,393	535,337

ADDINGTON FUND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

	2023	2022 (as restated)
	£	£
3 Staff costs		
Wages and salaries	240,958	219,024
Social security costs	25,283	21,314
Pension costs	31,664	30,554
Other healthcare costs	12,006	10,959
	<u>309,911</u>	<u>281,851</u>
The average monthly number of persons employed by the Charity during the year was:	6.00	5.00

Re-imbursement of travelling, subsistence and related expenses paid to Trustees was £nil (2022: £nil).

One employee received emoluments in the band of £100,001 to £110,000.

Two employees received emoluments in the bank of £60,001 to £70,000.

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 £103,100 (2022: £99,579).

	2023	2022 (as restated)
	£	£
4 Net incoming resources are stated after charging:		
Depreciation and amounts written off tangible fixed assets	7,087	14,612
Auditors' remuneration - audit	4,850	4,650
Auditors' remuneration - other services	7,536	5,996

5 Tangible fixed assets	Property & improvements	Vehicles & equipment	Total
	£	£	£
Cost			
1 April 2022	313,533	28,348	341,881
Additions	-	-	-
Disposals	-	-	-
	<u>313,533</u>	<u>28,348</u>	<u>341,881</u>
31 March 2023	313,533	28,348	341,881
Depreciation			
1 April 2022	78,135	11,352	89,487
Eliminated on Disposals	-	-	-
Charged in the year	-	7,087	7,087
	<u>78,135</u>	<u>18,439</u>	<u>96,574</u>
31 March 2023	78,135	18,439	96,574
Net book value			
31 March 2023	235,398	9,909	245,307
	<u>235,398</u>	<u>9,909</u>	<u>245,307</u>
31 March 2022	235,398	16,996	252,394
	<u>235,398</u>	<u>16,996</u>	<u>252,394</u>

ADDINGTON FUND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

	2023	2022 (as restated)
	£	£
6 Strategic Rural Housing Scheme Properties		
64 properties and 4 workshops let through the Strategic Rural Housing Scheme (2022 – 63 properties and 4 workshops)		
1 April	12,653,938	11,255,094
Additions	662,419	388,071
Disposals	(185,442)	(400,000)
Revaluation gain / (loss)	78,213	1,410,774
31 March	13,209,128	12,653,938
Historical cost of investments held at 31 March	10,999,652	10,492,849

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	729,286
2016	6	815,490	828,407	1,139,237
2017	1	149,365	151,919	185,621
2018	2	320,119	337,500	425,311
2019	28	4,640,097	4,391,211	5,447,609
2021	5	945,517	800,000	868,494
	46	7,337,567	7,020,192	8,795,558
Properties acquired in year ended				
2016	3	381,243	N/A	530,327
2017	4	411,300	N/A	531,437
2018	2	252,857	N/A	349,048
2019	4	656,230	N/A	836,017
2020	4	720,931	N/A	890,322
2021	1	219,033	N/A	238,929
2022	2	388,073	N/A	406,647
2023	2	632,419	N/A	630,843
Total	22	3,662,086	N/A	4,413,570
Total at 31 March	68	10,999,653	N/A	13,209,128

ADDINGTON FUND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

	2023	2022 (as restated)
	£	£
7 Other investments		
1 April	1,404,651	768,450
Additions at cost/market value	264,808	640,126
Disposals	(250,139)	(42,243)
Revaluation gain/(loss) including interest accrual	(103,976)	38,318
	<hr/>	<hr/>
31 March	1,315,343	1,404,651
	<hr/>	<hr/>
Historical/original cost of investments held at 31 March including interest accrual	1,245,515	1,266,456
	<hr/>	<hr/>
Analysis of investments	£	£
Listed investments	1,217,478	1,239,852
Cash held within the investment portfolio	25,491	24,058
Unquoted shares	2,545	2,545
Subsidiary undertaking	1	1
	<hr/>	<hr/>
31 March	1,245,515	1,266,456
	<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:

	2023	2022
	£	£
Turnover (charged to charity)	-	-
Cost of sales and administrative expenses	-	-
Donation to Addington Fund	-	-
	<hr/>	<hr/>
Retained in subsidiary	-	-
	<hr/>	<hr/>
The assets and liabilities of the subsidiary were:		
Current assets	4,009	5,370
Current liabilities	(10,516)	(10,516)
	<hr/>	<hr/>
Total assets	(6,507)	(5,146)
	<hr/>	<hr/>
Aggregate share capital and reserves	(6,507)	(5,146)
	<hr/>	<hr/>

ADDINGTON FUND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

	2023	2022 (as restated)
	£	£
8 Debtors:		
Due within one year		
Tenant debtors	5,035	2,770
Trade debtors	2,074	3,175
Prepayments and accrued income	487,489	13,663
Subsidiary undertaking	10,016	10,016
Other debtors	7,434	7,658
	<hr/>	<hr/>
	512,048	37,282
	<hr/>	<hr/>
	£	£
9 Creditors: amounts falling due within one year		
Accruals for grants payable	2,996	-
Trade creditors	21,000	17,012
Accruals and deferred income	50,695	67,106
Taxation and social security	9,863	6,244
Loan – Jersey Cattle Society (see note 11)	-	200,000
Bank Loan	1,000	9,482
Other creditors	-	-
	<hr/>	<hr/>
	85,554	299,844
	<hr/>	<hr/>
	£	£
10 Deferred income		
Balance brought forward	28,672	31,197
Amount released in year	(28,672)	(31,197)
Amount deferred in year	34,161	28,672
	<hr/>	<hr/>
	34,161	28,672
	<hr/>	<hr/>
	£	£
11 Creditors: amounts falling due after more than one year		
Secured loan - Jersey Cattle Society	-	118,000
Secured loan – National Farmers Union	-	-
Accrual of secured loan overage charge	-	66,641
Other creditors	-	-
	<hr/>	<hr/>
	-	184,641
	<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 2023

12	Statement of funds	1 April 2022 (as restated) £	Income £	Expenditure £	Overage, Gains/ (Losses) £	Transfers £	31 March 2023 £
	General reserve	100,000	1,667,198	(514,636)	(509,214)	(643,348)	100,000
	Designated funds:						
	Fixed asset fund	252,394	-	-	-	(7,087)	245,307
	Revaluation reserve	2,150,342	-	-	-	46,102	2,196,444
	Addington Strategic Housing Scheme:						
	- Investment properties	9,714,448	-	-	508,167	-	10,222,615
	- Available for applications	1,152,133	-	-	-	643,128	1,795,261
	Total designated funds	13,269,317	-	-	508,167	532,143	14,459,627
	Total unrestricted funds	13,369,317	1,667,198	(514,636)	(1,047)	38,795	14,559,627
	Restricted funds:						
	Cheshire Rural Trust	24,707	-	-	-	-	24,707
	Trustees' Discretionary	345,096	16,772	(89,500)	-	(21,759)	250,609
	NFU George Stephens Trust Fund	152,063	32,201	(3,712)	(1,785)	-	178,767
	Regional Funding	65,893	26,500	(9,126)	-	(13,621)	69,646
	Regional Properties	778,401	-	-	(1,364)	-	777,037
	Somerset Levels	88,458	-	-	-	-	88,458
	Farming Help	-	25,000	(12,874)	-	-	12,126
	Kenwyn Affordable	-	-	-	-	-	-
	Staffing Costs-New Post	20,000	-	(20,000)	-	-	-
	Covid-19	276	-	-	-	(276)	-
	Welsh Government Dry Weather Grant	3,139	-	-	-	(3,139)	-
	Total restricted funds	1,478,033	100,473	(135,212)	(3,149)	(38,795)	1,401,350
	Endowment funds:						
	Trustees' Discretionary						
	Fund Capital	126,694	-	-	-	-	126,694
	Queen Victoria's Gift Fund	29,646	-	-	(1,398)	-	28,248
		156,340	-	-	(1,398)	-	154,942
	Total funds	15,003,691	1,767,671	(649,847)	(5,594)	-	16,115,919

ADDINGTON FUND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2023

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. During the year the trustees have reviewed this fund and undertaken an exercise to value the hardship grants provided to tenants via their discounted rental payments. The difference between 80% of the market value of rent and the amount actually charged to tenants has been retrospectively recognised as a hardship grant.

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 staffing costs fund is to help the charity with the cost of an additional employee.

The Farming Help fund is a grant provided by the Royal Countryside Fund to rebrand the Farming Help alliance including launching the new brand at regional shows, producing marketing equipment and funding publicity costs.

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 2023

13	Analysis of net assets between funds	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
	Fund balances at 31 March 2023 are represented by:					
	Tangible fixed assets	-	245,308	-	-	245,308
	Investment properties	-	12,432,094	777,037	-	13,209,131
	Other investments	-	779,333	507,761	28,248	1,315,342
	Net current assets/(liabilities)	100,000	1,102,892	116,553	126,694	1,346,139
		<u>100,000</u>	<u>14,459,627</u>	<u>1,401,351</u>	<u>154,942</u>	<u>16,115,920</u>

	2023	2022
	£	(as restated) £
14 Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	1,112,231	1,569,340
Add back depreciation charge	7,087	14,612
Add back book profit on disposal of fixed assets	-	-
Deduct interest income shown as investing activities	(41,811)	(28,697)
Add back losses/(deduct gains) on investments	27,156	(1,452,889)
Add back loan overage charge on revaluation of property	-	39,975
Decrease/(increase) in debtors	(477,260)	(2,495)
Increase/(decrease) in creditors	(5,811)	(7,014)
	<hr/>	<hr/>
	621,592	132,832
	<hr/>	<hr/>

15 Transactions with related parties

There have been no related party transactions in the year.

16 Financial Commitments

At 31 March 2023 the entity had financial commitments totalling £272,500 (2022: £nil).

17 Post-Balance Sheet Events

On 10 May 2023 the charitable company merged with Forage Aid.