

**SOUTH MOLTON COTTAGE HOMES
REPORT AND ACCOUNTS FOR THE
YEAR ENDED 31 MARCH 2021**

SOUTH MOLTON COTTAGE HOMES
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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SOUTH MOLTON COTTAGE HOMES

TRUSTEES REPORT

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

The trustees of the charity submit their annual report and the financial statements for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity, as well as complying with statutory requirements and the governing document.

Constitution, Organisational Structure and Objectives

The charity registered as a charity on 22 December 1961. It is governed by the scheme of High Court of Justice of 23 June 1930 varied by schemes of 11 August 1970, 28 March 1972 and 12 November 1990. Its objectives are the provision and maintenance of homes for poor single people of at least 60 years of age and poor married couples at one of whom shall be at least 60 years of age and who (except in special cases to be approved by the charity commissioners) are to be inhabitants of the area of benefit.

In planning our activities we have kept in mind the Charity Commission's guidance on public benefit and have followed this guidance to demonstrate the charitable aims are for the public benefit.

Trustees and their Interests

New Trustees are appointed by a democratic process.

Achievements and Performance

Due to Covid 19 it has been a very challenging year with many of the Trustee meetings taking place via the internet on Zoom. However, we were able to meet up in a large well-ventilated room, socially distanced to view and discuss evidence and take action relating to the withdrawal of a letter of appointment, resulting in considerable amount of work during this difficult time.

All the appropriate annual checks have been carried out and during the year one of the cottages became vacant and we took the opportunity to have it rewired, redecorated, replumbed and the heating system updated. Other work carried out included the replacement of the front doors of all eight cottages with UPVC doors; the final phase of our rewiring program has taken place, now all the cottages have been rewired and most have had their heating system updated, a program of major work is underway to renew sections of the roofs.

Following adherence to the Covid-19 guidelines, I am pleased to report that all of the residents have kept Covid-free.

In January, one of our longstanding Trustees stood down for medical reasons, our thanks go to her for all her hard work and dedication over many years. As a result of this, we advertised for a replacement Trustee, unfortunately, no-one has come forward.

South Molton Cottage Homes do not employ any staff and no remuneration or expense for Trustees was paid.

We have one Trustee who has served for over ten years and, along with the other Trustees, are reviewed at the appropriate time.

The Charity receives no overseas funding and has not transferred money overseas.

Risks

The trustees have reviewed all known risks and have satisfied themselves that there are adequate systems and procedures in place to mitigate the risks identified.

Reserves Policy

The Trustees, after reviewing our Reserve Policy Fund, decided that no further increase is required at this time and that the £40,000 figure will cover any unforeseen circumstances, should they arise.

Investment policy

The trustees have the power to invest in such assets as they feel is appropriate to the charity.

ON BEHALF OF THE BOARD

Mr S White
Trustee

Dated: 7 December 2021

Mr S C Squire
Trustee

Dated: 7 December 2021

SOUTH MOLTON COTTAGE HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Mr Stephen White (Chairman)
Mr Sidney Claude Squire
Mrs Janey Easton Resigned 11/01/21
Mrs Lyn Winter
Revd Dr Michael Grandey
Mr E J (John) Moore

Charity Number: 200759

Bankers: NatWest
41 High Street
Barnstaple
Devon
EX31 1HJ

Accountants: Azets
Lime Court
Pathfields Business Park
South Molton
Devon
EX36 3LH

Charity Contact: Mr Stephen White
Crosseview
40 Brook Meadow
South Molton
Devon
EX36 4BN

**INDEPENDENT EXAMINERS REPORT
TO THE COMMITTEE OF MANAGEMENT OF
SOUTH MOLTON COTTAGE HOMES**

I report on the accounts of the charity for the year ended 31 March 2021, which are set out on pages 4 to 7.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dated: 7 December 2021

Mrs Elizabeth Smith
ACA, FCCA, CTA
Azets
Lime Court
Pathfields Business Park
South Molton
Devon
EX36 3LH

SOUTH MOLTON COTTAGE HOMES
STATEMENT OF FINANCIAL ACTIVITIES AS AT 31 MARCH 2021

	2021		2020	
	£	£	£	£
<u>Unrestricted income</u>				
Contributions from Occupants	35,545		34,826	
Bank interest received - Capital reserve a/c	16		81	
Western Power Wayleave	<u>27</u>	35,588	<u>27</u>	34,934
 <u>Direct charitable expenditure</u>				
Water Rates	3,508		2,472	
Council Tax	-		-	
Heat and light	-		-	
Insurance	1,149		1,109	
General repairs	19,190		11,802	
Accountancy	479		476	
Management fees	4,194		3,911	
Honoraria	250		250	
Advertising	55		-	
Almshouse Association	<u>421</u>		<u>-</u>	
		29,246		20,020
 <u>Surplus for the year</u>		<u><u>6,342</u></u>		<u><u>14,914</u></u>

**SOUTH MOLTON COTTAGE HOMES
BALANCE SHEET AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	1	<u>-</u>	<u>-</u>
		-	-
Current Assets	4		
Debtors		17,515	17,315
Cash at bank and in hand		<u>153,020</u>	<u>135,612</u>
		170,535	152,927
Creditors:	5		
Amounts falling due within one year		<u>(19,690)</u>	<u>(8,424)</u>
Net Current Assets		<u>150,845</u>	<u>144,503</u>
Net Assets		<u><u>150,845</u></u>	<u><u>144,503</u></u>
Capital and Reserves			
Unrestricted Income Funds		144,503	129,589
Surplus for the year		6,342	14,914
Total Reserves		<u><u>150,845</u></u>	<u><u>144,503</u></u>

ON BEHALF OF THE BOARD

Mr S White
Trustee

Dated: 7 December 2021

Mr S C Squire
Trustee

Dated: 7 December 2021

The annexed notes form part of these accounts.

SOUTH MOLTON COTTAGE HOMES
NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, except for investments which have been included at revalued amounts. They have been prepared in accordance with The Charities Act 2011 and the Statement of Recommended Practice (SORP FRSSE) - Accounting and Reporting by Charities and the Financial Reporting Standard for Smaller Entities (effective April 2015).

(b) Asset Policy

Fixed Assets purchased for continuing use by the charity for the furtherance of its objectives are capitalised at cost and depreciated over their economic lives.

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities (SOFA).

(c) Depreciation

Tangible fixed assets are written off over their useful economic lives as follows:

- Buildings - 2% on a straight line basis.
- Fixtures, fittings & equipment - 20% reducing balance

As the assets were purchased close to the end of the accounting period depreciation has not been provided for this year as it was immaterial.

(d) Fund accounting

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.

Restricted funds are funds donated for use in a restricted area.

(e) Incoming Recognition

All incoming resources are included in the SOFA when the charity has entitlement to the income, it is probable that they will receive it and the amount can be measured reliably.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

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

Investment income is included when receivable.

(f) Expenditure Recognition

Expenditure is recognised on an accrual basis as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. The charity is not registered for VAT and all expenditure includes this where appropriate.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, costs of an indirect nature necessary to support them and costs associated with meeting the constitutional and statutory requirements of the charity.

SOUTH MOLTON COTTAGE HOMES
NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 2021

2 OPERATING SURPLUS

This is stated after charging:

	2021	2020
	£	£
Compilation report fees	<u>500</u>	<u>500</u>

3 INVESTMENTS

The charity's investment of 41 Accumulation Units in the NAACIF was valued at £3,934.12 at 31 March 2021 (£3,061.36 at 31 March 2020).

4 CURRENT ASSETS

	2021	2020
	£	£
Debtors	17,515	17,315
Bank Current Account	112,786	95,394
Capital Reserve Account	40,234	40,218
	<u>170,535</u>	<u>152,927</u>

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	£
Creditors	19,190	7,924
Accruals	500	500
	<u>19,690</u>	<u>8,424</u>

6 CONTROL

The company was controlled throughout this period by its trustees. The present trustees are as listed on page 2.

7 TRUSTEES

The trustees were not remunerated or reimbursed for any expenses during the period.

8 TAXATION

As a charity, South Molton Cottage Homes is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.