

**SOUTH MOLTON COTTAGE HOMES  
REPORT AND ACCOUNTS FOR THE  
YEAR ENDED 31 MARCH 2022**

**SOUTH MOLTON COTTAGE HOMES**  
**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

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**SOUTH MOLTON COTTAGE HOMES**  
**TRUSTEES REPORT**  
**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022**

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**

All the appropriate annual checks have been carried out and during the past twelve months we have continued with our program of updating. During the year, Cottage no.6 became vacant and we took the opportunity to have it rewired, redecorated, replumbed and the heating system updated. Other work carried out included the removal of the two old boiler houses which used to provide hot water and central heating to all the cottages. We have also completed some renewal work to sections of the roofs with an ongoing program to continue with further roof, soffits and gutter work.

Also, we have had to remove three large Leylandii trees which were blocking out light and were in danger of becoming entangled with overhead power and telephone cables.

We have continued to regularly advertise for a new Trustee using the local press and local organisations. Unfortunately, to date, no one has come forward.

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.

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: 12 October 2022

Mr S C Squire  
Trustee

Dated: 12 October 2022

**SOUTH MOLTON COTTAGE HOMES**

**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Trustees:</b>	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	
<b>Charity Number:</b>	200759	
<b>Bankers:</b>	NatWest	
	41 High Street	
	Barnstaple	
	Devon	
	EX31 1HJ	
<b>Accountants:</b>	Azets	
	Lime Court	
	Pathfields Business Park	
	South Molton	
	Devon	
	EX36 3LH	
<b>Charity Contact:</b>	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 2022, 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: 12 October 2022

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 2022**

	<b>2022</b>		<b>2021</b>	
	£	£	£	£
<b><u>Unrestricted income</u></b>				
Contributions from Occupants	35,427		35,545	
Bank interest received - Capital reserve a/c	4		16	
Western Power Wayleave	27	35,458	27	35,588
<b><u>Direct charitable expenditure</u></b>				
Water Rates	1,840		3,508	
Council Tax	-		-	
Heat and light	-		-	
Insurance	891		1,149	
General repairs	9,618		19,190	
Accountancy	503		479	
Management fees	4,194		4,194	
Legal fees	644		-	
Sundry expenses	20		-	
Honoraria	250		250	
Advertising	95		55	
Almshouse Association	77		421	
		(18,132)		(29,246)
<b><u>Other gains and losses</u></b>				
Change in fair value of financial assets		4,578		-
<b><u>Surplus for the year</u></b>		<u>21,904</u>		<u>6,342</u>

**SOUTH MOLTON COTTAGE HOMES  
BALANCE SHEET AS AT 31 MARCH 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Fixed Assets</b>			
Tangible assets	1	-	-
Investments	3	<u>4,578</u>	<u>-</u>
		4,578	-
<b>Current Assets</b>	4		
Debtors		18,586	17,515
Cash at bank and in hand		<u>162,337</u>	<u>153,020</u>
		180,923	170,535
<b>Creditors:</b>	5		
Amounts falling due within one year		<u>(12,751)</u>	<u>(19,690)</u>
<b>Net Current Assets</b>		<u>168,172</u>	<u>150,845</u>
<b>Net Assets</b>		<u>172,750</u>	<u>150,845</u>
<b>Capital and Reserves</b>			
Unrestricted Income Funds		150,846	144,503
<b>Surplus for the year</b>		21,904	6,342
<b>Total Reserves</b>		<u>172,750</u>	<u>150,845</u>

**ON BEHALF OF THE BOARD**

Mr S White  
Trustee

Dated: 12 October 2022

Mr S C Squire  
Trustee

Dated: 12 October 2022

The annexed notes form part of these accounts.

**SOUTH MOLTON COTTAGE HOMES  
NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 2022**

**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 2022**

**2 OPERATING SURPLUS**

This is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Compilation report fees	<u>500</u>	<u>500</u>

**3 INVESTMENTS**

The charity's investment of 43 Accumulation Units in the NAACIF was valued at £4,578.46 at 31 March 2022 (£4,126.03 at 31 March 2021).

**4 CURRENT ASSETS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Debtors	17,604	17,515
Prepayments	982	-
Bank Current Account	122,099	112,786
Capital Reserve Account	40,238	40,234
	<u>180,923</u>	<u>170,535</u>

**5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>£</b>	<b>£</b>
Creditors	12,251	7,924
Accruals	500	500
	<u>12,751</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.