

**SOUTH MOLTON COTTAGE HOMES
REPORT AND ACCOUNTS FOR THE
YEAR ENDED 31 MARCH 2023**

SOUTH MOLTON COTTAGE HOMES
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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SOUTH MOLTON COTTAGE HOMES
TRUSTEES REPORT
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

The trustees of the charity submit their annual report and the financial statements for the year ended 31 March 2023. 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, 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.

In April 2022, John Moore stood down as the only Town Council nominated trustee as his four-year term had expired. We were sorry to lose John as a Trustee and our thanks go to him for the work and dedication he has put in.

The Town Council has decided not to nominate anyone for the two Trustee positions they are entitled to under our constitution, leaving us to operate with four Trustees instead of the six we should have.

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.4 had a new Combi boiler fitted together with other works all other cottages have received various maintenance work as part of our on-going program.

At present, we are awaiting quotes for the renewal of the Tarmac paths at the back and front of the cottages.

During the year, some Trustees (at their own expense) attended a seminar in Exeter run by the Almshouse Association.

At Christmastime 2022 we were able to assist the Rotary Club of South Molton who provided Christmas Hampers for our residents. We are grateful for the support of the Rotary Club give to our residents and South Molton.

South Molton Cottage Homes do not employ any staff and no remuneration or expenses for Trustees was paid. We have two Trustees who have 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

This Charity is in a good financial state, however at this time, in view of the high level of inflation, the Trustees took the opportunity to review our Reserve Policy Fund which stands at £40,000 and decided to increase the fund by £5,000, transferred from our current account. This gives us £45,000 to 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 Stephen White
Trustee

Dated: 21 November 2023

Rev Dr Michael Grandey
Trustee

Dated: 21 November 2023

SOUTH MOLTON COTTAGE HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Mr Stephen White (Chairman)
Mr Sidney Claude Squire
Mrs Lyn Winter
Revd Dr Michael Grandey
Mr E J (John) Moore Resigned April 2022

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 2023, 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: 21 November 2023

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 2023

	2023		2022	
	£	£	£	£
<u>Unrestricted income</u>				
Contributions from Occupants	40,719		35,427	
Bank interest received - Capital reserve a/c	182		4	
Western Power Wayleave	27	40,928	27	35,458
<u>Direct charitable expenditure</u>				
Water Rates	2,198		1,840	
Insurance	1,256		891	
General repairs	15,985		9,618	
Accountancy	658		503	
Management fees	4,194		4,194	
Legal fees	-		644	
Sundry expenses	-		20	
Honoraria	250		250	
Advertising	-		95	
Almshouse Association	196		77	
		(24,737)		(18,132)
<u>Other gains and losses</u>				
Change in fair value of financial assets		51		4,578
<u>Surplus for the year</u>		<u>16,242</u>		<u>21,904</u>

**SOUTH MOLTON COTTAGE HOMES
BALANCE SHEET AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets		-	-
Investments	3	<u>4,629</u>	<u>4,578</u>
		4,629	4,578
Current Assets	4		
Debtors		18,619	18,586
Cash at bank and in hand		<u>181,508</u>	<u>162,337</u>
		200,127	180,923
Creditors:	5		
Amounts falling due within one year		<u>(15,764)</u>	<u>(12,751)</u>
Net Current Assets		<u>184,363</u>	<u>168,172</u>
Net Assets		<u>188,992</u>	<u>172,750</u>
Capital and Reserves			
Unrestricted Income Funds		172,750	150,846
Surplus for the year		16,242	21,904
Total Reserves		<u>188,992</u>	<u>172,750</u>

ON BEHALF OF THE BOARD

Mr Stephen White
Trustee

Dated: 21 November 2023

Rev DR Michael Grandey
Trustee

Dated: 21 November 2023

The annexed notes form part of these accounts.

**SOUTH MOLTON COTTAGE HOMES
NOTES TO THE ACCOUNTS - YEAR ENDED 31 MARCH 2023**

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 2023

2 OPERATING SURPLUS

This is stated after charging:	2023 £	2022 £
Compilation report fees	<u>600</u>	<u>500</u>

3 INVESTMENTS

The charity's investment of 43 Accumulation Units in the NAACIF was valued at £4,629.70 at 31 March 2023 (£4,578.46 at 31 March 2022).

4 CURRENT ASSETS

	2023 £	2022 £
Debtors	18,127	17,604
Prepayments	492	982
Bank Current Account	136,088	122,099
Capital Reserve Account	45,420	40,238
	<u>200,127</u>	<u>180,923</u>

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£	£
Creditors	15,164	12,251
Accruals	600	500
	<u>15,764</u>	<u>12,751</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.