

**THE COTTON DISTRICTS CONVALESCENT FUND  
AND  
THE BARNES SAMARITAN CHARITY**

**Charity number: 224727**

**Annual Report and Accounts**

**Year ended 31 December 2021**

**THE COTTON DISTRICTS CONVALESCENT FUND  
AND  
THE BARNES SAMARITAN CHARITY**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

**Reference and Administration Details**

The Registered charity number is 224727

<b>Trustees</b>	The Right Honourable The Earl of Derby	Ex- Officio
	Mrs S Birtles MBE JP DL	Chairman
	Mr PH Townley FRICS	Treasurer
	Mrs M Lucas JP	
	Doctor H Weinstock	
	Doctor S Chouksey JP	
	Ms J O'Connor JP	Vice Chairman
	Rev Canon A. Servant	
	Mr P Nott	
<b>Auditors</b>	Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester M3 7BG	
<b>Bankers</b>	Royal Bank of Scotland PLC., St Ann Street, Manchester M60 2SS	CCLA Investment Management Limited, COIF Charity Funds
		Senator House, 85 Queen Victoria Street London EC4V 4ET
<b>Stockbrokers</b>	Brewin Dolphin Securities Limited, 1 The Avenue, Spinningfields Square Manchester M3 3AP	

**Secretary and Principal Address**

Nicholas Stockton BA., FCA.,  
Azets Holdings Limited  
5th Floor  
Ship Canal House  
98 King Street  
Manchester M2 4WU

**Structure, Governance and Management**

The Charity is regulated by a Scheme of the Charity Commissioners dated 8 April 1975, together with further Schemes dated 21 May 1998, 5 January 2001 and 2 March 2007. From 8 April 1975 the two previously separate Charities operated with common Trustees and shared administration. From 2 March 2007 the two Charities were formally recognised as one Charity. Trustees are appointed by invitation for a period of five years. They may be re-elected for further periods of five years.

**THE COTTON DISTRICTS CONVALESCENT FUND  
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**TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

**Objectives and Activities**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the donation-making policy for the year.

In fulfilling the objects of the Charity a convalescent holiday is provided to approved applicants living in the area of benefit. Account is taken of the applicants' medical condition and ability to pay. In addition, support has continued to be given to persons in need, living in the area of benefit and who are sick, convalescent, disabled or infirm.

**Achievements and performance**

During 2021 the COVID-19 pandemic continued to impact the ability of applicants to go on holiday. The Charity continued to focus its efforts and certain funds on making charitable donations to other charities who have struggled for funding during the pandemic.

The following table shows the number of beneficiaries in recent years, their cost to the Fund and their contribution to our costs.

	2017	2018	2019	2020	2021
Number of holiday beneficiaries	5	7	8	2	0
	£	£	£	£	£
Total cost of convalescence	1,240	1,790	2,490	798	0
Contributions by beneficiaries	240	240	240	0	0
Net cost to the Fund	1,000	1,550	2,250	798	0

All of the grant recipients were in receipt of £45 - £50 per month, representing a weekly grant of £10.96. At 31 December 2021, 14 of the recipients were male and 9 were female.

The number of beneficiaries in recent years and their cost to the Fund is as follows:

	2017	2018	2019	2020	2021
Number of grant cases at start of year	38	37	33	31	33
Number of grant cases admitted	16	12	8	15	6
Number of deaths	0	0	0	0	0
Number discontinued	17	16	10	13	16
Number of grant cases at year end	37	33	31	33	23
Yearly amount distributed	£22,978	£28,554	£20,751	£72,648	£24,760

The amount distributed of £24,760 includes one-off payments totalling £1,200 (2020 - £48,573).

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**TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

**Trustees' Responsibilities**

The Trustees prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the results for the year. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with the requirements of the Schemes. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Furthermore, the Trustees are not aware of any relevant audit information of which the charity's auditors are unaware.

**Financial Review**

	2021 £	2020 £
Investment income compared with the previous year was as follows:	31,568	34,890
	=====	=====
Total investment income decreased 9.50% to £31,568. The net cost of convalescence decreased by £798 to £nil. Further to the decrease in total income of £3,322, there was a decrease in expenditure of £49,436 resulting in an overall deficit for the year of £11,369 compared to a deficit of £57,483 in 2020.		

**Holding Reserves**

The level of reserves necessary to ensure sufficient funds are available to meet normal cash flow outlays when they fall due is considered to be up to £30,000.

**Investment Policy**

The Trustees have an active policy which seeks to maximise income whilst maintaining underlying capital values.

**Risk management**

The Trustees have assessed the major risks to which the charity is exposed. See note b) on the accounting policies.

**Plans for the future**

The Trustees plan to continue the activities previously outlined, in the forthcoming years, subject to satisfactory funding arrangements.

The Report was approved by the Board of Trustees on  
behalf by

2022 and signed on its

S. Birtles

Chairman

**THE COTTON DISTRICTS CONVALESCENT FUND  
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**Opinion**

We have audited the financial statements of The Cotton Districts Convalescent Fund And the Barnes Samaritan Charity (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 December 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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.

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AND  
THE BARNES SAMARITAN CHARITY**

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the statement of trustees responsibilities, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 the 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. Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, Charities Act 2011, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Royce Peeling Green Limited**  
**Chartered Accountants**  
**Statutory Auditor**

.....  
The Copper Room  
Deva City Office Park  
Trinity Way  
Manchester M3 7BG



**THE COTTON DISTRICTS CONVALESCENT FUND  
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**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Funds £	2021 Permanent Endowments £	Total £	2020 Total £
<b>Income and endowments</b>					
Income from investments		31,568	0	31,568	34,890
Beneficiary contributions		0	0	0	0
<b>Total income and endowments</b>		<b>31,568</b>	<b>0</b>	<b>31,568</b>	<b>34,890</b>
<b>Expenditure on Raising funds</b>					
Stockbroker's management fees		0	8,498	8,498	7,520
<b>Expenditure on Charitable activities</b>					
Recipients' accommodation		0	0	0	798
Payments to beneficiaries		24,760	0	24,760	72,648
		<b>24,760</b>	<b>0</b>	<b>24,760</b>	<b>73,446</b>
<b>Governance Costs</b>					
Secretarial and accountancy charges		8,160	0	8,160	8,160
Data protection fee		35	0	35	35
Audit fee	3	1,200	0	1,200	1,440
Governors' travelling expenses	4	0	0	0	0
Governors' indemnity insurance		235	0	235	235
Website costs		43	0	43	1,525
Sundry expenses		6	0	6	12
		<b>9,679</b>	<b>0</b>	<b>9,679</b>	<b>11,407</b>
<b>Net gains / (losses) on investments</b>					
Realised gains / (losses) on sale of investments		0	46,164	46,164	(13,988)
Equalisation	2	0	(253)	(253)	(129)
Unrealised gains / (losses) on investments	2	0	85,506	85,506	(37,608)
		<b>0</b>	<b>131,417</b>	<b>131,417</b>	<b>(51,725)</b>
<b>Net movement in funds</b>		<b>(2,871)</b>	<b>122,919</b>	<b>120,048</b>	<b>(109,208)</b>
Total funds brought forward		84,996	1,017,782	1,102,778	1,211,986
<b>Total Funds carried forward</b>		<b>82,125</b>	<b>1,140,701</b>	<b>1,222,826</b>	<b>1,102,778</b>

**THE COTTON DISTRICTS CONVALESCENT FUND  
AND  
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**BALANCE SHEET AS AT 31 DECEMBER 2021**

	Note		2021 £		2020 £
		Unrestricted Funds £	Permanent Endowments £	Total £	Total £
<b>Fixed Assets</b>					
Investments	2	0	1,169,416	1,169,416	1,031,667
<b>Current Assets</b>					
Debtors		1,643	16,283	17,926	32,229
Cash at bank		58,257	(42,918)	15,339	21,553
Cash at COIF		26,000	0	26,000	26,000
<b>Total Current Assets</b>		85,900	(26,635)	59,265	79,782
<b>Creditors: payable within one year</b>					
Creditors and accruals		(3,775)	(2,080)	(5,855)	(8,671)
<b>Net Current Assets</b>		82,125	(28,715)	53,410	71,111
<b>Net Assets</b>		82,125	1,140,701	1,222,826	1,102,778
		=====	=====	=====	=====
<b>Capital Funds</b>					
Permanent endowments		0	1,140,701	1,140,701	1,017,782
<b>Income Funds</b>					
Unrestricted		82,125	0	82,125	84,996
		82,125	1,140,701	1,222,826	1,102,778
		=====	=====	=====	=====

Approved by the Board of Trustees on

2022 and signed on its behalf by

S. Birtles

Chairman

**THE COTTON DISTRICTS CONVALESCENT FUND  
AND  
THE BARNES SAMARITAN CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 Accounting Policies**

**a) Basis of accounting**

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

**b) Going concern**

For the majority of the financial year there has been a pandemic in relation to COVID-19, and the Trustees have considered its impact on the Charity. The Charity is not reliant on donations for its income, which comes from the dividends received from its investment portfolio. The Trustees are mindful that the level of this dividend income may continue to be surpressed, depending on the continued impact of COVID-19 on world economies. However, at the year end, the Charity had significant cash reserves. The charity continues to hold cash reserves, and whilst the overall impact of COVID-19 is very difficult to predict, the Trustees consider that these should be sufficient to ensure the Charity can continue to provide monthly support to its beneficiaries for the foreseeable future. As such, the financial statements are prepared on the going concern basis.

**c) Income recognition**

All income is recognised once the charity has entitlement to the income.

**d) Recognition of expenditure**

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities.

**e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**f) Fund accounting**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the Charity.

**g) Fixed asset investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**h) Permanent endowments**

The permanent endowment is an 'investment' permanent endowment. It is capital which can be used to provide an income for the charity and which, other than for management fees, cannot itself be spent as income.

<b>2 Fixed Asset Investments</b>	<b>2021</b>	<b>2020</b>
<b>Quoted Investments</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Market value at 1 January	1,031,667	1,108,124
Add acquisitions at cost	586,571	189,000
Less disposals	(580,240)	(213,229)
Realised gains / (losses)	46,164	(13,988)
Movement of unrealised gains / (losses)	85,506	(37,608)
Fees	0	(503)
Equalisation	(253)	(129)
Market value at 31 December	1,169,416	1,031,667
	=====	=====
Historical cost at 1 January	979,002	990,831
Add acquisitions at cost	586,571	189,000
Less disposals	(580,240)	(213,228)
Realised gains	75,679	13,031
Fees	0	(503)
Equalisation	(253)	(129)
Historical cost at 31 December	1,060,760	979,002
	=====	=====

Individual investment holdings in excess of 5% of the total portfolio value are:

	£
UK unit trusts:	
Investco GD Mngrs IP Corporate Bond	64,778
Blackrock FM Ltd Contl Eurp Inc	61,496
BNY Mellon FD Manager Newton Asian Inc	65,843
BNY Mellon FD Mngr US Equity Inc	113,623
Fidelity UCITS ICA US Qual Inc	116,116
Vanguard Funds Plc S&P 500	59,488
	481,344
	=====

**THE COTTON DISTRICTS CONVALESCENT FUND  
AND  
THE BARNES SAMARITAN CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**3 Auditor's Fees for Reporting on the Accounts**

	2021	2020
	£	£
Remuneration paid to the Auditor	1,200	1,440
	=====	=====

**4 Trustees' Remuneration and Expenses**

None of the Trustees have received any remuneration during the year, out of the funds of the Charity (2020 - £nil), and none have chosen to claim reimbursement of expenses to attend Governors' meetings.

**5 Staff Numbers**

No staff were employed by the charity during the year.