

WILLIAM JOHN MILLS COTTAGES TRUST
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2022

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WILLIAM JOHN MILLS COTTAGES TRUST
REFERENCE AND ADMINISTRATION DETAILS

Registered charity number	275488
Charity's principal address	The Community Room Mills St St Day Redruth TR16 5LL
Trustees	Mrs E Wilson - Chair Mr P Barker - Treasurer Mrs S Burley - Vice Chair Mr S Edwards Mr K Goldsworthy Mr C Wilson Mrs D Birrell (Appointed 6 June 2022)
Clerks to the trustees	Ms C Freeman Mrs K Atherton Mrs J Whybrow
Independent examiner	Mrs M Hutchings Aspen Waite South West Chartered Accountants 21 Bampton Street Tiverton Devon EX16 6AA
Bankers	CAF Bank Ltd Kings Mill West Malling Kent ME19 4TA Barclays Bank plc Truro Cornwall Virgin Money Jubilee House Gosforth Newcastle upon Tyne NE3 4XS United Trust Bank 80 Haymarket London SW1Y 4TE Hampshire Trust Bank 55 Bishopsgate London EC2N 3AS
Solicitors	Stephens Scown LLP 3 Cross Lane St Austell Cornwall PL25 4AX

WILLIAM JOHN MILLS COTTAGES TRUST
REPORT OF THE TRUSTEES

The Trustees present their report and the financial statements of the charity for the year ended 5 April 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

OBJECTIVES AND ACTIVITIES

Summary of the objects of the charity set out in its governing document

To provide accommodation for occupation by deserving poor persons being residents of, or former residents of, the former District of Kerrier in the County of Cornwall.

Summary of the main activities in relation to these objectives

Provided 42 units of accommodation throughout the year.

The trustees have had regard to the Charity Commission guidance on public benefit and believe this is achieved via the charity's objectives and activities.

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

The work of the Trust to keep its property estate well-maintained as well as taking opportunities to improve and upgrade facilities where and when opportunities arise continues unabated. In particular, there have been a number of major projects that were undertaken.

During a survey of the ventilation system serving the bungalows of Mills Gardens, it was discovered that flaws in the original design was leading to widespread failure across the system. As a consequence, a major piece of work was necessitated to bring it up to a fully functioning standard.

Of a similar nature, the Trust discovered that post-WW2 building practices involving the use of cement for render and pointing had been causing significant deterioration of the facades of the two granite-built rows of former mining cottages. To address this issue, listed planning consent was sought to replace the cement with a lime-based material which is much more sympathetic to the structures but significantly more costly. Having achieved the necessary consent, a 4-year programme of works has been scheduled.

A third significant project involved the re-roofing of three properties which shared the same roof line. This again required appropriate listed planning consent and involved the removal of old asbestos tiles and their replacement with natural slate. In addition, the project saw the rebuilding of a significant portion of the roof structure remedying a hotch-potch of minor works that had been undertaken in decades gone by.

As is the case every year, across the Trusts housing stock, there were properties that required refurbishment, some modest and others more substantial, as residents relocated either to other properties or to a higher place. In total, seven houses were refurbished during the course of the year and an eighth benefitted from a new kitchen. These were, of course, in addition to ongoing maintenance throughout all 42 properties.

Towards the end of the year, a problem caused by subsidence related to old mine workings manifested itself within the boundaries of two properties. The movement was monitored, professional exploratory examinations undertaken and an insurance claim submitted to attend to the matter as a matter of some urgency.

As can be seen, the last 12 months has seen a substantial volume of activity, something which has been increasing steadily over recent years. To meet this demand, a third clerk was taken on towards the end of the calendar year.

FINANCIAL REVIEW

Net expenditure for the year (before revaluation) was £6,298 as compared to net income of £25,278 for the previous year. Although there has been an increase in property repairs and improvements, the overall increase reflects the increase in rents receivable following the revision of the weekly maintenance contributions.

Brief summary of the charity's policy on reserves

£50000 held to cover unforeseen repairs. Balance held to provide more suitable property for our less able residents and to increase housing stock.

WILLIAM JOHN MILLS COTTAGES TRUST
REPORT OF THE TRUSTEES
(CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Type of governing document
 How the charity is constituted
 Trustee selection method

Trust Deed
 Trust
 Appointed by existing Trustees

Trustees' consideration of risks

The trustees have examined the major strategic business and operational risks which the trust faces and confirm that systems have been established to lessen those risks.

Relationship between charity and related parties

The trustees of this trust are also the same as those for W J Mills Grant Fund (charity number 1120627).

TRUSTEES RESPONSIBILITIES

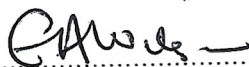
The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity 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 of the Charities SORP 2015 (FRS 102);
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charity (Accounts Reports) Regulations 2008 and the provisions of the trust deed. 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.

This report was approved by the board on 26/09/2022 and signed on their behalf by:



Mrs E A Wilson
 Chair

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF WILLIAM JOHN MILLS COTTAGES TRUST

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5 April 2022 which are set out on pages 5 to 10.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Mrs M Hutchings
Aspen Waite South West
21 Bampton Street
Tiverton
Devon EX16 6AA

Date: 3/10/2022

WILLIAM JOHN MILLS COTTAGES TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 5 APRIL 2022

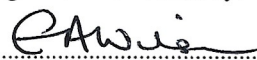
	Notes	<u>Unrestricted</u> <u>funds</u> £	<u>Endowment</u> <u>fund</u> £	<u>Total 2022</u> £	<u>Total 2021</u> £
Income					
Charitable activities					
Rents receivable		250,781	-	250,781	220,296
Investment income					
Bank interest		929	-	929	2,110
Other income		33	-	33	3
Total income		<u>251,743</u>	<u>-</u>	<u>251,743</u>	<u>222,409</u>
Expenditure	8				
Charitable activities		214,829		214,829	159,567
Other		43,212		43,212	37,564
Total expenditure		<u>258,041</u>	<u>-</u>	<u>258,041</u>	<u>197,131</u>
Net income/(expenditure) for the year		(6,298)	-	(6,298)	25,278
Revaluation of tangible fixed assets		62,807	149,427	212,234	152,289
Net movement in funds		56,509	149,427	205,936	177,567
Balance brought forward		<u>2,209,956</u>	<u>4,980,875</u>	<u>7,190,831</u>	<u>7,013,264</u>
Balance carried forward		<u>2,266,465</u>	<u>5,130,302</u>	<u>7,396,767</u>	<u>7,190,831</u>

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WILLIAM JOHN MILLS COTTAGES TRUST
BALANCE SHEET
5 APRIL 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
		£	£
Investments			
W J Mills (Property) Ltd	2		
Fixed assets			
Tangible fixed assets	3	7,286,681	7,074,447
Current assets			
Debtors	4	63,678	48,011
Cash at bank and in hand		<u>225,172</u>	<u>250,442</u>
		288,850	298,453
Creditors : Amounts due within one year	5	<u>38,785</u>	<u>22,316</u>
Net current assets		<u>250,065</u>	<u>276,137</u>
		7,536,748	7,350,586
Creditors : Amounts due after one year	6	<u>139,981</u>	<u>159,755</u>
Net assets		<u>7,396,767</u>	<u>7,190,831</u>
Capital funds			
Endowments		5,130,302	4,980,875
Income funds			
Unrestricted funds		<u>2,266,465</u>	<u>2,209,956</u>
		<u>7,396,767</u>	<u>7,190,831</u>

The financial statements were approved and authorised for issue by the trustees on 26/09/2022

and signed on their behalf by:


 Mrs E A Wilson - Chair


 Mrs S Burley - Vice-Chair

The notes on pages 7 to 10 form part of these financial statements

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WILLIAM JOHN MILLS COTTAGES TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2022

1. Summary of significant accounting policies

(a) General information and basis of preparation

William John Mills Cottages Trust is a charitable trust. The Trust is a registered charity in England within the United Kingdom.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

(c) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities; and
- Other expenditure

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(d) Tangible fixed assets

Freehold land and buildings are stated at fair value.

Other sundry fixed assets are included in the SoFA in the year of purchase.

WILLIAM JOHN MILLS COTTAGES TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2022

(e) Investments

Investments in subsidiaries are measured at cost less impairment.

(f) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(g) Cash

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

(h) Funds

Unrestricted funds 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.

Endowment funds represent those assets which must be held permanently by the charity, principally freehold property in St Day. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

(i) Going concern

Following the global impact of 'COVID-19', at the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Investments in Subsidiary

100% holding of W J Mills (Property) Ltd which was incorporated on 25 November 2019. Its Company number is 12331192. The company's first accounts will cover the period ended 5 April 2022.

3. Tangible fixed assets

	<u>Freehold land and buildings</u> £
Valuation	
At 6 April 2021	7,074,447
Increase in valuation	<u>212,234</u>
At 5 April 2022	<u>7,286,681</u>
Depreciation	
At 6 April 2021	-
Charge for the year	<u>-</u>
At 5 April 2022	<u>-</u>
Net book value	
At 5 April 2022	<u>7,286,681</u>
At 6 April 2021	<u>7,074,447</u>

In the absence of an external valuation, for which costs have to be incurred, the best available information is represented by reinstatement values adopted for insurance purposes totalling £7,286,681 (2021 £7,074,447) in respect of the freehold properties excluding land values.

If freehold land and buildings had not been revalued in previous years, it would have been included on the historical cost basis of £1,567,457.

THE WILLIAM JOHN MILLS COTTAGES TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2022

4. Debtors

	<u>2022</u>	<u>2021</u>
	£	£
Trade debtors	2,978	-
Amounts owed by associated undertakings	59,074	46,430
Prepayments	1,626	1,581
	<u>63,678</u>	<u>48,011</u>

5. Creditors: Amounts falling due within one year

	<u>2022</u>	<u>2021</u>
	£	£
Rent in advance	18,818	-
Other creditors	1,322	4,799
Loan	18,645	17,517
	<u>38,785</u>	<u>22,316</u>

6. Creditors: Amounts falling due after one year

	<u>2022</u>	<u>2021</u>
	£	£
Loan	<u>139,981</u>	<u>159,755</u>

The total amount of the loan from The Charity Bank Ltd outstanding at 5 April 2022 is £158,626 (2021: £177,272). This amount does not include interest which is due on the outstanding balance.

7. Analysis of net assets between funds

	<u>Unrestricted</u>	<u>Endowment</u>	<u>Total funds</u>
	<u>funds</u>	<u>funds</u>	<u>£</u>
	£	£	£
Fund balances at 5 April 2022			
are represented by			
Investments	2		2
Tangible fixed assets	2,156,379	5,130,302	7,286,681
Current assets	288,850		288,850
Liabilities	(178,766)		(178,766)
	<u>2,266,465</u>	<u>5,130,302</u>	<u>7,396,767</u>

THE WILLIAM JOHN MILLS COTTAGES TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2022

8. Expenditure - unrestricted funds

	<u>Grants and donations</u>	<u>Property running and maintenance costs</u>	<u>Other</u>	<u>Total 2022</u>	<u>Total 2021</u>
	£	£	£	£	£
Gifts and donations to residents	1,531			1,531	1,623
Clerks wages			21,135	21,135	15,765
Trustees travel expenses			1,583	1,583	826
Administrative costs			2,659	2,659	2,094
Bookkeeping			-	-	-
Accountancy			510	510	488
Independent examination			869	869	831
Other professional fees			1,713	1,713	2,460
Trustees indemnity insurance			381	381	381
Property insurance		4,760		4,760	4,695
Heat, light , water and rates		37,756		37,756	26,869
Caretaker and gardening		7,477		7,477	1,823
Property repairs and improvements		163,305		163,305	124,557
Bank charges			97	97	69
Loan arrangement fee			-	-	2,497
Loan commitment fee			3,228	3,228	-
Loan interest paid			11,037	11,037	12,153
	<u>1,531</u>	<u>213,298</u>	<u>43,212</u>	<u>258,041</u>	<u>197,131</u>

9. Wages and salaries

	<u>2022</u>	<u>2021</u>
	£	£
Wages	19,191	14,818
Social Security Costs	1,944	947
	<u>21,135</u>	<u>15,765</u>
Average number of staff	<u>3</u>	<u>2</u>

There were no employees with emoluments in excess of £60000.

10. Trustees remuneration and expenses

	<u>2022</u>	<u>2021</u>
	£	£
Trustees remuneration	NIL	NIL
Trustees expenses	1,583	826

Trustees expenses mainly relate to travel costs and were claimed by 2 trustees (2021: 2).

11. Related party transactions

As at 5 April 2022 W J Mills (Property) Ltd owed the Trust £59,074 (2021: £46,430). Trustees Mr K Goldsworthy and Mr S Edwards are also directors of W J Mills (Property) Ltd.