

WILLIAM JOHN MILLS COTTAGES TRUST  
FINANCIAL STATEMENTS  
YEAR ENDED 5 APRIL 2017

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WILLIAM JOHN MILLS COTTAGES TRUST  
REFERENCE AND ADMINISTRATION DETAILS

<b>Registered charity number</b>	275488
<b>Charity's principal address</b>	The Community Room Mills St St Day Redruth TR16 5LL
<b>Trustees</b>	J C Newcombe (Chairman and Treasurer) Mrs E A Wilson (Vice Chair) Mr P Barker Mrs S Burley Mr S Edwards Mr R W Temple Mr K Goldsworthy Mr C Wilson (Appointed in year)
<b>Clerk to the trustees</b>	Ms Carol Freeman
<b>Independent examiner</b>	Mrs M Hutchings Apsleys Chartered Accountants 21 Bampton Street Tiverton Devon EX16 6AA
<b>Bankers</b>	CAF Cash 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
<b>Solicitors</b>	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 2017. 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**

Full occupancy of the properties was maintained throughout the year, with no change of residents, it limited the internal work, which could be carried out, to that requested by residents.

Externally the properties were subject to regular maintenance to a high standard and many failed double glazing units were replaced. A number of outbuildings were renovated and new garden sheds were provided.

Again low oil prices have allowed us to make a refund to residents on their heating charge.

## **FINANCIAL REVIEW**

Net income for the year (before revaluation) was £61,097 as compared to £63,289 for the previous year. The decrease reflects increase in heat, light, water and rates charges.

### **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.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Type of governing document	Trust Deed
How the charity is constituted	Trust
Trustee selection method	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).

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

**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..... and signed on their behalf by:

.....  
**J C Newcombe**  
**Chairman**

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

I report on the accounts of the charity for the year ended 5 April 2017 which are set out on pages 5 to 10.

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

**Basis of independent examiner's report**

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 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.

Mrs M Hutchings  
Apsleys  
21 Bampton Street  
Tiverton  
Devon EX16 6AA

Date:

WILLIAM JOHN MILLS COTTAGES TRUST  
STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 5 APRIL 2017

	Notes	<u>Unrestricted</u> <u>funds</u>	<u>Endowment</u> <u>fund</u>	<u>Total 2017</u>	<u>Total 2016</u>
		£	£	£	£
Income					
Charitable activities					
Rents receivable		180,719	-	180,719	181,082
Investment income					
Bank interest		1,505	-	1,505	910
Other income		183	-	183	168
Total income		<u>182,407</u>	<u>-</u>	<u>182,407</u>	<u>182,160</u>
Expenditure	6				
Charitable activities		94,778		94,778	92,109
Other		26,532		26,532	26,762
Total expenditure		<u>121,310</u>	<u>-</u>	<u>121,310</u>	<u>118,871</u>
Net income for the year		61,097	-	61,097	63,289
Revaluation of tangible fixed assets		<u>70,653</u>	<u>168,093</u>	<u>238,746</u>	<u>298,799</u>
Net movement in funds		131,750	168,093	299,843	362,088
Balance brought forward		<u>1,691,205</u>	<u>4,202,308</u>	<u>5,893,513</u>	<u>5,531,425</u>
Balance carried forward		<u>1,822,955</u>	<u>4,370,401</u>	<u>6,193,356</u>	<u>5,893,513</u>

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WILLIAM JOHN MILLS COTTAGES TRUST  
BALANCE SHEET  
5 APRIL 2017

	<u>Note</u>	<u>2017</u>	<u>2016</u>
		£	£
Fixed assets			
Tangible fixed assets	2	6,207,377	5,968,631
Current assets			
Prepayments		1,613	1,522
Cash at bank and in hand		<u>226,142</u>	<u>178,637</u>
		227,755	180,159
Creditors : Amounts due within one year	3	<u>14,372</u>	<u>13,890</u>
Net current assets		<u>213,383</u>	<u>166,269</u>
		6,420,760	6,134,900
Creditors : Amounts due after one year	4	<u>227,404</u>	<u>241,387</u>
Net assets		<u>6,193,356</u>	<u>5,893,513</u>
Capital funds			
Endowments		4,370,401	4,202,308
Income funds			
Unrestricted funds		<u>1,822,955</u>	<u>1,691,205</u>
		<u>6,193,356</u>	<u>5,893,513</u>

The financial statements were approved and authorised for issue by the trustees on.....

and signed on their behalf by:

.....  
**Mr J C Newcombe - Chairman**

.....  
**Mrs E A Wilson - Vice Chair**

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

WILLIAM JOHN MILLS COTTAGES TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 5 APRIL 2017

**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 Practice as it applies from 1 January 2015.

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.

The charity adopted SORP (FRS 102) in the current year. Transition to SORP (FRS 102) has resulted in no change to the under-lying value of reserves.

**(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 2017

**(e) 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.

**(f) 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.

**(g) 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.

**2. Tangible fixed assets**

	<u>Freehold land and buildings</u> £
Valuation	
At 6 April 2016	5,968,631
Increase in valuation	<u>238,746</u>
At 5 April 2017	<u>6,207,377</u>
Depreciation	
At 6 April 2016	-
Charge for the year	<u>-</u>
At 5 April 2017	<u>-</u>
Net book value	
At 5 April 2017	<u>6,207,377</u>
At 6 April 2016	<u>5,968,631</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 £6,207,377 (2016 £5,968,631) 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.

**3. Creditors: Amounts falling due within one year**

	<u>2017</u> £	<u>2016</u> £
Other creditors	880	890
Loan	<u>13,492</u>	<u>13,000</u>
	<u>14,372</u>	<u>13,890</u>

**THE WILLIAM JOHN MILLS COTTAGES TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2017**

**4. Creditors: Amounts falling due after one year**

	<u>2017</u>	<u>2016</u>
	£	£
Loan	<u>227,404</u>	<u>241,387</u>

The total amount of the loan from The Charity Bank Ltd outstanding at 5 April 2017 is £240,896 (2016: £254,387). This amount does not include interest which is due on the outstanding balance.

**5. Analysis of net assets between funds**

	<u>Unrestricted</u>	<u>Endowment</u>	<u>Total funds</u>
	<u>funds</u>	<u>funds</u>	<u>funds</u>
	£	£	£
Fund balances at 5 April 2017 are represented by			
Tangible fixed assets	1,836,976	4,370,401	6,207,377
Current assets	227,755		227,755
Liabilities	(241,776)		(241,776)
	<u>1,822,955</u>	<u>4,370,401</u>	<u>6,193,356</u>

**6. Expenditure - unrestricted funds**

	<u>Grants and donation</u>	<u>Property running and maintenance</u>	<u>Other</u>	<u>Total 2017</u>	<u>Total 2016</u>
	<u>s.</u>	<u>costs</u>	<u>£</u>	<u>£</u>	<u>£</u>
	£	£			
Gifts and donations to residents	1,219			1,219	1,315
Clerk to trustees fee			4,375	4,375	3,990
Trustees travel expenses			372	372	375
Administrative costs			1,237	1,237	1,169
Accountancy			320	320	342
Independent examination			546	546	584
Other professional fees			2,817	2,817	2,909
Trustees indemnity insurance			367	367	360
Property insurance		4,145		4,145	3,878
Heat, light, water and rates		21,274		21,274	18,845
Caretaker and gardening		1,655		1,655	1,883
Sundry equipment and furniture			330	330	-
Property repairs and improvements		66,485		66,485	66,188
Bank charges			25	25	-
Loan interest paid			16,143	16,143	17,033
	<u>1,219</u>	<u>93,559</u>	<u>26,532</u>	<u>121,310</u>	<u>118,871</u>

**7. Wages and salaries**

	<u>2017</u>	<u>2016</u>
	£	£
Wages	<u>4,375</u>	<u>3990</u>
Average number of staff	<u>1</u>	<u>1</u>

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

THE WILLIAM JOHN MILLS COTTAGES TRUST  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 5 APRIL 2017

**8. Trustees remuneration and expenses**

	<u>2017</u>	<u>2016</u>
	£	£
Trustees remuneration	NIL	NIL
Trustees expenses	<u>372</u>	<u>375</u>

Trustees expenses mainly relate to travel costs and were claimed by 1 (2016: 1) trustee.

**9. Related party transactions**

There were no related party transactions.