SUNNY MOUNT (KNOWLE)

England & Wales · Charity number 1063041

Details

Other names	SUNNY MOUNT
Status	Registered
Legal form	Charitable company
Company number	03371270
Registered	1997-06-24
Register	View on the Charity Commission register

Contact

Address	Sunny Mount (Knowle) Ltd 48 Fentham Road Hampton-In-Arden Solihull West Midlands B92 0AY
Phone	07771691588
Email	dennislawrence@sunny-mount.co.uk

Activities

Objects: THE RELIEF OF PERSONS WHO ARE MENTALLY HANDICAPPED AND THOSE WHO ARE SEVERELY MENTALLY AND PHYSICALLY HANDICAPPED

Activities: The provision of accommodation and care for people with learning disabilities.

Classification

- **How:** Provides Services
- **What:** Disability
- **Who:** People With Disabilities

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Geography

- **Area of benefit:** IN PRACTICE SOUTH SOLIHULL
- Solihull

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£311,472	£484,247	-	-
2024-03-31	£308,425	£381,524	-	-
2023-03-31	£868,038	£373,443	£1,503,129	8
2022-03-31	£233,104	£257,923	-	-
2021-03-31	£100,358	£156,690	-	-

Trustees

Name	Role	Appointed
DAVID CHARLES MATTOCKS		
Dr Gezinus Harm Boer		2024-01-11

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SUNNY MOUNT (KNOWLE)

England & Wales - Charity number 1063041

Accounts

Company registration number: 3371270

Charity registration number: 1063041

Sunny Mount (Knowle)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Buckler Spencer Limited
Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Sunny Mount (Knowle)

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Sunny Mount (Knowle)

Reference and Administrative Details

Trustees	Mr D Mattocks
	Prof G H Boer
Charity Registration Number	1063041
Company Registration Number	3371270
	The charity is incorporated in England and Wales.
Registered Office	48 Fentham Road Hampton in Arden Solihull B92 0AY
Auditor	Buckler Spencer Limited Old Police Station Church Street Swadlincote Derbyshire DE11 8LN

Sunny Mount (Knowle)

Strategic Report for the Year Ended 31 March 2025

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2025, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

Reserves accumulated from charitable fund-raising are maintained in a separate account, namely the welfare of residents' account. The charity endeavours to hold reserves to enable it to meet its on-going operating commitments and also to be able to respond quickly when further opportunities to extend our activities are identified. It is the company's policy only to utilise these accounts for welfare and leisure for the residents. There is also a Paddock View Appeal reserve account, held in a separate fund, which was to contribute in due course to the building of a specialist unit to replace the Paddock section of the home. This is no longer relevant as the old home in Kenilworth Road was sold in 2009.

Principal funding sources

Funding is principally through income received from residents and statutory organisations which support them, in return for the care and accommodation provided

Principal risks and uncertainties

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

The strategic report was approved by the trustees of the charity on 10 December 2025 and signed on its behalf by:

.....
Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2025.

Objectives and activities

Objects and aims

The main objective of the company is the provision of care and accommodation for the four residents of the property at 127 Longdon Road, Knowle.

Objectives, strategies and activities

The principal activity of the company is the operation of its property at 127 Longdon Road, Knowle, which provides residential accommodation for 4 residents with learning difficulties, thus fulfilling our commitment to continuing to provide public benefit from our activities.

The Company has considerable cash reserves the majority of which resulted from the sale of land in 2009 and it has long been the objective of the Company to apply these reserves for the development of additional services for the benefit of people with Learning Disabilities residing in the Borough of Solihull.

During the latter months of 2018 the Company was approached by Olton Grange Limited, a Registered Charity that had, for a number of decades, been providing care and accommodation to elderly citizens in their Registered Residential Care Home at 84 Warwick Road Olton Solihull B92 7JJ.

The Home was Registered for a maximum of 25 occupants; a number of the bedrooms had been provided with en-suites however the remaining bedrooms were too small to allow this and also fell way below the spatial standards that are now required/expected. Corridors connecting bedrooms were very narrow and on multi levels and the premises, in their current layout, was considered no longer fit for purpose to provide accommodation for increasingly frail residents. Consequently the Home found it increasingly difficult to fill voids and, for at least the 12 month period preceding closure, the Home had been operating with more than 30% of the bedrooms vacant resulting in a critical reduction in income and rendering the Company no longer financially viable.

The Board of Trustees had hoped that this critical situation would improve however, and regrettably, it didn't. The Home was no longer financially viable and had almost exhausted its financial reserves and it was with great reluctance that the Board of Trustees, accountable to amongst others the Charity Commission, decided that the operation of the Home must cease and that the Charity and Company known as Olton Grange must close and that, in accordance with Article 8 of Olton Grange's Articles of Association, they wished to ultimately transfer the property to Sunny Mount (Knowle) Limited, this transfer of property is also in accordance with the Trust Deed.

Sunny Mount (Knowle) Ltd agreed to make a donation to Olton Grange to meet all of their debts and liabilities, including a considerable sum in respect of Statutory Redundancy Payments, enabling Olton Grange to close honourably and in good standing.

It was originally intended that Sunny Mount would take over the premises of Olton Grange and, subject to Planning Permission, Building Regulations and any statutory approval, redevelop the building to create a number of apartments, on the first and second floor, for people with Learning Disabilities.

However, although the premises are freehold, there remains a restrictive covenant in place, applied by Solihull Metropolitan Borough Council, that the building be used as a "Care Home for Elderly persons". As a result of the difficulties posed by this and other reasons, the company decided to sell the property on the open market, and this was completed on 30th June 2022. Following this, the loan was repaid to Sunny Mount (Knowle) and the remaining funds from the sale proceeds were then transferred to Sunny Mount (Knowle). Olton Grange Residential Home then applied to Companies House to be struck off the register.

Sunny Mount (Knowle)

Trustees' Report

Sunny Mount (Knowle) now actively considering how to utilise the funds received from Olton Grange Residential Home to benefit the community by offering further residential care facilities.

Public benefit

The charity provides residential care and accommodation on a needs led basis in a CQC registered care home, not on any criteria set up by the charity or on ability to pay. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mr D Mattocks
	Prof G H Boer (appointed 1 May 2024)

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustees

Following the resignation of Mr Kokilagadda, on 21st August 2022, the charity appointed Mr Harv Boer on 1st May 2024.

Induction and training of trustees

If the intention to recruit trustees changes appropriate induction and training will be provided to any new trustees without appropriate experience in the charitable sector.

Organisational structure

The company's most senior officer is the General Manager who reports directly to the Board on all strategic issues. The Home Manager, who reports directly to the General Manager, manages a team of care staff on operational matters.

Major risks and management of those risks

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Cash flow risk

The charity retains sufficient funds on deposit to manage its cash flow requirements.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments the charity keeps its bank balances in short-term deposit accounts.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustees' responsibilities
The trustees (who are also the directors of Sunny Mount (Knowle) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

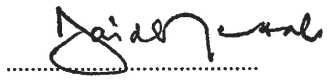
The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 10 December 2025 and signed on its behalf by:



Mr D Mattocks
Trustee

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion

We have audited the financial statements of Sunny Mount (Knowle) (the 'charity') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 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 original financial statements were 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; 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 (set out on page 5 and 6), 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.

Auditor responsibilities for the audit of the financial statements

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 these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

Enquiry of management around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

Reviewing minutes of meetings of those charged with governance;

Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;

Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

Performing audit work over the risk of management bias and override of controls, including testing of significant journal entries and other adjustments for appropriateness,

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)



.....
Mr Richard Spencer BA FCA (Senior Statutory Auditor)
For and on behalf of Buckler Spencer Limited, Statutory Auditor

Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

10 December 2025

Sunny Mount (Knowle)

Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Charitable activities	3	253,024	-	253,024
Investment income	4	51,185	7,263	58,448
Total income		304,209	7,263	311,472
Expenditure on:				
Charitable activities	5	(484,247)	-	(484,247)
Total expenditure		(484,247)	-	(484,247)
Net (expenditure)/income		(180,038)	7,263	(172,775)
Net movement in funds		(180,038)	7,263	(172,775)
Reconciliation of funds				
Total funds brought forward		1,283,434	146,595	1,430,029
Total funds carried forward	16	1,103,396	153,858	1,257,254

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies		10	-	10
Charitable activities	3	251,786	-	251,786
Investment income	4	50,286	6,343	56,629
Total income		302,082	6,343	308,425
Expenditure on:				
Charitable activities	5	(381,524)	-	(381,524)
Total expenditure		(381,524)	-	(381,524)
Net (expenditure)/income		(79,442)	6,343	(73,099)
Net movement in funds		(79,442)	6,343	(73,099)
Reconciliation of funds				
Total funds brought forward		1,362,876	140,253	1,503,129
Total funds carried forward	16	1,283,434	146,596	1,430,030

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 16.

Sunny Mount (Knowle)

(Registration number: 3371270)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	66,611	63,429
Current assets			
Debtors	13	14,514	15,009
Cash at bank and in hand	14	1,194,379	1,366,122
		1,208,893	1,381,131
Creditors: Amounts falling due within one year	15	(18,250)	(14,530)
Net current assets		1,190,643	1,366,601
Net assets		1,257,254	1,430,030
Funds of the charity:			
Restricted income funds			
Restricted funds		153,858	146,596
Unrestricted income funds			
Unrestricted funds		1,103,396	1,283,434
Total funds	16	1,257,254	1,430,030

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on 10 December 2025 and signed on their behalf by:

.....

Mr D Mattocks
Trustee

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
48 Fentham Road
Hampton in Arden
Solihull
B92 0AY

These financial statements were authorised for issue by the trustees on 10 December 2025.

2 Accounting policies

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

Statement of compliance
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 in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Sunny Mount (Knowle) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement
The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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 and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost
Motor vehicles	20% on cost

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme, contributions are shown as an expense as and when they are incurred and paid.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from charitable activities

	Unrestricted funds General £	Total 2025 £
Provision of care and accomodation	253,024	253,024

	Unrestricted funds General £	Total 2024 £
Provision of care and accomodation	251,786	251,786

4 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Interest receivable and similar income;			
Interest receivable on bank deposits	51,185	7,263	58,448
	51,185	7,263	58,448

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	50,286	6,343	56,629
	50,286	6,343	56,629

5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2025 £
Provision of care and accomodation		121,759	121,759
Staff costs		359,488	359,488
Governance costs	6	3,000	3,000
		484,247	484,247

	Note	Unrestricted funds General £	Total 2024 £
Provision of care and accomodation		89,107	89,107
Staff costs		277,111	277,111
Governance costs	6	15,306	15,306
		381,524	381,524

	Activity undertaken directly £	2025 £
Provision of care and accomodation	481,247	481,247

	Activity undertaken directly £	2024 £
Provision of care and accomodation	366,218	366,218

£450,281 (2024 - £366,218) of the above expenditure was attributable to unrestricted funds and £Nil (2024 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £3,000 (2024 - £15,306) which relate directly to charitable activities. See note 6 for further details.

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	2,400	2,400
Legal fees	600	600
Total for 2025	3,000	3,000
Total for 2024	15,306	15,306

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025 £	2024 £
Audit fees	2,400	2,400
Depreciation of fixed assets	4,538	6,634

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	324,729	254,468
Social security costs	22,120	16,917
Pension costs	6,047	5,726
Other staff costs	6,592	-
	359,488	277,111

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Care staff	9	9
Administration	2	2
	11	11

No employee received emoluments of more than £60,000 during the year.

10 Auditors' remuneration

	2025 £	2024 £
Audit of the financial statements	2,400	2,400

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Total £
Cost			
At 1 April 2024	96,909	27,680	124,589
At 31 March 2025	96,909	27,680	124,589
Depreciation			
At 1 April 2024	38,760	14,680	53,440
Charge for the year	1,938	2,600	4,538
At 31 March 2025	40,698	17,280	57,978
Net book value			
At 31 March 2025	56,211	10,400	66,611
At 31 March 2024	58,149	13,000	71,149

13 Debtors

	2025 £	2024 £
Trade debtors	322	6,573
Prepayments	8,092	8,136
Other debtors	6,100	300
	14,514	15,009

14 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	274	61
Cash at bank	121,954	152,357
Short-term deposits	1,072,151	1,213,704
	1,194,379	1,366,122

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	9,153	5,567
Other creditors	1,297	1,163
Accruals	7,800	7,800
	18,250	14,530

16 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Unrestricted funds				
General	1,283,434	304,209	(484,247)	1,103,396
Restricted funds	146,595	7,263	-	153,858
Total funds	1,430,029	311,472	(484,247)	1,257,254

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	1,362,876	302,082	(381,524)	1,283,434
Restricted funds	140,253	6,343	-	146,596
Total funds	1,503,129	308,425	(381,524)	1,430,030

The specific purposes for which the funds are to be applied are as follows:

Paddock View Fund

This comprises money raised for the construction of a new building for the care of residents with severe learning disabilities.

Welfare Fund

This fund is used to receive donations to provide items for the welfare of the residents such as trips and equipment.

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2025 £
Tangible fixed assets	66,611	-	66,611
Current assets	1,055,035	153,858	1,208,893
Current liabilities	(18,250)	-	(18,250)
Total net assets	1,103,396	153,858	1,257,254

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	63,429	-	63,429
Current assets	1,234,535	146,596	1,381,131
Current liabilities	(14,530)	-	(14,530)
Total net assets	1,283,434	146,596	1,430,030

18 Analysis of net funds

	At 1 April 2024 £	Financing cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,366,122	(171,743)	1,194,379
Net debt	1,366,122	(171,743)	1,194,379

	At 1 April 2023 £	Financing cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,424,959	(58,837)	1,366,122
Net debt	1,424,959	(58,837)	1,366,122

SUNNY MOUNT (KNOWLE)

England & Wales - Charity number 1063041

Accounts

Company registration number: 3371270

Charity registration number: 1063041

Sunny Mount (Knowle)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Buckler Spencer Limited
Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Sunny Mount (Knowle)

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Sunny Mount (Knowle)

Reference and Administrative Details

Trustee

Mr D Mattocks

Prof G H Boer

Charity Registration Number

1063041

Company Registration Number

3371270

The charity is incorporated in England and Wales.

Registered Office

48 Fentham Road
Hampton in Arden
Solihull
B92 0AY

Auditor

Buckler Spencer Limited
Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Sunny Mount (Knowle)

Trustee's Report

The trustee, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Objectives and activities

Objects and aims

The main objective of the company is the provision of care and accommodation for the four residents of the property at 127 Longdon Road, Knowle.

Objectives, strategies and activities

The principal activity of the company is the operation of its property at 127 Longdon Road, Knowle, which provides residential accommodation for 4 residents with learning difficulties, thus fulfilling our commitment to continuing to provide public benefit from our activities.

The Company has considerable cash reserves the majority of which resulted from the sale of land in 2009 and it has long been the objective of the Company to apply these reserves for the development of additional services for the benefit of people with Learning Disabilities residing in the Borough of Solihull.

During the latter months of 2018 the Company was approached by Olton Grange Limited, a Registered Charity that had, for a number of decades, been providing care and accommodation to elderly citizens in their Registered Residential Care Home at 84 Warwick Road Olton Solihull B92 7JJ.

The Home was Registered for a maximum of 25 occupants; a number of the bedrooms had been provided with en-suites however the remaining bedrooms were too small to allow this and also fell way below the spatial standards that are now required/expected. Corridors connecting bedrooms were very narrow and on multi levels and the premises, in their current layout, was considered no longer fit for purpose to provide accommodation for increasingly frail residents. Consequently the Home found it increasingly difficult to fill voids and, for at least the 12 month period preceding closure, the Home had been operating with more than 30% of the bedrooms vacant resulting in a critical reduction in income and rendering the Company no longer financially viable.

The Board of Trustees had hoped that this critical situation would improve however, and regrettably, it didn't. The Home was no longer financially viable and had almost exhausted its financial reserves and it was with great reluctance that the Board of Trustees, accountable to amongst others the Charity Commission, decided that the operation of the Home must cease and that the Charity and Company known as Olton Grange must close and that, in accordance with Article 8 of Olton Grange's Articles of Association, they wished to ultimately transfer the property to Sunny Mount (Knowle) Limited, this transfer of property is also in accordance with the Trust Deed.

Sunny Mount (Knowle) Ltd agreed to make a donation to Olton Grange to meet all of their debts and liabilities, including a considerable sum in respect of Statutory Redundancy Payments, enabling Olton Grange to close honourably and in good standing.

It was originally intended that Sunny Mount would take over the premises of Olton Grange and, subject to Planning Permission, Building Regulations and any statutory approval, redevelop the building to create a number of apartments, on the first and second floor, for people with Learning Disabilities.

However, although the premises are freehold, there remains a restrictive covenant in place, applied by Solihull Metropolitan Borough Council, that the building be used as a "Care Home for Elderly persons". As a result of the difficulties posed by this and other reasons, the company decided to sell the property on the open market, and this was completed on 30th June 2022. Following this, the loan was repaid to Sunny Mount (Knowle) and the remaining funds from the sale proceeds were then transferred to Sunny Mount (Knowle). Olton Grange Residential Home then applied to Companies House to be struck off the register.

Sunny Mount (Knowle)

Trustee's Report

Sunny Mount (Knowle) now actively considering how to utilise the funds received from Olton Grange Residential Home to benefit the community by offering further residential care facilities.

Public benefit

The charity provides residential care and accommodation on a needs led basis in a CQC registered care home, not on any criteria set up by the charity or on ability to pay. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The trustee confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Policy on reserves

Reserves accumulated from charitable fund-raising are maintained in a separate account, namely the welfare of residents' account. The charity endeavours to hold reserves to enable it to meet its on-going operating commitments and also to be able to respond quickly when further opportunities to extend our activities are identified. It is the company's policy only to utilise these accounts for welfare and leisure for the residents. There is also a Paddock View Appeal reserve account, held in a separate fund, which was to contribute in due course to the building of a specialist unit to replace the Paddock section of the home. This is no longer relevant as the old home in Kenilworth Road was sold in 2009.

Principal funding sources

Funding is principally through income received from residents and statutory organisations which support them, in return for the care and accommodation provided

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustee:

Mr D Mattocks

Prof G H Boer (appointed 1 May 2024)

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustee

Following the resignation of Mr Kokilagadda, on 21st August 2022, the charity appointed Mr Harv Boer on 1st May 2024.

Induction and training of trustee

If the intention to recruit trustees changes appropriate induction and training will be provided to any new trustees without appropriate experience in the charitable sector.

Organisational structure

The company's most senior officer is the General Manager who reports directly to the Board on all strategic issues. The Home Manager, who reports directly to the General Manager, manages a team of care staff on operational matters.

Major risks and management of those risks

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Cash flow risk

The charity retains sufficient funds on deposit to manage its cash flow requirements.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments the charity keeps its bank balances in short-term deposit accounts.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustee's responsibilities
The trustee (who is also the directors of Sunny Mount (Knowle) for the purposes of company law) is responsible for preparing the trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Sunny Mount (Knowle)

Trustee's Report

Company law requires the trustee to prepare financial statements for each financial year. Under company law the trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustee are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustee confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustee of the charity on 17/12/24.. and signed on its behalf by:

~~Mr D~~ Mattocks
Trustee

Sunny Mount (Knowle)

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion

We have audited the financial statements of Sunny Mount (Knowle) (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 trustee 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 original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The trustee are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the Statement of trustee's responsibilities (set out on page 4 and 5), the trustee 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 trustee 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 trustee 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 trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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 these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

Enquiry of management around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

Reviewing minutes of meetings of those charged with governance;

Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;

Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

Performing audit work over the risk of management bias and override of controls, including testing of significant journal entries and other adjustments for appropriateness,

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's trustee, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's 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 charitable company and its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

.....

Mr Richard Spencer BA FCA (Senior Statutory Auditor)
For and on behalf of Buckler Spencer Limited, Statutory Auditor

Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Date: 20/12/24

Sunny Mount (Knowle)

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	10	-	10
Charitable activities	4	251,786	-	251,786
Investment income	5	50,286	6,343	56,629
Total income		302,082	6,343	308,425
Expenditure on:				
Charitable activities	6	(381,524)	-	(381,524)
Total expenditure		(381,524)	-	(381,524)
Net (expenditure)/income		(79,442)	6,343	(73,099)
Net movement in funds		(79,442)	6,343	(73,099)
Reconciliation of funds				
Total funds brought forward		1,362,876	140,253	1,503,129
Total funds carried forward	17	1,283,434	146,596	1,430,030

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	600,694	-	600,694
Charitable activities	4	254,225	-	254,225
Investment income	5	10,230	2,889	13,119
Total income		865,149	2,889	868,038
Expenditure on:				
Charitable activities	6	(373,443)	-	(373,443)
Total expenditure		(373,443)	-	(373,443)
Net income		491,706	2,889	494,595
Net movement in funds		491,706	2,889	494,595
Reconciliation of funds				
Total funds brought forward		871,170	137,364	1,008,534
Total funds carried forward	17	1,362,876	140,253	1,503,129

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 17.

Sunny Mount (Knowle)

(Registration number: 3371270)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	63,429	70,063
Current assets			
Debtors	14	15,009	22,507
Cash at bank and in hand	15	1,366,122	1,424,959
		1,381,131	1,447,466
Creditors: Amounts falling due within one year	16	(14,530)	(14,400)
Net current assets		1,366,601	1,433,066
Net assets		1,430,030	1,503,129
Funds of the charity:			
Restricted income funds			
Restricted funds		146,596	140,253
Unrestricted income funds			
Unrestricted funds		1,283,434	1,362,876
Total funds	17	1,430,030	1,503,129

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 23 were approved by the trustee, and authorised for issue on 17/12/24 and signed on their behalf by:

Mr D Mattocks
Trustee

The notes on pages 12 to 23 form an integral part of these financial statements.

Sunny Mount (Knowle)

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustee is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
48 Fentham Road
Hampton in Arden
Solihull
B92 0AY

Authorised for issue date

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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 in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Sunny Mount (Knowle) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustee consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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 and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost
Motor vehicles	20% on cost

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme, contributions are shown as an expense as and when they are incurred and paid.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

During the prior year the charity recieved a donation from the winding up of a charity in the local area. This donation amounted to £593,549 and is shown in the unrestricted funds as it was for use in the general objectives of the charity.

4 Income from charitable activities

	Unrestricted funds General £	Total 2024 £
Provision of care and accomodation	251,786	251,786

	Unrestricted funds General £	Total 2023 £
Provision of care and accomodation	254,225	254,225

5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	50,286	6,343	56,629
	50,286	6,343	56,629

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	10,230	2,889	13,119
	10,230	2,889	13,119

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2024 £
Provision of care and accomodation		89,107	89,107
Staff costs		277,111	277,111
Governance costs	7	15,306	15,306
		381,524	381,524

	Note	Unrestricted funds General £	Total 2023 £
Provision of care and accomodation		82,422	82,422
Staff costs		275,309	275,309
Governance costs	7	15,712	15,712
		373,443	373,443

	Activity undertaken directly £	2024 £
Provision of care and accomodation	366,218	366,218

	Activity undertaken directly £	2023 £
Provision of care and accomodation	357,729	357,729

£366,218 (2023 - £357,729) of the above expenditure was attributable to unrestricted funds and £Nil (2023 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £15,307 (2023 - £15,712) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	2,400	2,400
Legal fees	12,906	12,906
Total for 2024	15,306	15,306
Total for 2023	15,712	15,712

8 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2024 £	2023 £
Audit fees	2,400	2,400
Depreciation of fixed assets	6,634	6,634

9 Trustee remuneration and expenses

No trustee, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	254,468	248,163
Social security costs	16,917	16,724
Pension costs	5,726	4,937
Other staff costs	-	5,485
	277,111	275,309

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Care staff	9	7
Administration	2	1
	11	8

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	2,400	2,400

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Total £
Cost			
At 1 April 2023	96,909	33,843	130,752
At 31 March 2024	96,909	33,843	130,752
Depreciation			
At 1 April 2023	36,822	23,867	60,689
Charge for the year	1,938	4,696	6,634
At 31 March 2024	38,760	28,563	67,323
Net book value			
At 31 March 2024	58,149	5,280	63,429
At 31 March 2023	60,087	9,976	70,063

14 Debtors

	2024 £	2023 £
Trade debtors	6,573	17,094
Prepayments	8,136	5,249
Other debtors	300	164
	15,009	22,507

15 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	61	213
Cash at bank	152,357	167,673
Short-term deposits	1,213,704	1,257,073
	1,366,122	1,424,959

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	5,567	5,610
Other creditors	1,163	990
Accruals	7,800	7,800
	14,530	14,400

17 Funds

	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
	£	£	£	£
Unrestricted funds				
General	1,362,876	302,082	(381,524)	1,283,434
Restricted funds	140,253	6,343	-	146,596
Total funds	1,503,129	308,425	(381,524)	1,430,030

	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£
Unrestricted funds				
General	871,170	865,149	(373,443)	1,362,876
Restricted funds	137,364	2,889	-	140,253
Total funds	1,008,534	868,038	(373,443)	1,503,129

The specific purposes for which the funds are to be applied are as follows:

Paddock View Fund

This comprises money raised for the construction of a new building for the care of residents with severe learning disabilities.

Welfare Fund

This fund is used to receive donations to provide items for the welfare of the residents such as trips and equipment.

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	63,429	-	63,429
Current assets	1,234,535	146,596	1,381,131
Current liabilities	(14,530)	-	(14,530)
Total net assets	1,283,434	146,596	1,430,030

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	70,063	-	70,063
Current assets	1,307,213	140,253	1,447,466
Current liabilities	(14,400)	-	(14,400)
Total net assets	1,362,876	140,253	1,503,129

19 Analysis of net funds

	At 1 April 2023 £	Financing cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,424,959	(58,837)	1,366,122
Net debt	1,424,959	(58,837)	1,366,122

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	757,797	667,162	1,424,959
Net debt	757,797	667,162	1,424,959

20 Related party transactions

There were no related party transactions in the year.

SUNNY MOUNT (KNOWLE)

England & Wales - Charity number 1063041

Accounts

Company registration number: 3371270

Charity registration number: 1063041

Sunny Mount (Knowle)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Buckler Spencer Limited
Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Sunny Mount (Knowle)

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Sunny Mount (Knowle)

Reference and Administrative Details

Trustee	Mr D Mattocks
Charity Registration Number	1063041
Company Registration Number	3371270
	The charity is incorporated in England and Wales.
Registered Office	48 Fentham Road Hamton in Arden Solihull B92 0AY
Auditor	Buckler Spencer Limited Old Police Station Church Street Swadlincote Derbyshire DE11 8LN

Sunny Mount (Knowle)

Trustee's Report

The member, a director for the purposes of company law, presents the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

Objectives and activities

Objects and aims

The main objective of the company is the provision of care and accommodation for the four residents of the property at 127 Longdon Road, Knowle.

Objectives, strategies and activities

The principal activity of the company is the operation of its property at 127 Longdon Road, Knowle, which provides residential accommodation for 4 residents with learning difficulties, thus fulfilling our commitment to continuing to provide public benefit from our activities.

The Company has considerable cash reserves the majority of which resulted from the sale of land in 2009 and it has long been the objective of the Company to apply these reserves for the development of additional services for the benefit of people with Learning Disabilities residing in the Borough of Solihull.

During the latter months of 2018 the Company was approached by Olton Grange Limited, a Registered Charity that had, for a number of decades, been providing care and accommodation to elderly citizens in their Registered Residential Care Home at 84 Warwick Road Olton Solihull B92 7JJ.

The Home was Registered for a maximum of 25 occupants; a number of the bedrooms had been provided with en-suites however the remaining bedrooms were too small to allow this and also fell way below the spatial standards that are now required/expected. Corridors connecting bedrooms were very narrow and on multi levels and the premises, in their current layout, was considered no longer fit for purpose to provide accommodation for increasingly frail residents. Consequently the Home found it increasingly difficult to fill voids and, for at least the 12 month period preceding closure, the Home had been operating with more than 30% of the bedrooms vacant resulting in a critical reduction in income and rendering the Company no longer financially viable.

The Board of Trustees had hoped that this critical situation would improve however, and regrettably, it didn't. The Home was no longer financially viable and had almost exhausted its financial reserves and it was with great reluctance that the Board of Trustees, accountable to amongst others the Charity Commission, decided that the operation of the Home must cease and that the Charity and Company known as Olton Grange must close and that, in accordance with Article 8 of Olton Grange's Articles of Association, they wished to ultimately transfer the property to Sunny Mount (Knowle) Limited, this transfer of property is also in accordance with the Trust Deed.

Sunny Mount (Knowle) Ltd agreed to make a donation to Olton Grange to meet all of their debts and liabilities, including a considerable sum in respect of Statutory Redundancy Payments, enabling Olton Grange to close honourably and in good standing.

It was originally intended that Sunny Mount would take over the premises of Olton Grange and, subject to Planning Permission, Building Regulations and any statutory approval, redevelop the building to create a number of apartments, on the first and second floor, for people with Learning Disabilities.

However, although the premises are freehold, there remains a restrictive covenant in place, applied by Solihull Metropolitan Borough Council, that the building be used as a "Care Home for Elderly persons". As a result of the difficulties posed by this and other reasons, the company decided to sell the property on the open market, and this was completed on 30th June 2022. Following this, the loan was repaid to Sunny Mount (Knowle) and the remaining funds from the sale proceeds were then transferred to Sunny Mount (Knowle). Olton Grange Residential Home then applied to Companies House to be struck off the register.

Sunny Mount (Knowle)

Trustee's Report

Sunny Mount (Knowle) now actively considering how to utilise the funds received from Olton Grange Residential Home to benefit the community by offering further residential care facilities.

Public benefit

The charity provides residential care and accommodation on a needs led basis in a CQC registered care home, not on any criteria set up by the charity or on ability to pay. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The trustee confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Policy on reserves

Reserves accumulated from charitable fund-raising are maintained in a separate account, namely the welfare of residents' account. The charity endeavours to hold reserves to enable it to meet its on-going operating commitments and also to be able to respond quickly when further opportunities to extend our activities are identified. It is the company's policy only to utilise these accounts for welfare and leisure for the residents. There is also a Paddock View Appeal reserve account, held in a separate fund, which was to contribute in due course to the building of a specialist unit to replace the Paddock section of the home. This is no longer relevant as the old home in Kenilworth Road was sold in 2009.

Principal funding sources

Funding is principally through income received from residents and statutory organisations which support them, in return for the care and accommodation provided

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustee:	Mr D Mattocks
	A Kokilagadda (resigned 21 August 2022)

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustee

A new trustee was appointed on 12 November 2021. Following the resignation of Mr Kokilagadda, on 21st August 2022, the charity is actively looking for new trustees.

Induction and training of trustee

If the intention to recruit trustees changes appropriate induction and training will be provided to any new trustees without appropriate experience in the charitable sector.

Sunny Mount (Knowle)

Trustee's Report

Organisational structure

The company's most senior officer is the General Manager who reports directly to the Board on all strategic issues. The Home Manager, who reports directly to the General Manager, manages a team of care staff on operational matters. The company no longer has any association with Solihull Care Limited, who were previously offering management and administrative support. The company now provides its own management, financial and administrative services.

Major risks and management of those risks

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Cash flow risk

The charity retains sufficient funds on deposit to manage it's cash flow requirements.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments the charity keeps its bank balances in short-term deposit accounts.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of trustee's responsibilities

The trustee (who is also the director of Sunny Mount (Knowle) for the purposes of company law) is responsible for preparing the trustee's' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Sunny Mount (Knowle)

Trustee's Report

Company law requires the member to prepare financial statements for each financial year. Under company law the member must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the member is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The member is responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

The member has taken steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The member confirms that there is no relevant information that he knows of and of which he knows the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the member of the charity on 12 December 2023 and signed on its behalf by:



.....

Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion

We have audited the financial statements of Sunny Mount (Knowle) (the 'charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 trustee 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 original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustee

As explained more fully in the Statement of trustee's responsibilities (set out on page 4 and 5), the trustee 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 trustee 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 trustee 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 trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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 these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

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.

the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

Enquiry of management around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

Reviewing minutes of meetings of those charged with governance;

Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;

Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

Performing audit work over the risk of management bias and override of controls, including testing of significant journal entries and other adjustments for appropriateness,

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company trustee in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's 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 charitable company and its trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Sunny Mount (Knowle)

Independent Auditor's Report to the Members of Sunny Mount (Knowle)



.....

Mr Richard Spencer BA FCA (Senior Statutory Auditor)
For and on behalf of Buckler Spencer Limited, Statutory Auditor

Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

12 December 2023

Sunny Mount (Knowle)

Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	600,694	-	600,694
Charitable activities	4	254,225	-	254,225
Investment income	5	10,230	2,889	13,119
Total income		865,149	2,889	868,038
Expenditure on:				
Charitable activities	6	(373,443)	-	(373,443)
Total expenditure		(373,443)	-	(373,443)
Net income		491,706	2,889	494,595
Net movement in funds		491,706	2,889	494,595
Reconciliation of funds				
Total funds brought forward		871,170	137,364	1,008,534
Total funds carried forward	17	1,362,876	140,253	1,503,129

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	(5,023)	-	(5,023)
Charitable activities	4	237,859	-	237,859
Investment income	5	209	59	268
Total income		233,045	59	233,104
Expenditure on:				
Charitable activities	6	(257,923)	-	(257,923)
Total expenditure		(257,923)	-	(257,923)
Net (expenditure)/income		(24,878)	59	(24,819)
Net movement in funds		(24,878)	59	(24,819)
Reconciliation of funds				
Total funds brought forward		896,048	137,305	1,033,353
Total funds carried forward	17	871,170	137,364	1,008,534

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 17.

Sunny Mount (Knowle)

(Registration number: 3371270)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	70,063	67,897
Current assets			
Debtors	14	22,507	194,338
Cash at bank and in hand	15	1,424,959	757,797
		1,447,466	952,135
Creditors: Amounts falling due within one year	16	(14,400)	(11,498)
Net current assets		1,433,066	940,637
Net assets		1,503,129	1,008,534
Funds of the charity:			
Restricted income funds			
Restricted funds		140,253	137,364
Unrestricted income funds			
Unrestricted funds		1,362,876	871,170
Total funds	17	1,503,129	1,008,534

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 22 were approved by the trustee, and authorised for issue on 12 December 2023 and signed on their behalf by:

.....
Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustee is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
48 Fentham Road
Hamton in Arden
Solihull
B92 0AY

These financial statements were authorised for issue by the trustee on 12 December 2023.

2 Accounting policies

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

Statement of compliance
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 in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Sunny Mount (Knowle) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustee consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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 and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost
Motor vehicles	20% on cost

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme, contributions are shown as an expense as and when they are incurred and paid.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

During the year the charity received a donation from the winding up of a charity in the local area. This donation amounted to £593,549 and is shown as an unrestricted fund as it was for use for the general objectives of the charity.

4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £
Provision of care and accomodation	254,225	254,225

	Unrestricted funds General £	Total 2022 £
Provision of care and accomodation	237,859	237,859

5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	10,230	2,889	13,119
	10,230	2,889	13,119

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	209	59	268
	209	59	268

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £
Provision of care and accomodation		82,422	82,422
Staff costs		275,309	275,309
Governance costs	7	15,712	15,712
		373,443	373,443

	Note	Unrestricted funds General £	Total 2022 £
Provision of care and accomodation		72,516	72,516
Staff costs		158,800	158,800
Governance costs	7	26,607	26,607
		257,923	257,923

	Activity undertaken directly £	2023 £
Provision of care and accomodation	357,729	357,729

	Activity undertaken directly £	2022 £
Provision of care and accomodation	231,316	231,316

£357,729 (2022 - £231,316) of the above expenditure was attributable to unrestricted funds and £Nil (2022 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £15,712 (2022 - £26,607) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	2,400	2,400
Legal fees	13,312	13,312
Total for 2023	15,712	15,712
Total for 2022	26,607	26,607

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Audit fees	2,400	2,400
Depreciation of fixed assets	6,634	4,874

9 Trustee remuneration and expenses

No trustee, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	248,163	147,948
Social security costs	16,724	7,123
Pension costs	4,937	3,729
Other staff costs	5,485	-
	275,309	158,800

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Care staff	7	7
Administration	1	1
	8	8

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	2,400	2,400

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Total £
Cost			
At 1 April 2022	96,909	25,043	121,952
Additions	-	8,800	8,800
At 31 March 2023	96,909	33,843	130,752
Depreciation			
At 1 April 2022	34,884	19,171	54,055
Charge for the year	1,938	4,696	6,634
At 31 March 2023	36,822	23,867	60,689
Net book value			
At 31 March 2023	60,087	9,976	70,063
At 31 March 2022	62,025	5,872	67,897

14 Debtors

	2023 £	2022 £
Trade debtors	17,094	5,514
Prepayments	5,249	7,479
Other debtors	164	181,345
	22,507	194,338

15 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	213	-
Cash at bank	167,673	163,843
Short-term deposits	1,257,073	593,954
	1,424,959	757,797

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	5,610	2,762
Other creditors	990	936
Accruals	7,800	7,800
	14,400	11,498

17 Funds

	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£
Unrestricted funds				
General	871,170	865,149	(373,443)	1,362,876
Restricted funds	137,364	2,889	-	140,253
Total funds	1,008,534	868,038	(373,443)	1,503,129

	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£
Unrestricted funds				
General	896,048	233,045	(257,923)	871,170
Restricted funds	137,305	59	-	137,364
Total funds	1,033,353	233,104	(257,923)	1,008,534

The specific purposes for which the funds are to be applied are as follows:

Paddock View Fund

This comprises money raised for the construction of a new building for the care of residents with severe learning disabilities.

Welfare Fund

This fund is used to receive donations to provide items for the welfare of the residents such as trips and equipment.

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	70,063	-	70,063
Current assets	1,307,213	140,253	1,447,466
Current liabilities	(14,400)	-	(14,400)
Total net assets	1,362,876	140,253	1,503,129

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	67,897	-	67,897
Current assets	814,771	137,364	952,135
Current liabilities	(11,498)	-	(11,498)
Total net assets	871,170	137,364	1,008,534

19 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	757,797	667,162	1,424,959
Net debt	757,797	667,162	1,424,959

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	807,855	(50,058)	757,797
Net debt	807,855	(50,058)	757,797

SUNNY MOUNT (KNOWLE)

England & Wales - Charity number 1063041

Accounts

Company registration number: 3371270
Charity registration number: 1063041

Sunny Mount (Knowle)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Buckler Spencer Limited
Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Sunny Mount (Knowle)

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Sunny Mount (Knowle)

Reference and Administrative Details

Trustees	Mr D Mattocks
Charity Registration Number	1063041
Company Registration Number	3371270
	The charity is incorporated in England and Wales.
Registered Office	81-83 Warwick Road Solihull West Midlands B92 7HP
Auditor	Buckler Spencer Limited Old Police Station Church Street Swadlincote Derbyshire DE11 8LN

Sunny Mount (Knowle)

Strategic Report for the Year Ended 31 March 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2022, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

Reserves accumulated from charitable fund-raising are maintained in a separate account, namely the welfare of residents' account. The charity endeavours to hold reserves to enable it to meet its on-going operating commitments and also to be able to respond quickly when further opportunities to extend our activities are identified. It is the company's policy only to utilise these accounts for welfare and leisure for the residents. There is also a Paddock View Appeal reserve account, held in a separate fund, which was to contribute in due course to the building of a specialist unit to replace the Paddock section of the home. This is no longer relevant as the old home in Kenilworth Road was sold in 2009.

Principal funding sources

Funding is principally through income received from residents and statutory organisations which support them, in return for the care and accommodation provided

Principal risks and uncertainties

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.
The trustees have established systems and procedures to help to manage these risks.

The strategic report was approved by the trustees of the charity on 23/11/22 and signed on its behalf by:

Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Objectives and activities

Objects and aims

The main objective of the company is the provision of care and accommodation for the four residents of the property at 127 Longdon Road, Knowle.

Objectives, strategies and activities

The principal activity of the company is the operation of its property at 127 Longdon Road, Knowle, which provides residential accommodation for 4 residents with learning difficulties, thus fulfilling our commitment to continuing to provide public benefit from our activities.

The Company has considerable cash reserves the majority of which resulted from the sale of land in 2009 and it has long been the objective of the Company to apply these reserves for the development of additional services for the benefit of people with Learning Disabilities residing in the Borough of Solihull.

During the latter months of 2018 the Company was approached by Olton Grange Limited, a Registered Charity that had, for a number of decades, been providing care and accommodation to elderly citizens in their Registered Residential Care Home at 84 Warwick Road Olton Solihull B92 7JJ.

The Home was Registered for a maximum of 25 occupants; a number of the bedrooms had been provided with en-suites however the remaining bedrooms were too small to allow this and also fell way below the spatial standards that are now required/expected. Corridors connecting bedrooms were very narrow and on multi levels and the premises, in their current layout, was considered no longer fit for purpose to provide accommodation for increasingly frail residents. Consequently the Home found it increasingly difficult to fill voids and, for at least the 12 month period preceding closure, the Home had been operating with more than 30% of the bedrooms vacant resulting in a critical reduction in income and rendering the Company no longer financially viable.

The Board of Trustees had hoped that this critical situation would improve however, and regrettably, it didn't. The Home was no longer financially viable and had almost exhausted its financial reserves and it was with great reluctance that the Board of Trustees, accountable to amongst others the Charity Commission, decided that the operation of the Home must cease and that the Charity and Company known as Olton Grange must close and that, in accordance with Article 8 of Olton Grange's Articles of Association, they wished to ultimately transfer the property to Sunny Mount (Knowle) Limited, this transfer of property is also in accordance with the Trust Deed.

Sunny Mount (Knowle) Ltd agreed to make a donation to Olton Grange to meet all of their debts and liabilities, including a considerable sum in respect of Statutory Redundancy Payments, enabling Olton Grange to close honourably and in good standing.

It was originally intended that Sunny Mount would take over the premises of Olton Grange and, subject to Planning Permission, Building Regulations and any statutory approval, redevelop the building to create a number of apartments, on the first and second floor, for people with Learning Disabilities.

However, although the premises are freehold, there remains a restrictive covenant in place, applied by Solihull Metropolitan Borough Council, that the building be used as a "Care Home for Elderly persons". As a result of the difficulties posed by this and other reasons, the company decided to sell the property on the open market, and this was completed on 30th June 2022.Following this, the loan was repaid to Sunny Mount (Knowle) and the remaining funds from the sale proceeds were then transferred to Sunny Mount (Knowle). Olton Grange Residential Home then applied to Companies House to be struck off the register.

Sunny Mount (Knowle) now actively considering how to utilise the funds received from Olton Grange Residential Home to benefit the community by offering further residential care facilities.

Public benefit

The charity provides residential care and accommodation on a needs led basis in a CQC registered care home, not on any criteria set up by the charity or on ability to pay. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mr D Mattocks

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustees

A new trustee was appointed on 12 November 2021. Following the resignation of Mr Kokilagadda, on 21st August 2022, the charity is actively looking for new trustees.

Induction and training of trustees

If the intention to recruit trustees changes appropriate induction and training will be provided to any new trustees without appropriate experience in the charitable sector.

Organisational structure

The company's most senior officer is the General Manager who reports directly to the Board on all strategic issues. The Home Manager, who reports directly to the General Manager, manages a team of care staff on operational matters. The company no longer has any association with Solihull Care Limited, who were previously offering management and administrative support. The company now provides its own management, financial and administrative services.

Major risks and management of those risks

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.
The trustees have established systems and procedures to help to manage these risks.

Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Cash flow risk

The charity retains sufficient funds on deposit to manage it's cash flow requirements.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments the charity keeps its bank balances in short-term deposit accounts.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of Trustees' Responsibilities
The trustees (who are also the directors of Sunny Mount (Knowle) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;

- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 23/11/22 and signed on its behalf by:

.....

Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion

We have audited the financial statements of Sunny Mount (Knowle) (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 original financial statements were 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; 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 (set out on page 5 and 6), 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.

Auditor responsibilities for the audit of the financial statements

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 these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

Enquiry of management around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

Reviewing minutes of meetings of those charged with governance;

Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;

Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

Performing audit work over the risk of management bias and override of controls, including testing of significant journal entries and other adjustments for appropriateness,

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

.....

Mr Richard Spencer BA FCA (Senior Statutory Auditor)
For and on behalf of Buckler Spencer Limited, Statutory Auditor

Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Date: 23/11/22

Sunny Mount (Knowle)

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies		(5,023)	-	(5,023)
Charitable activities	3	237,859	-	237,859
Investment income	4	209	59	268
Total income		233,045	59	233,104
Expenditure on:				
Charitable activities	5	(257,923)	-	(257,923)
Total expenditure		(257,923)	-	(257,923)
Net (expenditure)/income		(24,878)	59	(24,819)
Net movement in funds		(24,878)	59	(24,819)
Reconciliation of funds				
Total funds brought forward		896,048	137,305	1,033,353
Total funds carried forward	16	871,170	137,364	1,008,534

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies		8,259	-	8,259
Charitable activities	3	91,100	-	91,100
Investment income	4	836	163	999
Total income		100,195	163	100,358
Expenditure on:				
Charitable activities	5	(156,690)	-	(156,690)
Total expenditure		(156,690)	-	(156,690)
Net (expenditure)/income		(56,495)	163	(56,332)
Net movement in funds		(56,495)	163	(56,332)
Reconciliation of funds				
Total funds brought forward		952,543	137,142	1,089,685
Total funds carried forward	16	896,048	137,305	1,033,353

The notes on pages 14 to 24 form an integral part of these financial statements.

Sunny Mount (Knowle)

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 16.

Sunny Mount (Knowle)

(Registration number: 3371270)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	67,897	72,771
Current assets			
Debtors	13	194,338	168,207
Cash at bank and in hand	14	757,797	807,855
		952,135	976,062
Creditors: Amounts falling due within one year	15	(11,498)	(15,480)
Net current assets		940,637	960,582
Net assets		1,008,534	1,033,353
Funds of the charity:			
Restricted income funds			
Restricted funds		137,364	137,305
Unrestricted income funds			
Unrestricted funds		871,170	896,048
Total funds	16	1,008,534	1,033,353

The financial statements on pages 11 to 24 were approved by the trustees, and authorised for issue on 23/11/22 and signed on their behalf by:

.....

Mr D Mattocks
Trustee

The notes on pages 14 to 24 form an integral part of these financial statements.

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
81-83 Warwick Road
Solihull
West Midlands
B92 7HP

Authorised for issue date

2 Accounting policies

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

Statement of compliance
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 in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Sunny Mount (Knowle) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement
The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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 and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost
Motor vehicles	20% on cost

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The charity operates a defined benefit pension scheme.Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from charitable activities

	Unrestricted funds General	Total 2022
	£	£
Provision of care and accomodation	237,859	237,859

	Unrestricted funds General £	Total 2021 £
Provision of care and accomodation	91,100	91,100

4 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	209	59	268
	209	59	268

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	836	163	999
	836	163	999

5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2022 £
Provision of care and accomodation		72,516	72,516
Staff costs		158,800	158,800
Governance costs	6	26,607	26,607
		257,923	257,923

	Note	Unrestricted funds General £	Total 2021 £
Provision of care and accomodation		50,616	50,616
Staff costs		103,626	103,626
Governance costs	6	2,448	2,448
		156,690	156,690

	Activity undertaken directly £	2022 £
Provision of care and accomodation	231,316	231,316

	Activity undertaken directly £	2021 £
Provision of care and accomodation	154,242	154,242

£231,316 (2021 - £154,242) of the above expenditure was attributable to unrestricted funds and £Nil (2021 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £26,607 (2021 - £2,448) which relate directly to charitable activities. See note 6 for further details.

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	2,400	2,400
Legal fees	24,207	24,207
Total for 2022	26,607	26,607
Total for 2021	2,448	2,448

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2022 £	2021 £
Audit fees	2,400	2,400
Depreciation of fixed assets	4,874	4,874

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	147,948	98,133
Social security costs	7,123	2,983
Pension costs	3,729	2,510
	158,800	103,626

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Care staff	7	5
Administration	1	1
	8	6

No employee received emoluments of more than £60,000 during the year.

10 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	2,400	2,400

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Total £
Cost			
At 1 April 2021	96,909	25,043	121,952
At 31 March 2022	96,909	25,043	121,952
Depreciation			
At 1 April 2021	32,946	16,235	49,181
Charge for the year	1,938	2,936	4,874
At 31 March 2022	34,884	19,171	54,055
Net book value			
At 31 March 2022	62,025	5,872	67,897
At 31 March 2021	63,963	8,808	72,771

13 Debtors

	2022 £	2021 £
Trade debtors	5,514	176
Prepayments	7,479	6,128
Other debtors	181,345	161,903
	194,338	168,207

14 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	163,843	164,169
Short-term deposits	593,954	643,686
	757,797	807,855

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,762	4,936
Other creditors	936	2,744
Accruals	7,800	7,800
	11,498	15,480

16 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General	896,048	233,045	(257,923)	871,170
Restricted funds	137,305	59	-	137,364
Total funds	1,033,353	233,104	(257,923)	1,008,534

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	952,543	100,195	(156,690)	896,048
Restricted funds	137,142	163	-	137,305
Total funds	1,089,685	100,358	(156,690)	1,033,353

The specific purposes for which the funds are to be applied are as follows:

Paddock View Fund

This comprises money raised for the construction of a new building for the care of residents with severe learning disabilities.

Welfare Fund

This fund is used to receive donations to provide items for the welfare of the residents such as trips and equipment.

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	67,897	-	67,897
Current assets	814,771	137,364	952,135
Current liabilities	(11,498)	-	(11,498)
Total net assets	871,170	137,364	1,008,534

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	72,771	-	72,771
Current assets	838,757	137,305	976,062
Current liabilities	(15,480)	-	(15,480)
Total net assets	896,048	137,305	1,033,353

18 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	807,855	(50,058)	757,797
Net debt	807,855	(50,058)	757,797

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	875,492	(67,637)	807,855
Net debt	875,492	(67,637)	807,855

SUNNY MOUNT (KNOWLE)

England & Wales - Charity number 1063041

Accounts

Company registration number: 3371270

Charity registration number: 1063041

Sunny Mount (Knowle)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Buckler Spencer Limited
Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Sunny Mount (Knowle)

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Sunny Mount (Knowle)

Reference and Administrative Details

Trustee	Mr D Mattocks A Kokilagadda
Principal Office	81-83 Warwick Road Solihull West Midlands B92 7HP
	The charity is incorporated in England and Wales.
Company Registration Number	3371270
Charity Registration Number	1063041
Auditor	Buckler Spencer Limited Old Police Station Church Street Swadlincote Derbyshire DE11 8LN

Sunny Mount (Knowle)

Strategic Report for the Year Ended 31 March 2021

The trustee, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

Reserves accumulated from charitable fund-raising are maintained in a separate account, namely the welfare of residents' account. The charity endeavours to hold reserves to enable it to meet its on-going operating commitments and also to be able to respond quickly when further opportunities to extend our activities are identified. It is the company's policy only to utilise these accounts for welfare and leisure for the residents. There is also a Paddock View Appeal reserve account, held in a separate fund, which was to contribute in due course to the building of a specialist unit to replace the Paddock section of the home.

Principal funding sources

Funding is principally through income received from residents and statutory organisations which support them, in return for the care and accommodation provided

Principal risks and uncertainties

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.
The trustees have established systems and procedures to help to manage these risks.

The strategic report was approved by the trustee of the charity on 3 December 2021 and signed on its behalf by:

.....
Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Trustee' Report

The trustee, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

Trustee

Mr D Mattocks

Mr D Evans (resigned 8 September 2020)

A Kokilagadda (appointed 12 November 2021)

Objectives and activities

Objects and aims

The main objective of the company is the provision of care and accommodation for the four residents of the property at 127 Longdon Road, Knowle.

Objectives, strategies and activities

The principal activity of the company is the operation of its property at 127 Longdon Road, Knowle, which provides residential accommodation for 4 residents with learning difficulties, thus fulfilling our commitment to continuing to provide public benefit from our activities.

The Company has considerable cash reserves the majority of which resulted from the sale of land in 2009 and it has long been the objective of the Company to apply these reserves for the development of additional services for the benefit of people with Learning Disabilities residing in the Borough of Solihull.

During the latter months of 2018 the Company was approached by Olton Grange Limited, a Registered Charity that had, for a number of decades, been providing care and accommodation to elderly citizens in their Registered Residential Care Home at 84 Warwick Road Olton Solihull B92 7JJ.

The Home was Registered for a maximum of 25 occupants; a number of the bedrooms had been provided with en-suites however the remaining bedrooms were too small to allow this and also fell way below the spatial standards that are now required/expected. Corridors connecting bedrooms were very narrow and on multi levels and the premises, in their current layout, was considered no longer fit for purpose to provide accommodation for increasingly frail residents. Consequently the Home found it increasingly difficult to fill voids and, for at least the 12 month period preceding closure, the Home had been operating with more than 30% of the bedrooms vacant resulting in a critical reduction in income and rendering the Company no longer financially viable.

The Board of Trustees had hoped that this critical situation would improve however, and regrettably, it didn't. The Home was no longer financially viable and had almost exhausted its financial reserves and it was with great reluctance that the Board of Trustees, accountable to amongst others the Charity Commission, decided that the operation of the Home must cease and that the Charity and Company known as Olton Grange must close and that, in accordance with Article 8 of Olton Grange's Articles of Association, they wished to ultimately transfer the property to Sunny Mount (Knowle) Limited, this transfer of property is also in accordance with the Trust Deed.

Sunny Mount (Knowle)

Trustee' Report

Sunny Mount (Knowle) Ltd agreed to make a donation to Olton Grange to meet all of their debts and liabilities, including a considerable sum in respect of Statutory Redundancy Payments, enabling Olton Grange to close honourably and in good standing. However, the donation has been reclassified as a loan as the trustee feels that this better represents the economic reality of the transaction. This has resulted in the deficit for 2020/21 reducing by £17,560 to £56,332 and a loan recoverable being set up on the balance sheet of £161,903.

It was originally intended that Sunny Mount would take over the premises of Olton Grange and, subject to Planning Permission, Building Regulations and any statutory approval, redevelop the building to create a number of apartments, on the first and second floor, for people with Learning Disabilities.

However, although the premises are freehold, there remains a restrictive covenant in place, applied by Solihull Metropolitan Borough Council, that the building be used as a "Care Home for Elderly persons". As a result of the difficulties posed by this and other reasons, the company have now decided to sell the property on the open market.

Public benefit

The charity provides assisted living on a need basis, not on any criteria set up by the charity or on ability to pay. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The trustee confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of trustee

A new trustee was appointed on 12 November 2021.

Induction and training of trustee

If the intention to recruit trustees changes appropriate induction and training will be provided to any new trustees without appropriate experience in the charitable sector.

Organisational structure

The company's most senior officer is the home manager, who manages a team of care staff and who reports to the Board on operational matters. The Board also benefits from the advice of the General Manager of Solihull Care Ltd on policy matters, as well as providing professional and managerial support to the Home Manager.

Major risks and management of those risks

Risk management
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.
The trustees have established systems and procedures to help to manage these risks.

Financial instruments

Objectives and policies

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have established systems and procedures to help to manage these risks.

Cash flow risk

The charity retains sufficient funds on deposit to manage it's cash flow requirements.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments the charity keeps its bank balances in short-term deposit accounts.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Disclosure of information to auditor
Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustee confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustee of the charity on 3 December 2021 and signed on its behalf by:

.....
Mr D Mattocks
Trustee

Sunny Mount (Knowle)

Statement of Trustee' Responsibilities

The trustee (who isare also the directors of Sunny Mount (Knowle) for the purposes of company law) isare responsible for preparing the trustee' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustee to prepare financial statements for each financial year. Under company law the trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustee are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustee of the charity on 3 December 2021 and signed on its behalf by:

.....

Mr D Mattocks
Trustee

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion

We have audited the financial statements of Sunny Mount (Knowle) (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 trustee 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 original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The trustee are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustee' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustee' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the Statement of Trustee' Responsibilities (set out on page 6), the trustee 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 trustee 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 trustee 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 trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 these 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Independent Auditor's Report to the Members of Sunny Mount (Knowle)

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.

the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework.

Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

Enquiry of management around actual and potential litigation and claims as well as actual, suspected and alleged fraud;

Reviewing minutes of meetings of those charged with governance;

Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;

Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

Performing audit work over the risk of management bias and override of controls, including testing of significant journal entries and other adjustments for appropriateness,

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 charitable company's trustee, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Independent Auditor's Report to the Members of Sunny Mount (Knowle)



Mr Richard Spencer BA FCA (Senior Statutory Auditor)
For and on behalf of Buckler Spencer Limited, Statutory Auditor

Old Police Station
Church Street
Swadlincote
Derbyshire
DE11 8LN

Date: 03/12/2021

Sunny Mount (Knowle)

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	8,259	-	8,259
Charitable activities	4	91,100	-	91,100
Investment income	5	836	163	999
Total income		100,195	163	100,358
Expenditure on:				
Charitable activities	6	(156,690)	-	(156,690)
Total expenditure		(156,690)	-	(156,690)
Net (expenditure)/income		(56,495)	163	(56,332)
Net movement in funds		(56,495)	163	(56,332)
Reconciliation of funds				
Total funds brought forward		952,543	137,142	1,089,685
Total funds carried forward	17	896,048	137,305	1,033,353

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £ (As restated)
Income and Endowments from:				
Donations and legacies	3	2,500	-	2,500
Charitable activities	4	105,120	-	105,120
Investment income	5	3,908	760	4,668
Total income		111,528	760	112,288
Expenditure on:				
Charitable activities	6	(136,222)	-	(136,222)
Total expenditure		(136,222)	-	(136,222)
Net (expenditure)/income		(24,694)	760	(23,934)
Net movement in funds		(24,694)	760	(23,934)
Reconciliation of funds				
Total funds brought forward		977,237	136,382	1,113,619
Total funds carried forward	17	952,543	137,142	1,089,685

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

Sunny Mount (Knowle)

(Registration number: 3371270)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £ (As restated)
Fixed assets			
Tangible assets	13	72,771	77,645
Current assets			
Debtors	14	168,207	147,267
Cash at bank and in hand	15	807,855	875,492
		976,062	1,022,759
Creditors: Amounts falling due within one year	16	(15,480)	(10,719)
Net current assets		960,582	1,012,040
Net assets		1,033,353	1,089,685
Funds of the charity:			
Restricted income funds			
Restricted funds		137,305	137,142
Unrestricted income funds			
Unrestricted funds		896,048	952,543
Total funds	17	1,033,353	1,089,685

The financial statements on pages 11 to 22 were approved by the trustee, and authorised for issue on 3 December 2021 and signed on their behalf by:

.....

Mr D Mattocks
Trustee

The notes on pages 13 to 22 form an integral part of these financial statements.

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustee is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
81-83 Warwick Road
Solihull
West Midlands
B92 7HP

These financial statements were authorised for issue by the trustee on 3 December 2021.

2 Accounting policies

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

Statement of compliance
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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation
Sunny Mount (Knowle) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustee consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement
The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Donated services and facilities

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at it's fair value unless it's fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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 and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% on cost

Motor vehicles	20% on cost

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The charity operates a defined benefit pension scheme.Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £
Donated services and facilities	2,500	2,500
	2,500	2,500

	Unrestricted funds General £	Total 2020 £
Donated services and facilities	2,500	2,500
	2,500	2,500

4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £
Provision of care and accomodation	91,100	91,100

	Unrestricted funds General £	Total 2020 £
Provision of care and accomodation	105,120	105,120

5 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	836	163	999
	836	163	999

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	3,908	760	4,668
	3,908	760	4,668

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2021 £
Provision of care and accomodation		50,616	50,616
Staff costs		103,626	103,626
Governance costs	7	2,448	2,448
		156,690	156,690

	Note	Unrestricted funds General £	Total 2020 £
Provision of care and accomodation		30,368	30,368
Staff costs		101,851	101,851
Governance costs	7	4,003	4,003
		136,222	136,222

£154,242 (2020 - £132,219) of the above expenditure was attributable to unrestricted funds and £Nil (2020 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £2,448 (2020 - £4,003) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	2,400	2,400
Legal fees	48	48
Total for 2021	2,448	2,448
Total for 2020	4,003	4,003

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Audit fees	2,400	2,400
Depreciation of fixed assets	4,874	4,874

9 Trustee remuneration and expenses

No trustee, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	98,133	95,749
Social security costs	2,983	3,802
Pension costs	2,510	2,300
	103,626	101,851

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Care staff	5	6
Administration	1	1
	6	7

No employee received emoluments of more than £60,000 during the year.

11 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	2,400	2,400

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Motor vehicles £	Total £
Cost			
At 1 April 2020	96,909	25,043	121,952
At 31 March 2021	96,909	25,043	121,952
Depreciation			
At 1 April 2020	31,008	13,299	44,307
Charge for the year	1,938	2,936	4,874
At 31 March 2021	32,946	16,235	49,181
Net book value			
At 31 March 2021	63,963	8,808	72,771
At 31 March 2020	65,901	11,744	77,645

14 Debtors

	2021 £	2020 £ (As restated)
Trade debtors	176	40
Prepayments	6,128	2,334
Other debtors	161,903	144,893
	168,207	147,267

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	-	185
Cash at bank	164,169	32,620
Short-term deposits	643,686	842,687
	807,855	875,492

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	4,936	1,625
Other creditors	2,744	1,294
Accruals	7,800	7,800
	15,480	10,719

17 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	952,543	100,195	(156,690)	896,048
Restricted funds	137,142	163	-	137,305
Total funds	1,089,685	100,358	(156,690)	1,033,353

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General	977,237	111,528	(136,222)	952,543
Restricted funds	136,382	760	-	137,142
Total funds	1,113,619	112,288	(136,222)	1,089,685

The specific purposes for which the funds are to be applied are as follows:

Paddock View Fund

This comprises money raised for the construction of a new building for the care of residents with severe learning disabilities.

Welfare Fund

This fund is used to receive donations to provide items for the welfare of the residents such as trips and equipment.

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	72,771	-	72,771
Current assets	838,757	137,305	976,062
Current liabilities	(15,480)	-	(15,480)
Total net assets	896,048	137,305	1,033,353

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2020 £
Tangible fixed assets	77,645	-	77,645
Current assets	885,617	137,142	1,022,759
Current liabilities	(10,719)	-	(10,719)
Total net assets	952,543	137,142	1,089,685

19 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	875,492	(67,637)	807,855
Net debt	875,492	(67,637)	807,855

	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	920,717	(45,225)	875,492
Net debt	920,717	(45,225)	875,492

20 Prior year error in disclosure

In prior years the financial Statements have included as a donation monies advanced to a fellow charity - Olton Grange Residential Home.

The trustee has considered the economic relity of the transaction and have concluded that there has been a misallocation.

As a result the donation to Olton Grange Residential Home has been reclassified as a loan, this is because the trustee feels that this better represents the economic reality of the transaction

This has resulted in the deficit for 2020 reducing by £11,505 and the opening reserves for 2020 increasing by £132,838. In addition a loan recievable has been set up on the balance sheet at 31 March 2021 this amounted to £161,903 (2020 - £144,343). The trustee believes this loan to be collectible.