

Sturts Community Trust
Financial Statements
Year Ended 31 August 2020

Homes and Communities Agency registration number: 5089

Company registration number: 08359958

Charity registration number: 1152152

Sturts Community Trust
Financial Statements
Year Ended 31 August 2020

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**Sturts Community Trust
Registered Provider Information
Year Ended 31 August 2020**

Homes and Communities Agency registration number	5089
Company registration number	08359958
Charity registration number	1152152
Members of the board	Mr Michael Breen (appointed 10 February 2020) Mr Timothy David Cook (resigned 6 April 2020) Mr Michael Crutchley (resigned 6 October 2019) Mrs Caroline Rosemary Darby-Jenkins Ms Morag Margaret Doyle Mrs Gabrielle Mary Gray Mrs Katherine Mary Jones Mrs Joy Elizabeth Malyon Mr David Harvey Taylor
Secretary	Mrs Helen Elizabeth Breen (appointed 10 February 2020)
Registered office	Sturts Farm Three Cross Road West Moors Ferndown BH22 0NF
Auditor	PKF Francis Clark Towngate House 2 – 8 Parkstone Road Poole BH15 2PW
Bankers	NatWest Ringwood branch 11 High Street Ringwood Hants BH24 1BA

Sturts Community Trust
Board Report
Year Ended 31 August 2020

The board of Sturts Community Trust presents their report, and the audited financial statements of the registered provider for the year ended 31 August 2020.

Directors of the board

The directors of the board who have served during the year were as follows:

Mr Michael Breen (appointed 10 February 2020)
Mr Timothy David Cook (resigned 6 April 2020)
Mr Michael Crutchley (resigned 6 October 2019)
Mrs Caroline Rosemary Darby-Jenkins
Ms Morag Margaret Doyle
Mrs Gabrielle Mary Gray
Mrs Katherine Mary Jones
Mrs Joy Elizabeth Malyon
Mr David Harvey Taylor

The purpose of this report is for Sturts Community Trust's Board to present audited financial statements for the year ended August 2020, which have been prepared in accordance with the Statement of Recommended Practice (SORP 2018).

Chairman's report

It is with pleasure that I present the Chairman's Report on Sturts Community Trust ("Sturts") for the financial year ended 31st August 2020.

Due to Covid-19 and the imposition of numerous and ever stricter lockdowns, it has clearly been one of the most challenging years in the history of the Association. As one would expect the health and safety of all those supported at Sturts has been our primary focus. However, notwithstanding the difficulties presented by Covid-19, I am delighted to report that, where safely possible, our ambitious development plans have continued unabated.

The ability of the organisation to adapt to these challenges together with our commitment to the Association's principal objectives has enabled us to achieve a number of successes in what has been an unprecedented year. In spite of the necessary limitations imposed on our usual ways of operating, Sturts has maintained and strengthened its connectivity with the local community, particularly through the Social Enterprise initiative. The vision of broadening inclusivity locally continues to be an underlying tenet and driving force of the Association. The opportunity to enable the people we support to engage in tractor based activities through the purchase and use of a dual control tractor marked a further move towards our goal of such inclusivity in working the land.

Managing care for supported people in a Covid safe environment has been especially difficult over the last 6 months and inevitably became an immediate priority involving the restructuring of support, additional training and regular reporting to families and the Board of Trustees ("the Board"). Our success in keeping people safe, well and reassured during the pandemic can largely be credited to the foresight applied in implementing high levels of infection control measures a month before government requirements, coupled with the commitment and diligence of the support team in applying and adhering to such measures. This endeavour was made possible because of the sacrifices made by the staff and the Co-housing Community as a whole. In a sector facing national recruitment difficulties the Board is most grateful for the dedication of this highly skilled and devoted team.

The commencement of the building works for the Twin Oaks housing project of 17 residential units just as Covid and lockdown measures took hold throughout the country was an undertaking that was certainly not for the faint-hearted! The fact that it has been achieved and is thus far progressing on time and within budget is most gratifying and a testament to the team involved. We look forward to the completion of this development and the strengthening of the shared community living ethos it will bring to Clover Co-housing. I would also like to take this opportunity to express our gratitude to the following funders for their support in relation to this project:

The Albert Hunt Trust
The Camphill Foundation
Garfield Weston Foundation
Homes England

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Board Report
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The 29th May 1961 Charitable Trust
Talbot Village Trust
The Clothworkers' Foundation
The Edward Gostling Foundation
Wolfson Foundation

The continuing pandemic has caused a number of the Association's activities to cease or become no longer feasible in a socially distanced environment where health and the protection of lives became the priority. Notwithstanding this, the Gulliver's Farm Shop & Café team swiftly responded to the closure of indoor seating venues with some inventive lateral thinking. This included the team delivering fresh food and vegetable boxes in and around West Moors, particularly to vulnerable members of the community, the innovation of a takeaway service from Gulliver's Waffle Box, the use of the Food Trailer and the socially distanced outdoor cinema experiences. These efforts were rewarded by an appreciative local community through increased orders for Sturt's organically grown produce.

Looking to the future we have even greater expansion plans currently being worked on including the extension of Gulliver's Farm Shop & Café to a larger health food café and the provision of a Hub in the form of a community resource providing education on the benefits of farming organically and with sustainability. Our plans to modernise the farm will further facilitate local engagement in biodynamic and organic food production. In response to increased demand and the Association's intention to broaden the diversity of those it supports, Sturts intends to further increase its residential accommodation with the construction of a building to provide for people with increased mobility and care needs.

Sturts very much looks forward to continuing to support our companions and to the safe return of normal life including celebrations and events being shared with the local community.

Michael Breen
Chair of the Board

Introduction

The legal and administrative information set out below forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the Statement of Recommended Practice for Social Housing Providers 2018 (FRS 102) and the Accounting Direction for private registered providers of social housing in England 2019.

Reference and administrative details

The organisation is a charitable company limited by guarantee and a registered provider of social housing, incorporated on 14th January 2013, registered as a charity on 23rd May 2013 and registered as a housing association 5th March 2020.

The company was established under a Memorandum of Association, which established the objects and powers of the Association and is governed under its Articles of Association.

Structure Governance and Management

Governing Document

The association operates under a Memorandum and Articles of Association as incorporated on the 23rd May 2013 and as amended 15 May 2018.

In accordance with the SORP, the accounts of the association disclose certain payments and benefits to The Board and others, which the Board believe they have the power to make under the terms of the governing document.

Sturts Community Trust
Board Report
Year Ended 31 August 2020

Charitable objects

The Association's objects are, for the public benefit, to relieve sickness, promote good health, provide social housing and/ or care to and advance the education and training of people with a disability (whether mental or physical), the young, the old, or people otherwise in need, in accordance with the principles of Dr Rudolph Steiner, particularly (without limitation) by the establishment and maintenance of intentional communities in the form of villages, residential houses, day centres, kindergartens, schools, colleges or other types of social and/or educational community, in which beneficiaries live and/or work and/or to which they otherwise resort, in community with persons providing support (known as "Co-workers").

Appointment, retirement and training of the Board

The Board, who must be members of Sturts Community Trust, are nominated by the Board of Management. The Memorandum and Articles of Association stipulate that a majority of the Board must be external members who are not co-workers or otherwise resident in one of the Trust communities. Employees are not eligible to be Board members.

The Board retire by rotation after three years of service but may offer themselves for reappointment at the annual meeting of the members of the association.

An induction pack is provided for all Board members and specialist training is carried out on topics such as governance, from time to time as required. The pay of key management personnel is reviewed annually at the time the annual budget is being considered, and the factors taken into account are inflation, comparable pay levels and most importantly the association's ability to pay.

Members

Members of the Sturts Community Trust contribute an amount not exceeding £1 to the assets of the association in the event of winding up. There are currently 15 members of the Trust. Membership of the Trust confers certain rights with respect to general meetings of the Trust including the right to vote at such meetings.

Governance of the Association

The Board recognise their ultimate responsibility for directing the affairs of the Trust, and for ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up.

The Board meet together at least quarterly to review reports from the activities of the association and to discuss matters which are retained by the Board such as the strategic direction of the Trust, governance issues and financial oversight.

Risk management

The Board have established a process for reviewing the key risks facing the Trust and for ensuring that actions are taken to manage those risks. A detailed annual risk assessment exercise is carried out by each activity and the results of these are reported to the Board. The Board have given consideration to the major risks to which the association is exposed, as set out in these reports, and are satisfied that systems and procedures are in place to manage those risks or that action is being taken to establish such systems and procedures.

Principal risks and uncertainties

The board examines the major risks that the association faces each financial year when preparing and updating the budget. The principal risks identified are:

- Reduction in income through the financial pressures from local authorities.
- A lack of suitably trained staff.

The association has developed systems to monitor and control these risks and to mitigate any impact that they may have on the association in the future.

Sturts Community Trust
Board Report
Year Ended 31 August 2020

Reserves Policy

The Board have considered the financial position of the association and what reserves are necessary to safeguard the viability of the association's operations in the future. The operational effect of the covid pandemic is explained in the later sections of this report and as explained in the going concern accounting policy on page 22 the board have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and consider these to be sufficient for the association to be able to continue as a going concern.

The Board have set aside sums to cover specific risks and known costs that will arise in the future. The properties were transferred at fair values and are essential for our operations but the capital they represent is not available to spend. The Board have also set aside sums towards meeting the retirement needs and the planned social activities of the Co-workers. These sums have been set aside to designated reserves as shown in Note 18, "Reserves".

This leaves us with a surplus of £135,761 in free reserves at the year end. The current policy of the Trust is to ensure that free reserves and the ability to realise cash quickly from our fixed assets are sufficient to cover three months' expenditure in the event of any major financial issue. The free reserves at the end of the financial year represent under 1 month's expenditure and there is currently the potential to offer fixed assets as collateral should the need arise to raise funding at short notice. The intention is to build up free reserves for the future and the Board are considering what actions are required to increase funding so as to meet this objective.

Public Benefit

The Board have given due regard to public benefit when planning the association's activities, in accordance with Charity Commission guidance on public benefit.

This report sets out our activities, achievements and performance during the year, which are directly related to the objects and purposes for which the association exists. The association achieves its principal objects and purposes through the provision of supported accommodation and personal care to people with a learning disability and the activity of running a bio-dynamic farm. It does this within the context of an inclusive co-housing community. The association is committed to training in the above fields. The community runs community events for the local population and supports a local allotment society. These benefits are directly related to the aims of the association and are fully compliant with the Charity Commission Principles on Public Benefit.

Volunteers

The Cohousing Community volunteer their time in building the community involvement. Activities include celebrations, festivals and plays, community shared meals and the maintenance of land and buildings. They also include events organised for the local community including, support for the allotments, hosting West Moors Fun Day and an annual Barn Dance.

Each co-tenant volunteers approximately 4 hours per week towards community benefit. This amounts to approximately 5,500 hours a year. Supported co-tenants (beneficiaries) also offer their time alongside volunteers and the benefit therefore to the local community significantly exceeds the above figure.

Sturts Farm was started in 1982 by a group of people with the aim of working with adults with learning difficulties (called companions) to supply the other activities of the Sheiling Trust with biodynamically produced food from a working farm. Sturts Farm currently supports 25 adults with learning difficulties, many of whom have lived at the farm for many years, with a team of support workers, a mix of vocational co-workers, short-term volunteers and employees.

In the year 2013, Sturts Farm Community achieved its goal by becoming fully compliant and devolving from the Sheiling Trust to become Sturts Community Trust, an independent charitable trust on 31st August 2013.

**Sturts Community Trust
Board Report
Year Ended 31 August 2020**

Vision Statement

Sturts Community Trust works in agriculture, care and support, housing, education and the arts. It aims to foster social and cultural well-being through mutual support (co-production) and community building out of respect for the uniqueness of each human being.

SCT promotes 'citizenship' for all those involved in its activities. It believes that personal development, participation, and the opportunity to contribute towards creating a healthy sense of belonging and purpose promotes well-being both in the individual and within the organisation.

Intention

Our intention is to create a welcoming, lively, social and cultural centre linking with West Moors in Dorset, to enable local people to take part; whether that be through working, volunteering, growing food, attending events, sharing in social/cultural events, or indeed receiving support.

Annual Report 2019-2020

Sturts Community Trust is fast becoming a thriving and valued community, a place for food, celebrations and experiences of inclusion. As a result of this it is linking to increasing numbers of people who appreciate what it does for the local community. As issues of sustainability increase in the national and global community, this small farming community is living up to the original impulse of the Camphill Movement by being a symbol of hope in caring for both people and the planet. Reported surplus for 2019/20 is £428,180. This surplus figure includes reallocation of £240,000 grant income included within restricted funds specifically for the Twin Oaks property development. The Board wish to highlight that these grants have been fully discharged on Twin Oaks as capital spend and are not available as a revenue item.

This Report takes into account the seismic shift in the organisation of Community life; delivery of care, and the activities of our social enterprise due to Covid-19 outbreak.

On 7th March 2020, the Community made an early decision to 'shut down' with immediate effect a week before the Prime Minister's public announcement to the country of a national lockdown.

It is difficult to explain/ articulate the impact of such a decision given the long-standing and established activities, routines and social relationships, especially as so many of the people the association support rely so heavily on all of these. Sturts Community Trust is blessed to have experienced nursing staff on its team who were able to act fast in implementing the high level infection control measures needed.

'Chains of Trust' were established between all members of Sturts Community Trust, and members' dedication in upholding these in both their personal and professional life has formed stronger bonds which have resulted in an even stronger joint sense of purpose. The flexibility and commitment of our support staff have been unquestionable throughout this period.

There have been many blessings during this difficult time. The forming of set households with set teams allocated to specific areas/ tasks on the farm created consistency for everyone, which has resulted in a renewed commitment and understanding of the therapeutic value of the farming process. Everyone relished being outside, connecting to nature. Much has been written about how nature responded to lockdown and how people responded to nature - Sturts Farm was no exception and our whole project has benefited, as previously stated, from this renewed appreciation. Consequently, our farm has never been so well cared for, and our vegetable growing became a central focus with each team taking responsibility to oversee a specific crop. The central practice of social pedagogy, being working together for a common aim rather than merely providing a service for disabled persons, came alive again within Sturts Community Trust. Many new skills have been learnt by all involved and our companions walked tall wherever this principle was applied.

From a social care point of view, the association also witnessed a marked drop in behaviours that challenge; evidence of the fact that joint meaning and purpose, together with active support and consistency - the main therapeutic components of social pedagogy – have a direct impact on the well-being of all. Sturts Community Trust has not used any restrictive intervention during this period.

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In a situation which created a direct risk to health our absence levels dropped to almost zero. Evidence of, not only the commitment of our team, but also of how the above changes may have been instrumental in maintaining well-being in our support team also.

This evidence has encouraged us to further question the 'bias' of mainstream social work towards individualised, varied timetables of mainly leisure pursuits versus working together for the common good. Sturts Community Trust's focus on work-based enterprise which is of value to the local community has stood out as being able to offer person-centred meaning and purpose to an individual's life, offering an outcome of connectedness to nature and sound relationships.

The virus has focussed people's minds on the origins of their food, on community links and sustainability. The appreciation expressed by local people towards Sturts Farm has been greatly valued and heart-warming. The pandemic has also woken up society to the needs of vulnerable people and harnessed recognition for those who work within the social care sector - who choose what is actually a highly skilled profession of establishing positive relationships with people who are supported. This support has yet to result in changes to government policy towards social care.

Highlight of Inclusion

The Farm Shop closed on the same day in March with no warning. Some of our partners questioned the early move but soon found themselves alongside us. The team immediately shifted its focus to respond to numerous local people who were unable to access online supermarket orders and started delivering food from their own cars. In that way they kept the Farm Shop trading at a level of around 60% of usual turnover.

The small Gulliver's Café was unable to function during this period therefore the Association, following another grant from Talbot Village Trust and a DCC Small Business Grant, was able to purchase an Airstream Food Trailer from which fresh organic food was sold as a take away service. Many adaptations followed as the tier system changed. However, as time progressed, the community effort and the attraction of buying local food has meant an increase in trade and deepening of our local connections.

Although many of the internal goals detailed in the 2018-19 Annual Report were not achieved, the Community continued to move forward.

Achievements

Clover Cohousing

The Twin Oaks Project – a development of 8 residential units in an inclusive cohousing neighbourhood – was given the go ahead to start the construction phase at the very same time the restrictions were brought into effect. A bold decision was taken amid rumours of shutdowns and material shortages. Our gratitude to the funders of this project knows no bounds and the ability of the builders and project team in managing to get to August on budget and on time, during a period of such upheaval, is a testament to their commitment and skill.

The real benefit of this new building, planned for completion by May 2021, will probably only be fully realised as the Community forms and is able to move beyond current restrictions. New self-contained homes in a shared environment is an expression of the new model of community building at SCT and the completion will be the culmination of 5 years work on fundraising and design collaboration. During this period of time, the opportunity to process the change from a traditional Camphill Community and its impact on those concerned has been afforded. This is leading towards a re-envisioning of the role and purpose of the Co-housing project within Sturts Community Trust and will require the establishment of clear processes and tenancy arrangements.

The childminding service, provided for and set within the Community, has been OFSTED registered.

Social Enterprise

Sturts Community Trust was also in receipt of two further donations from a family member and Talbot Village Trust, which allowed us to purchase a specially converted Kubota tractor. A dual control conversion allows those the association support to be involved in tractor based activities for the first time in the 40 year history of Sturts

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Board Report
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Farm. As far as we know, this is the first of its kind and the Board are grateful to both those who chose to support the project and those who worked out how to undertake the conversion.

Sturts Community Trust has re-established its milking herd and is now able to sell raw milk through the Farm Shop. The grass-fed herd eats exclusively from grass or grain grown on Sturts Farm, leading to a high quality product.

With increased grain growing there is now a fully established supply of biodynamic eggs. This is the first time for 10 years that the eggs have reached this level of certification.

The association intends to complete some smaller projects which include:

- Further raised beds in the market garden.
- The completion of the nature trail around Gulliver's Field.
- The planting of new fruit trees.
- A wild cooking area.

However, the main focus of all our team is to continue to respond to the pandemic by keeping our infection control measures high, supporting each other as best we can, and continuing to work closely with family members in order to keep our Community safe.

When finally the association moves out of restrictions it will be time to take stock and look again to future plans.

The Board intend to form a new 5 Year Plan following the completion of Twin Oaks, which starts with looking at four further developments:

1. Renovation of Farm Buildings.
2. A community hub on Gulliver's Farm.
3. A further residential build that focuses on those with increased mobility/ care needs.
4. A small cultural building.

Compliance with Governance and Financial Viability Standard

The Board confirms that Sturts Community Trust Housing Association complies with the requirements of the revised Governance and Financial Viability Standard applicable for the year from 1 September 2019.

The code of governance adopted is the Charity Governance code.

Value for Money in the year to 31 August 2020

The full version of the Value for Money Assessment for 2019/20 can be found on Sturts Community Trust Housing Association website from April 2021. The following is a summary of that report.

a) Financial Returns

- Sturts Community Trust Housing Association arranged a new £400k borrowing facility with Triodos Bank to help finance the Twin Oaks development.
- Sturts Community Trust Housing Association currently owns 7 properties which are let on short leases. Sturts Communities Trust Housing Association's policy is always to agree to the extension of these leases, and to negotiate terms to get the best deal for the business as a whole.
- Sturts Community Trust Housing Association currently has 2 properties which are let out on market rents. These are both properties which were bought on the open market with no social housing grant to offset the cost. They are let at market rent to enable Sturts Community Trust Housing Association to recoup some of this cost. The current annual income from these two properties is £45k.

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Year Ended 31 August 2020

- b) Twin Oaks development
 - SCT Housing association embarked on the construction of Twin Oaks. Comprising 8 units of mixed housing for up to 17 people. It is due for completion in March 2021. Prospective residents have been involved throughout the design and build process, including those with a learning disability.
- c) Environmental Returns
 - All properties complied with the Decent Homes Standard. The communal boiler was upgraded at St Francis improving energy efficiency. A communal extension to St Francis was equipped with a ground sourced heat pump.
- d) Asset Management Strategy
 - Nothing to report
- e) Services to residents
 - COVID 19: there has been extensive work to maintain infection control through the creation of isolation units; covid secure communal areas; fogging systems; staff rota control and the acquisition of PPE.
 - Fire Risk Assessments have been carried out in all communal areas over the last year. This has resulted in the implementation of minor recommendations. FRA's for Twin Oaks have been completed including setting up a neighbourhood fire response system.
- f) Administrative Improvements
 - Fortnightly resident meetings have been held throughout the pandemic to ensure the housing community continue to work together to address any maintenance or other property needs.

Value for Money Metrics	2020	2019
Metric 1 – Reinvestment %	12.77%	2.68%
Metric 2 – New supply delivered %	0% for social housing units 0% for non-social housing units	0% for social housing units 0% for non-social housing units
Metric 3 – Gearing %	3.90%	0.64%
Metric 4 – Earnings before interest, depreciation, amortisation, major repairs included (EBITDA MRI) Interest Cover %	334.30%	170.07%
Metric 5 – Headline social housing cost per unit	£11,129	£14,424
Metric 6 – Operating Margin %	56.12% for social housing units 19.14% total	54.90% for social housing units 10.30% total
Metric 7 – Return on capital employed (ROCE) %	7.63%	4.23%

Sturts Community Trust
Board Report
Year Ended 31 August 2020

Directors' responsibilities

The Board is responsible for preparing the report and financial statements in accordance with applicable law and regulations.

The Companies Act 2006 and registered social housing legislation require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of its income and expenditure for that period.

In preparing these financial statements, the Board is required to:

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

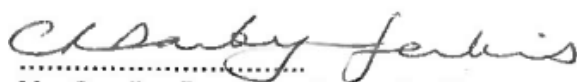
The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and enable it to ensure that the financial statements comply with the Companies Act 2006 the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board on 25 February 2021 and signed on its behalf by:.


Mrs Caroline Rosemary Darby-Jenkins


Mrs Katherine Mary Jones

**Sturts Community Trust
Independent Auditor's Report
Year Ended 31 August 2020**

Independent Auditor's Report to the Members of Sturts Community Trust

Opinion

We have audited the financial statements of Sturts Community Trust (the group) for the year ended 31 August 2020 which comprise the group and company Statement of Comprehensive Income, group and company Balance Sheet, group and company Statement of Changes in Reserves, group Cash Flow statement 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and company affairs as at 31 August 2020, 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 association 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- *the board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or*
- *the board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.*

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Independent Auditor's Report
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Other information

The board is responsible for the other information. The other information comprises the information included in the Board 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.

Opinions 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 board report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the board 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 group and its environment obtained in the course of the audit, we have not identified material misstatements in the board report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the board was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of the board

As explained more fully in the board's responsibilities statement set out on page 10, the board members (who are also the directors of the association for the purposes of company law) 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

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Independent Auditor's Report
Year Ended 31 August 2020**

board 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 board is responsible for assessing the group and company 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 board either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

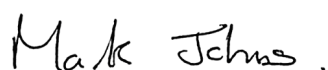
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the association's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association's members 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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Johns FCA FCCA
Senior Statutory Auditor
For and on behalf of
PKF Francis Clark
Chartered Accountants and Statutory Auditors
Towngate House
2 – 8 Parkstone Road
Poole
BH15 2PW

Date: 26 February 2021

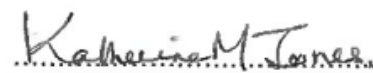
Sturts Community Trust
Statement of Comprehensive Income (Including Income and Expenditure Account)
Year Ended 31 August 2020

		Group 2020	Group 2019	Association 2020	Association 2019
	Note	Total £	Total £	Total £	Total £
Turnover		2,679,126	2,612,047	2,679,126	2,612,047
Cost of sales		(2,250,946)	(2,386,902)	(2,159,265)	(2,344,866)
Operating surplus / (deficit)		428,180	225,145	519,861	267,181
Gains / (losses) on investment assets	4	278	417	278	417
Total comprehensive income for the year		428,458	225,562	520,139	267,598

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

The income and expenditure account was approved on 25 February 2021 and signed on behalf of the board by:


 Mrs Caroline Rosemary Darby-Jenkins


 Mrs Katherine Mary Jones

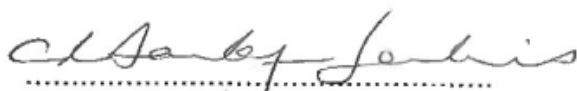
The notes on pages 18 to 32 form part of these accounts.

Sturts Community Trust
Balance Sheet
Year Ended 31 August 2020

Company registration number: 08359958

	Note	Group 2020 £	Group 2019 £	Association 2020 £	Association 2019 £
Fixed assets					
Tangible fixed assets	9,10	6,291,499	5,763,746	6,291,499	5,763,746
Investments	11	7,900	7,800	7,900	7,800
		6,299,399	5,771,546	6,299,399	5,771,546
Current assets					
Stocks		54,107	67,931	54,107	67,931
Debtors	12	154,192	171,379	287,910	213,415
Investments	13	809	631	809	631
Cash at bank and in hand		359,901	506,291	359,900	506,291
		569,009	746,232	702,726	788,268
Creditors: amounts falling due within one year	14	(184,074)	(230,261)	(184,074)	(230,261)
Net current assets / (liabilities)		384,935	515,971	518,652	558,007
Total assets less current liabilities		6,684,334	6,287,517	6,818,051	6,329,553
Creditors: amounts falling due after more than one year	15	(477,424)	(509,065)	(477,424)	(509,065)
Total net assets / (liabilities)		6,206,910	5,778,452	6,340,627	5,820,488
Reserves					
Unrestricted funds	18	5,923,665	5,778,452	6,057,382	5,820,488
Restricted funds	18	283,245	-	283,245	-
Total Reserves		6,206,910	5,778,452	6,340,627	5,820,488

The financial statements were approved and authorised for issue by the Board on 25 February 2021 and signed on behalf of the board by


 Mrs Caroline Rosemary Darby-Jenkins


 Mrs Katherine Mary Jones

The notes on pages 18 to 32 form part of these accounts.

Sturts Community Trust
Statement of Changes in Reserves
Year Ended 31 August 2020

Group

	General unrestricted fund £	Revaluation unrestricted fund £	Restricted fund £	Designated unrestricted fund £	Total £
At 1 September 2018	(3,165)	730,151	-	4,825,904	5,552,890
Surplus / (deficit) for the year	(3,161)	-	-	228,723	225,562
Total comprehensive income	<u>(3,161)</u>	<u>-</u>	<u>-</u>	<u>228,723</u>	<u>225,562</u>
At 31 August and 1 September 2019	(6,326)	730,151	-	5,054,627	5,778,452
Surplus / (deficit) for the year	8,370	-	283,245	136,843	428,458
Total comprehensive income	<u>8,370</u>	<u>-</u>	<u>283,245</u>	<u>136,843</u>	<u>428,458</u>
At 31 August 2020	<u>2,044</u>	<u>730,151</u>	<u>283,245</u>	<u>5,191,470</u>	<u>6,206,910</u>

Association

	General unrestricted fund £	Revaluation unrestricted fund £	Restricted fund £	Designated unrestricted fund £	Total £
At 1 September 2018	(3,165)	730,151	-	4,825,904	5,552,890
Surplus / (deficit) for the year	38,875	-	-	228,723	267,598
Total comprehensive income	<u>38,875</u>	<u>-</u>	<u>-</u>	<u>228,723</u>	<u>267,598</u>
At 31 August and 1 September 2019	35,710	730,151	-	5,054,627	5,820,488
Surplus / (deficit) for the year	100,051	-	283,245	136,843	520,139
Total comprehensive income	<u>100,051</u>	<u>-</u>	<u>283,245</u>	<u>136,843</u>	<u>520,139</u>
At 31 August 2020	<u>135,761</u>	<u>730,151</u>	<u>283,245</u>	<u>5,191,470</u>	<u>6,340,627</u>

The notes on pages 18 to 32 form part of these accounts.

Sturts Community Trust
Statement of Cash Flows
Year Ended 31 August 2020

	Note	Group 2020 £	Group 2019 £
Cash flow from operating activities	19	438,183	255,469
Net cash flow from operating activities		438,183	255,469
Cash flow from investing activities			
Purchase of tangible fixed assets		(564,823)	(148,421)
Receipts from sale of tangible fixed assets		9,500	-
Interest receivable and similar income		305	976
Net cash flow from investing activities		(555,018)	(147,445)
Cash flow from financing activities			
Repayment of loans and borrowings		(11,823)	(6,876)
Interest payable and similar charges		(17,732)	(20,649)
Net cash flow from financing activities		(29,555)	(27,525)
Net increase / (decrease) in cash and cash equivalents		(146,390)	80,499
Cash and cash equivalents at 1 September 2019		506,291	425,792
Cash and cash equivalents at 31 August 2020		359,901	506,291
Cash and cash equivalents consists of:			
Cash at bank and in hand		359,901	506,291
Cash and cash equivalents at 31 August 2020		359,901	506,291

The notes on pages 18 to 32 form part of these accounts.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

Sturts Community Trust is a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the registered provider information on page 1 of these financial statements. The nature of the registered provider's operations and principal activities are, for the public benefit, to relieve sickness, promote good health, provide social housing and/or care to and advance the education and training of people with a disability (whether mental or physical), the young, the old, or people otherwise in need, in accordance with the principles of Dr Rudolph Steiner, particularly (without limitation) by the establishment and maintenance of intentional communities in the form of villages, residential houses, day centres, kindergartens, schools, colleges or other types of social and/or educational community, in which beneficiaries live and/or work and/or to which they otherwise resort, in community with persons providing support (known as "Co-workers").

The registered provider constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the registered provider, and rounded to the nearest £.

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

(b) Group accounts

The registered provider is required by the Companies Act 2006 to prepare group accounts. The consolidated accounts comprise the financial statements of Sturts Community Trust, and of its subsidiary Twin Oaks (Co-Housing) Construction Ltd (registered company no 12040819).

(c) Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Properties are held at fair value. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

(d) Depreciation and amortisation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Tools and equipment	20% reducing balance
Furniture and fittings	20% reducing balance
Motor vehicles	20% reducing balance

Assets under construction are not depreciated until they are in use.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

(e) Impairment

All fixed assets are considered for impairment annually and detailed reviews of assets for impairment are carried out if there is an indication that impairment has occurred or if they are not being depreciated.

(f) Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

(g) Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

(h) Stocks

Stock consists of livestock, processed meat, other farm produce, and bought farm shop stock. Livestock, meat and produce are valued at estimated sales value less estimated cost to sell. Estimates are based upon published price lists from local markets and national websites, along with local knowledge and experience.

Shop stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out method (FIFO).

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

Rights of social landlords to have improvement works carried out to properties by a third party (such as a local authority) are recognised as prepayments where payment has occurred in advance of the works being carried out and receipts in advance from the same third party recognised as liabilities. Assets and liabilities or income and expenditure are not offset.

(j) 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.

(k) Loans and borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

Borrowings are classified as current liabilities unless the association has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(l) Leases

Rentals payable and receivable under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

(m) Tax

The activities of the registered provider are partially exempt from VAT.

The Association is registered for VAT and is able to recover VAT on a proportion of its purchases. VAT incurred on purchases which is not recoverable is included along with the expense to which it relates, or the item acquired, in the income and expenditure account or balance sheet respectively.

(n) Turnover and other income

Turnover represents income from the various activities undertaken by the group. All income is recognised once the association 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 are recognised when the association 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 association before the association 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 association and it is probable that these conditions will be fulfilled in the reporting period.

Grants are recognised when the association 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.

Social housing grant (SHG) is recognised when receivable. Where developments have been financed wholly or partly by SHG, the SHG is recognised as income. Housing association grants are included under SHG headings. If housing properties are disposed of, social housing grants are repayable to the Homes & Communities Agency (HCA) or subject to restrictions on use and included within creditors as part of a "Recycled Capital Grant Fund" under most circumstances.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the association has unconditional entitlement.

Trading income is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Income from charitable and social housing activities is recognised as earned (as the related goods or services are provided) under contract.

Other income is recognised on a receivable basis.

(o) 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.

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable expenditure comprises those costs incurred by the association 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.

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

(p) Pensions and other post retirement obligations

The association operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

(q) Reserves

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the funder or regulatory body. Restricted reserves include funds raised in response to a specific appeal. Revenue and expenditure cannot be directly set against restricted reserves but is taken through the statement of comprehensive income and then a transfer to / from restricted reserves is made as appropriate.

Unrestricted general reserve – these funds can be used in accordance with the objectives of the Association at the discretion of the board.

Designated reserves are part of unrestricted reserves which have been designated by the Board for a particular purpose. Such designations may be reversed by future Board decisions.

Details of reserves are shown in note 18.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

(r) Going concern

The financial statements have been prepared on a going concern basis. As explained in the annual report the board have considered the uncertainty relating to the coronavirus pandemic which occurred during the year end and the impact on the association's operations and finances in the short to medium term. In the opinion of the board, with the support of the Coronavirus Job Retention Scheme, coronavirus grant funding and proactively managing cash-flow the association has sufficient working capital to continue to meet its financial obligations and pay its liabilities as they fall due for the foreseeable future and therefore the financial statements have been prepared on a going concern basis. The board have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves held and the additional coronavirus funding received for the association to be able to continue as a going concern.

2 Turnover, cost of sales, administrative expenditure and operating surplus / (deficit)

The group has not provided information required by part 1 of the Accounting Direction for Social Housing in England 2019 on the grounds that it is small.

3 Social housing turnover and costs

	Group and Association	
	2020	2019
	£	£
Rents receivable excluding service charges	332,200	335,327
Service charges receivable	145,230	146,597
Revenue grants receivable	26,997	14,795
Capital grants receivable	283,245	107,000
Social housing activity expenditure	278,230	360,592
Operating surplus / (deficit) from social housing activities	536,890	570,490
Net surplus / (deficit) from social housing activities	182,820	161,069
Void losses	-	-

Accommodation owned

	Group and Association	
	Number of units at 31 August 2020	Number of units at 31 August 2019
Completed units:		
- Social Housing	25	25
	25	25

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

4 Gains on investment assets – Group and Association

	2020 £	2019 £
Gains on revaluation of investments	278	417
	278	417

5 Surplus / (deficit) on ordinary activities

Surplus / (deficit) on ordinary activities is stated after charging / (crediting):

	Group 2020 £	Group 2019 £	Association 2020 £	Association 2019 £
Auditor's remuneration (including expenses and benefits in kind) for audit	10,568	12,164	10,568	12,164
(Profit)/loss on disposal of tangible fixed assets	(7,224)	1,531	(7,224)	1,531
(Gain)/loss on revaluation of investments	278	417	278	417
Depreciation of fixed assets	34,794	39,270	34,794	39,270

6 Auditor's remuneration

	Group 2020 £	Group 2019 £	Association 2020 £	Association 2019 £
Fees payable to the Registered Provider's auditor for the audit of the Registered Provider's annual accounts	10,568	12,164	10,568	12,164
Fees payable to the Registered Provider's auditor for services other than those of external audit:	3,684	5,378	3,684	5,378
	14,252	17,542	14,252	17,542

7 Board and key management personnel remuneration – Group and Association

The total remuneration for key management personnel amounted to £44k (2019 - £44k).

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

8 Staff costs – Group and Association

The average number of employees, including members of the executive team, calculated on a full time equivalent was 41.81 employees (2019 – 45.83).

The aggregate remuneration of such employees was as follows:

	2020 £	2019 £
Wages and salaries	830,039	856,092
Social security costs	51,712	53,666
Pension costs	13,172	10,799
	894,923	920,557

9 Tangible fixed assets – housing properties – Group and Association

	Land and buildings	Assets under construction	Total
	£	£	£
Cost:			
At 1 September 2019	3,048,207	48,583	3,096,790
Additions	11,933	453,200	465,133
At 31 August 2020	3,060,140	501,783	3,561,923
Net book value:			
At 31 August 2020	3,060,140	501,783	3,561,923
At 31 August 2019	3,048,207	48,583	3,096,790

The net book value of land and buildings comprised:

	2020 £	2019 £
Land and buildings:		
Freehold	3,561,923	3,096,790
	3,561,923	3,096,790

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

10 Tangible fixed assets – other – Group and Association

	Land and buildings	Furniture and fittings	Motor vehicles	Tools and equipmen t	Total
	£	£	£	£	£
Cost or valuation:					
At 1 September 2019	2,561,614	175,984	21,442	37,159	2,796,199
Additions	10,451	4,955	46,070	38,214	99,690
Disposals	-	-	(15,569)	(2,861)	(18,430)
At 31 August 2020	2,572,065	180,939	51,943	72,512	2,877,459
Depreciation:					
At 1 September 2019	-	102,803	11,441	14,999	129,243
Charge for the year	-	20,680	8,254	5,860	34,794
Eliminated on disposals	-	-	(15,518)	(636)	(16,154)
At 31 August 2020	-	123,483	4,177	20,223	147,883
Net book value:					
At 31 August 2020	2,572,065	57,456	47,766	52,289	2,729,576
At 31 August 2019	2,561,614	73,181	10,001	22,160	2,666,956
Total fixed assets:					
				2020	2019
				£	£
Housing properties				3,561,923	3,096,790
Other				2,729,576	2,666,956
				6,291,499	5,763,746

11 Fixed asset investments – Group and Association

	Unlisted investments	Total
	£	£
Cost or valuation		
At 1 September 2019	7,800	7,800
Revaluation	100	100
At 31 August 2020	7,900	7,900
Carrying amount:		
At 31 August 2020	7,900	7,900
At 31 August 2019	7,800	7,800

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

12 Debtors

	Group 2020 £	Group 2019 £	Association 2020 £	Association 2019 £
Trade debtors	116,132	130,129	116,132	130,129
Prepayments	-	5,469	-	5,469
Accrued income	17,750	15,657	17,750	15,657
Other debtors	11,498	20,124	11,498	20,124
VAT recoverable	8,812	-	8,812	-
Amount owed by subsidiary	-	-	133,718	42,036
	154,192	171,379	287,910	213,415

13 Current asset investments – Group and Association

	2020 £	2019 £
Listed investments	809	631
	809	631

14 Creditors: amounts falling due within one year – Group and Association

	2020 £	2019 £
Bank loans	29,046	26,960
Trade creditors	42,372	64,137
Other loans	2,000	2,000
Other taxation and social security	15,665	16,465
Other creditors	65,220	58,538
Accruals	17,400	22,672
Deferred income	12,371	39,489
	184,074	230,261

15 Creditors: amounts falling due after more than one year – Group and Association

	2020 £	2019 £
Bank loans	469,424	499,065
Other loans	8,000	10,000
	477,424	509,065

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

Bank loans are secured with fixed and floating charges against the freehold property of the housing association.

16 Leases

Operating leases - lessee

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than one year	49,586	52,441
Later than one and not later than five years	12,054	22,108
	61,640	74,549

17 Pension and other schemes

The housing association operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the housing association to the scheme and amounted to £13,172 (2019 - £10,799).

Contributions totalling £3,123 (2019 - £nil) were payable to the scheme at the year end and are included within other creditors.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

18 Reserves

Reconciliation of movement in funds
Group

	Brought Forward				Other	Carried
	01/09/2019	Income	Expenditure	Transfers	Recognised	Forward
	£	£	£	£	Gains/ (Losses)	31/08/2020
					£	£
Unrestricted Funds						
Unrestricted income fund	(6,326)	2,395,881	(2,230,660)	(157,129)	278	2,044
Designated funds:						
Co-worker benevolent fund	379,511	-	-	40,958	-	420,469
Co-worked social fund	47,145	-	(20,286)	14,775	-	41,634
Property capital and revaluation fund	5,294,122	-	-	101,396	-	5,395,518
Property development fund	64,000	-	-	-	-	64,000
	5,784,778	-	(20,286)	157,129	-	5,921,621
Restricted Funds						
Tractor fund	-	38,660	-	-	-	38,660
Thresher fund	-	4,585	-	-	-	4,585
Twin Oaks development fund	-	240,000	-	-	-	240,000
	-	283,245	-	-	-	283,245
	5,778,452	2,679,126	(2,250,946)	-	278	6,206,910

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

Co-worker benevolent fund - This is a fund created to contribute towards meeting the retirement needs of the Co-workers. The Camphill Communities have created a benevolent fund for retired Co-workers, which the Trust has joined and contributes to.

Co-worker social fund - This is a fund created to contribute towards planned social activities for the Co-workers.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

Property capital fund - This fund has been created to reflect, together with the revaluation reserve, the value of land and buildings held by the Trust, net of any bank loans and property related loans outstanding at the balance sheet date.

Property development fund - This is a fund created to set aside funds for the building of new Trust properties.

Tractor fund, thresher fund and Twin Oaks development fund are restricted funds received for the purchase and construction of fixed assets.

	Brought Forward 01/09/2018	Income	Expenditure	Transfers	Other Recognised Gains/ (Losses)	Carried Forward 31/08/2019
	£	£	£	£	£	£
Unrestricted Funds						
Unrestricted income fund	(3,165)	2,612,047	(2,356,670)	(258,955)	417	(6,326)
Designated funds:						
Co-worker benevolent fund	326,870	-	-	52,641	-	379,511
Co-worked social fund	54,995	-	(30,232)	22,382	-	47,145
Property renewals fund	21,205	-	-	(21,205)	-	-
Property capital and revaluation fund	4,977,985	-	-	316,137	-	5,294,122
Property development fund	175,000	-	-	(111,000)	-	64,000
	5,556,055	-	(30,232)	258,955	-	5,784,778
	5,552,890	2,612,047	(2,386,902)	-	417	5,778,452

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2020

Reconciliation of movement in funds
Accociation

	Brought Forward 01/09/2019	Income	Expenditure	Transfers	Other Recognised Gains/ (Losses)	Carried Forward 31/08/2020
	£	£	£	£	£	£
Unrestricted Funds						
Unrestricted income fund	35,710	2,395,881	(2,138,979)	(157,129)	278	135,761
Designated funds:						
Co-worker benevolent fund	379,511	-	-	40,958		420,469
Co-worked social fund	47,145	-	(20,286)	14,775		41,634
Property capital and revaluation fund	5,294,122	-	-	101,396		5,395,518
Property development fund	64,000	-	-	-		64,000
	5,784,778	-	(2,159,265)	157,129		5,921,621
Restricted Funds						
Tractor fund	-	38,660	-	-	-	38,660
Thresher fund	-	4,585	-	-	-	4,585
Twin Oaks development fund	-	240,000	-	-	-	240,000
	-	283,245	-			283,245
	5,820,488	2,679,126	(2,159,265)			6,340,627

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	Brought Forward 01/09/2018	Income	Expenditure	Transfers	Other Recognised Gains/ (Losses)	Carried Forward 31/08/2019
	£	£	£	£	£	£
Unrestricted Funds						
Unrestricted income fund	(3,165)	2,612,047	(2,314,634)	(258,955)	417	35,710
Designated funds:						
Co-worker benevolent fund	326,870	-	-	52,641	-	379,511
Co-worked social fund	54,995	-	(30,232)	22,382	-	47,145
Property renewals fund	21,205	-	-	(21,205)	-	-
Property capital and revaluation fund	4,977,985	-	-	316,137	-	5,294,122
Property development fund	175,000	-	-	(111,000)	-	64,000
	5,556,055	-	(30,232)	258,955	-	5,784,778
	5,552,890	2,612,047	(2,344,866)	-	417	5,820,488

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19 Reconciliation of operating surplus / (deficit) to cash flow from operating activities

	Group 2020 £	Group 2019 £
Surplus / (deficit) for the year	428,458	225,562
Depreciation	34,794	39,270
Investment income	(305)	(1,085)
(Gains) on investments	(278)	(417)
(Profit)/loss on disposal of tangible fixed assets	(7,224)	1,531
Decrease in stocks	13,824	2,311
Decrease/(Increase) in debtors	17,187	(48,095)
(Decrease) in creditors	(21,155)	(3,097)
(Decrease)/Increase in deferred income	(27,118)	39,489
Net cash flow from operating activities	438,183	255,469

20 Related party transactions – Group and Association

During the year the Trust made the following related party transactions:

Signpost HR Solutions

(A company in which C Darby-Jenkins, a member of the Board of the housing association, is a director and shareholder)

Fees for HR services were charged to the housing association during the year totalling £2,898 (2019 - £2,376). At the balance sheet date the amount due to/from Signpost HR Solutions was £Nil (2019 - £Nil).

KT People Solutions Ltd

(A company in which K Jones, a member of the Board of the housing association, is a director and shareholder)

Fees for mentoring sessions were charged to the housing association during the year totalling £1,000 (2019 - £1,920). At the balance sheet date the amount due to/from KT People Solutions Ltd was £Nil (2019 - £Nil).

Twin Oaks (Co-Housing) Construction Limited

(Subsidiary)

T Cook, a member of the Board of the housing association, provided services as a sole trader. Fees relating to the refurbishment of buildings were charged to the housing association during the year totalling £6,500 (2019 - £Nil).

Purchases made on behalf of Twin Oaks (Co-Housing) Construction Limited amounted to £91,682 (2019 - £42,036). At the balance sheet date the amount due from Twin Oaks (Co-Housing) Construction Limited was £133,718 (2019 - £42,036).

Related beneficiaries

During the year four beneficiaries of the charity services were related to members of the Board. The transactions were made on terms equivalent to those that prevail in an arms length transaction.