

Sturts Community Trust
Financial Statements
Year Ended 31 August 2021

Regulator of Social Housing registration number: 5089

Company registration number: 08359958

Charity registration number: 1152152

Sturts Community Trust
Financial Statements
Year Ended 31 August 2021

Contents

	Page
Registered Social Housing Provider Information	1
Board Report	2 – 10
Statement of Responsibilities of the Board	11
Independent Auditor's Report	12 - 15
Statement of Comprehensive Income (including Income and Expenditure Account)	16
Balance Sheet	17
Statement of Changes in Reserves	18
Statement of Cash Flows	19
Notes to the Financial Statements	20 –35

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

Regulator of Social Housing registration number	5089
Company registration number	08359958
Charity registration number	1152152
Members of the board	Mr Michael Breen Mrs Helen Elizabeth Breen Mrs Caroline Rosemary Darby-Jenkins Ms Morag Margaret Doyle (resigned 6 April 2021) Mrs Gabrielle Mary Gray Mrs Katherine Mary Jones Mrs Joy Elizabeth Malyon Mr David Harvey Taylor
Secretary	Mrs Helen Elizabeth Breen
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 2021

The board of Sturts Community Trust presents their report, and the audited financial statements of the registered provider for the year ended 31 August 2021.

Directors of the board

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

Mr Michael Breen
Mrs Helen Elizabeth Breen
Mrs Caroline Rosemary Darby-Jenkins
Ms Morag Margaret Doyle (resigned 6 April 2021)
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 2021, which have been prepared in accordance with the Statement of Recommended Practice (SORP 2018).

Vision Statement

The vision of Sturts Community Trust is for adults with learning difficulties be able to live as independently as their circumstances permit, in a safe, caring and enriching community environment, with access to opportunities to work, sport, and the arts, and to participate in life with greater connection with their wider local community.

Sturts Community Trust works in agriculture, care and support, housing, education and the arts. The Trust promotes 'citizenship' for all those involved in its activities. The Trust 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.

Sturts Community Trust 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.

Intention

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

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 2021. I believe this may have been the most challenging of years for our staff throughout this charity's existence. Ongoing difficulties in recruiting sufficient suitable staff were exacerbated by the immense impact of Covid-19, and I am enormously grateful to all our staff for their dedication and support in enabling us to continue to deliver good quality care to all those in our care.

As one would expect, the health and safety of all those supported at Sturts has been our primary focus. However, despite the challenges we have faced, I am delighted to report that, our ambitious development plans continued unabated and we successfully completed the Twin Oaks development, which has enabled us to realise our goal of a purpose built inclusive neighbourhood design. The outcome of which is those with a range of support needs are able to live amongst others in a mutually supportive setting with shared facilities.

Sturts Community Trust
Board Report
Year Ended 31 August 2021

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 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.

Reported Surplus

Although we are able to report a surplus the year ended 31 August 2021 of £698,422, this includes grant Income which was designated specifically for the Twin Oaks property development. There is therefore no room for complacency as the surplus relating to housing and charitable activities is £84,257 (per note 18 unrestricted fund movement minus £100,000 transfer relating specifically to Twin Oaks).

Introduction

Sturts Community Trust is a thriving place for food, celebrations and experiences of inclusion; and, as a result of this is forging significant links to the local people thereby contributing to a wider sense of community.

As issues of sustainability increase in both national and international communities, this small farming community is living up to the original ideology of the Camphill Movement by being a symbol of hope in caring for both people and the planet.

The three entities of Co-Housing, Social Support and Social Enterprise are what make Sturts Community Trust stand out.

While the pandemic has impacted strongly on the Trust it has not prevented the Trust's continuing development. The biggest achievement being the completion of eight new homes arranged in an inclusive co-housing neighbourhood - the culmination of seven years work in forming a modern co-housing strategy, successfully fund-raising for the inclusive design and achieving registered housing provider status.

The Care Together team have continued to respond to the ever changing demands of the pandemic, keeping people safe and as independent as possible. Some of the measures in place associated with COVID-19 have been seen to benefit those with additional support needs and have raised awareness in the team over the benefits of consistency and repetition in building confidence and skills.

The same changing demands have challenged the Social Enterprise team which has managed to maintain contact with its local customers as well as expand the business further. The addition of a beautiful Yurt, constructed just outside the main Farm Shop building, allowed for socially distanced eating. The Farming team have worked hard on implementing more fully biodynamic principles particularly in relation to the cattle with both meat and milk production gaining certification.

Clover Co-Housing

For the last seven years, since the inception of the co-housing community, Sturts Community Trust has been working on realising a purpose built development that clearly shows the new co-housing neighbourhood living arrangements. It was therefore very pleasing to see the Twin Oaks build reach completion in April 2021. The last few months were documented in a short video and these were used by Homes England as an example of best practice in social housing.

The eight new homes enabled six new people in need of supported accommodation to move into the community: five young people with animal care or horticultural skills gained from specialist colleges,

Sturts Community Trust
Board Report
Year Ended 31 August 2021

and one young person with higher needs who benefits from the accessible open space and easy transitions that are part of life at Sturts Community Trust. Also, two long term community members were able to move into their own self-contained accommodation, seeing this as their 'own home'. The neighbourhood welcomed four small families including five children.

A celebratory opening was held in the summer when conditions allowed - this was the first gathering of our wider community for over a year. The courtyard has very quickly become a vibrant and social setting, thereby completing the first truly inclusively designed co-housing neighbourhood in the UK. In 2019 the Sturts Community Trust objectives were updated to include social housing - this development satisfies those charitable aims.

Volunteering work continues with and develops the links forged with St Mary's Church and School. The focus is on responding to food poverty and educating children about healthy food. The formation of the West Moors Food Group with regular meetings between the three organisations is a first step in establishing a local forum for responding to local food production and the needs of the local population. An article was published in the Salisbury Diocese promoting this joint venture.

Sturts Community Trust has one further development listed on its Statement of Development Intentions for the Sturts Farm site, the aim is to develop a small extra-care centre for those with increased physical care needs that has shared communal space with a child-care facility.

Care Together

2020/21 continued to be a year of managing the ever changing COVID-19 situation requiring strong individual leadership from the Care Together team to keep the infection control measures fully operational, while at the same time updating risk assessments for each individual to maximize their independence and to maintain contact with their loved ones.

There was an extensive teaching program for those we support in how to manage the virus, this enabled the re-introduction of activities, withdrawn due to infection control measures, at the earliest opportunity. This was particularly important for those who can access planned routes to go into the local village on their own. The Farm Shop was used by the Care Together team to familiarise them with the measures they would find in local shops.

Work with families to individually risk assess and manage transitions enabled all companions to visit their families through the pandemic. Sturts Community Trust is grateful for the continued support and engagement of families in the direct care of their loved ones.

Sturts Community Trust continues to manage those with intensive support needs without recourse to restrictive interventions. The factors that help to achieve this are, in the Trust's view, consistent long-term carers, the organization of the care/support routines for the day/week/year together with a strong emphasis on finding meaning and purpose through the working life on the farm. Examples of this include one person with intensive support needs delivering eggs to the shop on a daily basis helping him achieve a regular working life.

The Care Together team has a long established group of carers, but has not been insulated from the pressures on the industry in relation to recruitment.

Gullivers Farm Shop & Kitchen

The Farm Shop suffered from continually changing government rules in relation to shopping and hospitality. Also, for long periods, it was deemed unsafe for those we support to work in the shop setting. Sturts Community Trust has not been insulated from the pressures on the hospitality industry

**Sturts Community Trust
Board Report
Year Ended 31 August 2021**

with a shortage of chefs. Despite these difficulties, maintaining the high level of service and the emphasis on freshly cooked farm produce has been maintained throughout.

The Yurt is a real success, it provides a new indoor seating space that is attractive to local customers. This contributed towards a particularly successful Christmas period.

Sadly, COVID-19 has prevented the regular community events that have proved popular with the local area and which are a valued part of the Farm Shop team activities.

Sturts Farming Team

The farming team have been working on transforming farming practices to such a degree that both the milking herd and the beef herd are now certified biodynamic. This is no small achievement and has not previously been the case. The key element to this is the production of organic feed for the cattle with three fields turned over to arable production of barley and rye. The thresher, purchased last year, has been in heavy use separating the grain from the straw; and, as a result, the purchase of bedding for the animals through the winter has no longer been necessary. The purchase of feed has also been reduced to an absolute minimum with only top up feed for the pigs and chickens required when stocks run low.

The selling of raw milk reached the shelves in January 2021. This is a rare product that can only be sold on the farm where the milk is produced - some customers have travelled many miles to purchase said product.

The organization of vegetable growing continued to be allocated to certain neighbourhoods. The benefit of this was clear to see with each neighbourhood starting to specialize in a particular crop. The beginning of the growing season was subject to quite chaotic weather patterns with periods of late frost and then extensive rain which made direct sowing problematic. Advice from the soil association has been helpful in seeing ways of mitigating this.

We received a donation to buy a reaper binder and threshing machine. This allows our people for whom we care to take part in the very important work of the cereal growing and harvesting process. The harvest was very late this year (as there were delivery delays to the new machinery) and was really difficult to bring in due to the weeds in the crop, but we all pulled together and got it all in. The combination of new equipment with an old way of doing things gave a major lift to the land team in the midst of the pandemic.

Garden Workshop

The long-standing vegetable growing area has been rested and production moved to St Johns field, where a seven year rotation has been implemented. A protective deer fence has been erected around the perimeter of the field, as observations have shown quite a number of deer eating our crops.

The pandemic brought many challenges, but also positives! One of these positives was the set-up of our community vegetable boxes which are our main outlet for our vegetables and which ensure that our community benefits from our healthy produce.

From being socially distanced from one another evolved the idea of dedicating one plant family to each household, e.g. Gullivers House was in charge of growing and caring for Allium plants. This meant that everyone was still able to enjoy each other's company and spirit of community in the field, whilst being safely distanced from each other. Some crops didn't take well, e.g. garlic, but others thrived e.g. brassicas and held a good balance in the overall yield. The new propagating tunnel has truly shown its worth with the heated benches and additional growing space. All in all, the protected crops have been

**Sturts Community Trust
Board Report
Year Ended 31 August 2021**

successful. While St. John's field still needs tweaking to become a very productive field, with the input of organic matter and drainage improvement it could become a successful growing space.

The Garden team have also started a composting area which is a significant step forward. Previously, Sturts Farm only processed waste through the muck heaps. The process of compost-making is seen as a separate process, a more complex 'art form', where the gardener collects matter from the surrounding nature and activities of the farm to produce a humus that enhances the germination stage of the seed.

Looking Forward

Our first priority must always be to continue to deliver a good standard of housing and care to all those living or visiting the farm. As part of this, the next year will require focus on adjusting to the new shape of the Farm following the Twin Oaks development. We are also acutely aware of the continuing need to be able to make time for responding to the ever changing demands of the pandemic.

2021-22 will be a period of consolidation and reflection as we develop a new seven-year strategic plan, while at the same time commencing on a design process for:

1. An extra-care centre and child-care facility on Sturts Farm
2. A community hub/ social enterprise development on Gullivers Farm site

Even during a period of consolidation and reflection, we need to continue to progress and develop. Some of our smaller goals include:

- Extending our education program to include a Co-Housing Community Course and an accredited learning program for new companions in farming related subjects.
- Continue to enhance farming practices with a particular emphasis on soil enhancement in areas of vegetable growing.
- Produce a regular newsletter for families to aid communication.
- Implement art-based workshop.
- Implement a new care recording system that is more user friendly and accessible.

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 2021

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.

Sturts Community Trust
Board Report
Year Ended 31 August 2021

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.

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 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 £186,301 (2020: £2,044) 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.

**Sturts Community Trust
Board Report
Year Ended 31 August 2021**

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 2020, and has adopted and applied the recommended practice of the Charity Governance Code for Larger Charities.

Value for Money in the year to 31 August 2021

A Co-Housing committee was established during the year comprising Senior Management, Trustees and qualified external expertise. This committee is responsible for upholding Housing Association rules, procedures and standards including Value for Money.

The full version of the Value for Money Assessment for 2020/21 will be published on Sturts Community Trust Housing Association website during April 2022. The following is a summary of that report.

- a) Financial Returns
 - Sturts Community Trust Housing Association arranged a new £200k borrowing facility with Triodos Bank and £200k facility with the Talbot Village Trust 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 Association 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.
- b) Twin Oaks development
 - SCT Housing association completed the construction of Twin Oaks. Comprising 8 units of mixed housing for 10 people.
- c) Environmental Returns
 - All properties complied with the Decent Homes Standard.
- 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.
- 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.

Sturts Community Trust
Board Report
Year Ended 31 August 2021

Value for Money Metrics	2021	2020
Metric 1 – Reinvestment %	21.36%	12.77%
Metric 2 – New supply delivered %	13.79% for social housing units 10.53% for non-social housing units	0% for social housing units 0% for non-social housing units
Metric 3 – Gearing %	10.81%	3.90%
Metric 4 – Earnings before interest, depreciation, amortisation, major repairs included (EBITDA MRI) Interest Cover	3.4	3.3
Metric 5 – Headline social housing cost per unit	£11,684	£11,129
Metric 6 – Operating Margin %	46.04% for social housing units 23.17% total	56.12% for social housing units 19.14% total
Metric 7 – Return on capital employed (ROCE) %	8.97%	7.63%

Sturts Community Trust
Board Report
Year Ended 31 August 2021

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 23 February 2022 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 2021**

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 2021 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 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, 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

In auditing the financial statements, we have concluded that the board's 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 association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Sturts Community Trust
Independent Auditor's Report
Year Ended 31 August 2021**

Other information

The other information comprises the information included in the Board report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Board report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 11, 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 board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Sturts Community Trust
Independent Auditor's Report
Year Ended 31 August 2021**

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.

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:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Association. We gained an understanding of the Association and the industry in which the Association operates as part of this assessment to identify the key laws and regulations affecting the Association. As part of this, we reviewed the Association's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity and Housing Association legislation, compliance with the Care Quality Commission ("CQC"), health and safety regulations and breaches of The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Statement of Recommended Practice (SORP).

We discussed with management and trustees how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Association complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non compliance with laws and regulations on the Association's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

Reviewed filings with Companies House and The Charity Commission and whether there were any serious incident reports made during the year, of which there were none.

Reviewed audit documentation from the CQC to confirm compliance with standards, and ensuring continued registration with the CQC through the CQC website.

Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance.

Reviewed Board minutes.

**Sturts Community Trust
Independent Auditor's Report
Year Ended 31 August 2021**

Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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.

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: 25 February 2022

Sturts Community Trust
Statement of Comprehensive Income (Including Income and Expenditure Account)
Year Ended 31 August 2021

		Group 2021	Group 2020	Association 2021	(As re- stated) Association 2020
	Note	Total £	Total £	Total £	Total £
Turnover		2,308,447	2,395,881	2,308,447	2,395,881
Cost of sales		(2,317,562)	(2,250,946)	(2,317,562)	(2,250,946)
Operating (deficit) / surplus		(9,115)	144,935	(9,115)	144,935
Income from grants relating to capital expenditure	18	707,537	283,245	707,537	283,245
Gains / (losses) on investment assets	4	353	278	353	278
Total comprehensive income for the year		698,775	428,458	698,775	428,458

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 23 February 2022 and signed on behalf of the board by:

.....
Mrs Caroline Rosemary Darby-Jenkins

.....
Mrs Katherine Mary Jones

The notes on pages 20 to 35 form part of these accounts.

Sturts Community Trust
Balance Sheet
Year Ended 31 August 2021

Company registration number: 08359958

					(As re-stated)
	Note	Group 2021 £	Group 2020 £	Association 2021 £	Association 2020 £
Fixed assets					
Tangible fixed assets	9,10	7,293,654	6,291,499	7,293,654	6,291,499
Investments	11	7,638	7,900	7,638	7,900
		7,301,292	6,299,399	7,301,292	6,299,399
Current assets					
Stocks		93,341	54,107	93,341	54,107
Debtors	12	375,574	154,192	375,575	154,193
Investments	13	1,424	809	1,424	809
Cash at bank and in hand		231,451	359,901	231,450	359,900
		701,790	569,009	701,790	569,009
Creditors: amounts falling due within one year	14	(213,202)	(184,074)	(213,202)	(184,074)
Net current assets / (liabilities)		488,588	384,935	488,588	384,935
Total assets less current liabilities		7,789,880	6,684,334	7,789,880	6,684,334
Creditors: amounts falling due after more than one year	15	(884,195)	(477,424)	(884,195)	(477,424)
Total net assets / (liabilities)		6,905,685	6,206,910	6,905,685	6,206,910
Reserves					
Unrestricted funds	18	6,905,685	5,923,665	6,905,685	5,923,665
Restricted funds	18	-	283,245	-	283,245
Total Reserves		6,905,685	6,206,910	6,905,685	6,206,910

The financial statements were approved and authorised for issue by the Board on 23 February 2022 and signed on behalf of the board by

.....
 Mrs Caroline Rosemary Darby-Jenkins

.....
 Mrs Katherine Mary Jones

The notes on pages 20 to 35 form part of these accounts.

Sturts Community Trust
Statement of Changes in Reserves
Year Ended 31 August 2021

Group

	General unrestricted fund £	Restricted fund £	Designated unrestricted fund £	Total £
At 1 September 2019	(6,326)	-	5,784,778	5,778,452
Surplus / (deficit) for the year	8,370	283,245	136,843	428,458
Total comprehensive income	<u>8,370</u>	<u>283,245</u>	<u>136,843</u>	<u>428,458</u>
At 31 August and 1 September 2020	2,044	283,245	5,921,621	6,206,910
Surplus / (deficit) for the year	184,257	(283,245)	797,763	698,775
Total comprehensive income	<u>184,257</u>	<u>(286,245)</u>	<u>797,763</u>	<u>698,775</u>
At 31 August 2021	<u>186,301</u>	<u>-</u>	<u>6,719,384</u>	<u>6,905,685</u>

Association (As re-stated)

	General unrestricted fund £	Restricted fund £	Designated unrestricted fund £	Total £
At 1 September 2019	(6,326)	-	5,784,778	5,778,452
Surplus / (deficit) for the year	8,370	283,245	136,843	428,458
Total comprehensive income	<u>8,370</u>	<u>283,245</u>	<u>136,843</u>	<u>428,458</u>
At 31 August and 1 September 2020	2,044	283,245	5,921,621	6,206,910
Surplus / (deficit) for the year	184,257	(283,245)	797,763	698,775
Total comprehensive income	<u>184,257</u>	<u>(286,245)</u>	<u>797,763</u>	<u>698,775</u>
At 31 August 2021	<u>186,301</u>	<u>-</u>	<u>6,719,384</u>	<u>6,905,685</u>

The notes on pages 20 to 35 form part of these accounts.

Sturts Community Trust
Statement of Cash Flows
Year Ended 31 August 2021

	Note	Group 2021 £	Group 2020 £
Cash flow from operating activities	19	497,984	438,183
Net cash flow from operating activities		497,984	438,183
Cash flow from investing activities			
Purchase of tangible fixed assets		(1,042,788)	(564,823)
Receipts from sale of tangible fixed assets		-	9,500
Interest receivable and similar income		23	305
Net cash flow from investing activities		(1,042,765)	(555,018)
Cash flow from financing activities			
Advances/ Repayment of loans and borrowings		435,867	(11,823)
Interest payable and similar charges		(19,536)	(17,732)
Net cash flow from financing activities		416,331	(29,555)
Net increase / (decrease) in cash and cash equivalents		(128,450)	(146,390)
Cash and cash equivalents at 1 September 2020		359,901	506,291
Cash and cash equivalents at 31 August 2021		231,451	359,901
Cash and cash equivalents consists of:			
Cash at bank and in hand		231,451	359,901
Cash and cash equivalents at 31 August 2021		231,451	359,901

The notes on pages 20 to 35 form part of these accounts.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

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.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

(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	25% reducing balance

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

(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.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

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.

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.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

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.

A grant that becomes receivable as compensation for expenses already incurred will be recognised in the income and expenditure in the same period in which the related expenditure is incurred.

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.

(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 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.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

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

	2021	2020
	£	£
Rents receivable excluding service charges	319,574	332,200
Service charges receivable	152,450	145,230
Revenue grants receivable	42,320	26,997
Capital grants receivable	707,537	283,245
Social housing activity expenditure	338,835	278,230
Operating surplus / (deficit) from social housing activities	423,886	536,890
Net surplus / (deficit) from social housing activities	46,081	182,820
Void losses	16,262	-

Accommodation owned

Group and Association
Number of
units at
31 August
2021

Number of
units at
31 August
2020

Completed units:

- Social Housing

29

25

29

25

4 Gains on investment assets – Group and Association

2021
£

2020
£

Gains on revaluation of investments

353

278

353

278

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

5 Surplus / (deficit) on ordinary activities

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

	Group 2021 £	Group 2020 £	Association 2021 £	Association 2020 £
Auditor's remuneration (including expenses and benefits in kind) for audit	10,885	10,568	10,885	10,568
(Profit)/loss on disposal of tangible fixed assets	-	(7,224)	-	(7,224)
(Gain)/loss on revaluation of investments	353	278	353	278
Depreciation of fixed assets	40,633	34,794	40,633	34,794

6 Auditor's remuneration

	Group 2021 £	Group 2020 £	Association 2021 £	Association 2020 £
Fees payable to the Registered Provider's auditor for the audit of the Registered Provider's annual accounts	10,885	10,568	10,885	10,568
Fees payable to the Registered Provider's auditor for services other than those of external audit:	1,791	3,684	1,791	3,684
	12,676	14,252	12,676	14,252

7 Board and key management personnel remuneration – Group and Association

The total remuneration for key management personnel amounted to £44k (2020 - £44k).

8 Staff costs – Group and Association

The average number of employees, including members of the executive team, calculated on a full time equivalent was 47 employees (2020 – 42).

The aggregate remuneration of such employees was as follows:

	2021 £	2020 £
Wages and salaries	984,551	830,039
Social security costs	64,517	51,712
Pension costs	14,991	13,172
	1,064,059	894,923

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

9 Tangible fixed assets – housing properties – Group and Association

	Land and buildings	Assets under construction	Total
	£	£	£
Cost:			
At 1 September 2020	3,060,140	501,783	3,561,923
Additions	-	952,330	952,330
Transfers	1,454,113	(1,454,113)	-
At 31 August 2021	<u>4,514,253</u>	<u>-</u>	<u>4,514,253</u>
Net book value:			
At 31 August 2021	<u>4,514,253</u>	<u>-</u>	<u>4,514,253</u>
At 31 August 2020	3,060,140	501,783	3,561,923

The net book value of land and buildings comprised:

	2021 £	2020 £
Land and buildings:		
Freehold	<u>4,514,253</u>	<u>3,561,923</u>
	<u>4,514,253</u>	<u>3,561,923</u>

10 Tangible fixed assets – other – Group and Association

	Land and buildings £	Furniture and fittings £	Motor vehicles £	Tools and equipment £	Total £
Cost or valuation:					
At 1 September 2020	2,572,065	180,939	51,943	72,512	2,877,459
Additions	61,891	22,134	5,350	1,083	90,458
At 31 August 2021	<u>2,633,956</u>	<u>203,073</u>	<u>57,293</u>	<u>73,595</u>	<u>2,967,917</u>
Depreciation:					
At 1 September 2020	-	123,483	4,177	20,223	147,883
Charge for the year	-	18,965	10,905	10,763	40,633
At 31 August 2021	<u>-</u>	<u>142,448</u>	<u>15,082</u>	<u>30,986</u>	<u>188,516</u>
Net book value:					
At 31 August 2021	<u>2,633,956</u>	<u>60,625</u>	<u>42,211</u>	<u>42,609</u>	<u>2,779,401</u>
At 31 August 2020	2,572,065	57,456	47,766	52,289	2,729,576

Total fixed assets:

	2021 £	2020 £
Housing properties	<u>4,514,253</u>	<u>3,561,923</u>
Other	<u>2,779,411</u>	<u>2,729,576</u>
	<u>7,293,654</u>	<u>6,291,499</u>

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

11 Fixed asset investments – Group and Association

	Unlisted investments £	Total £
Cost or valuation		
At 1 September 2020	7,900	7,900
Revaluation	(262)	(262)
At 31 August 2021	<u>7,638</u>	<u>7,638</u>
Carrying amount:		
At 31 August 2021	<u>7,638</u>	<u>7,638</u>
At 31 August 2020	<u>7,900</u>	<u>7,900</u>

12 Debtors

	Group 2021 £	Group 2020 £	Association 2021 £	(As re- stated) Association 2020 £
Trade debtors	323,563	116,132	323,563	116,132
Accrued income	46,756	17,750	46,756	17,750
Other debtors	2,550	11,498	2,550	11,498
VAT recoverable	2,705	8,812	2,705	8,812
Amount owed by subsidiary	-	-	1	1
	<u>375,574</u>	154,192	<u>375,575</u>	154,193

13 Current asset investments – Group and Association

	2021 £	2020 £
Listed investments	1,424	809
	<u>1,424</u>	<u>809</u>

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

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

	2021	2020
	£	£
Bank loans	38,606	29,046
Trade creditors	59,946	42,372
Other loans	2,000	2,000
Other taxation and social security	21,728	15,665
Other creditors	67,455	65,220
Accruals	13,343	17,400
Deferred income	10,124	12,371
	213,202	184,074

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

	2021	2020
	£	£
Bank loans	878,195	469,424
Other loans	6,000	8,000
	884,195	477,424

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:

	2021	2020
	£	£
Not later than one year	32,857	49,586
Later than one and not later than five years	4,844	12,054
	37,701	61,640

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 £14,991 (2020 - £13,172).

Contributions totalling £3,691 (2020 - £3,123) 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 2021

18 Reserves

Reconciliation of movement in funds
Group

	Brought Forward				Other	Carried
	01/09/2020	Income	Expenditure	Transfers	Recognised	Forward
	£	£	£	£	Gains/ (Losses)	31/08/2021
					£	£
Unrestricted Funds						
Unrestricted income fund	2,044	2,308,447	(2,319,861)	195,318	353	186,301
Designated funds:						
Co-worker benevolent fund	420,469	-	-	(63,141)	-	357,328
Co-worked social fund	41,634	-	2,299	14,715	-	58,648
Property capital fund	5,395,518	-	-	885,890	-	6,281,408
Property development fund	64,000	-	-	(42,000)	-	22,000
	5,921,621	-	2,299	795,464	-	6,719,384
Restricted Funds						
Tractor fund	38,660	-	-	(38,660)	-	-
Thresher fund	4,585	-	-	(4,585)	-	-
Twin Oaks development fund	240,000	707,537	-	(947,537)	-	-
	283,245	707,537	-	(990,782)	-	-
	6,206,910	3,015,984	(2,317,562)	-	353	6,905,685

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 - The social fund can be applied for in order to cater for exceptional circumstances of unmet need.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

Property capital fund - This fund has been created to reflect, 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. The asset purchases and construction of Twin Oaks were completed during the year and the associated fund balances transferred to the Property capital and unrestricted funds.

	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
Restricted Funds						
Tractor fund	-	38,660	-	-	-	38,660
Thresher fund	-	4,585	-	-	-	4,585
Twin Oaks development fund	-	240,000	-	-	-	240,000
	5,784,778	283,245	(20,286)	157,129	-	6,204,866
	5,778,452	2,679,126	(2,250,946)	-	278	6,206,910

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

Reconciliation of movement in funds
Accociation

	Brought Forward 01/09/2020	Income	Expenditure	Transfers	Other Recognised Gains/ (Losses)	Carried Forward 31/08/2021
	£	£	£	£	£	£
Unrestricted Funds						
Unrestricted income fund	2,044	2,308,447	(2,319,861)	195,318	353	186,301
Designated funds:						
Co-worker benevolent fund	420,469	-	-	(63,141)	-	357,328
Co-worked social fund	41,634	-	2,299	14,715	-	58,648
Property capital and revaluation fund	5,395,518	-	-	885,890	-	6,281,408
Property development fund	64,000	-	-	(42,000)	-	22,000
	5,921,621	-	2,299	795,464	-	6,719,384
Restricted Funds						
Tractor fund	38,660	-	-	(38,660)	-	-
Thresher fund	4,585	-	-	(4,585)	-	-
Twin Oaks development fund	240,000	707,537	-	(947,537)	-	-
	283,245	707,537	-	(990,782)	-	-
	6,206,910	3,015,984	(2,317,562)	-	353	6,905,685

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

	Brought Forward 01/09/2019	Income	Expenditure	Transfers	Other Recognised Gains/ (Losses)	Carried Forward 31/08/2020
	£	£	£	£	£	£
Unrestricted Funds (As re-stated)						
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)	-	-	6,206,910

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

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

	Group 2021 £	Group 2020 £
Surplus / (deficit) for the year	698,775	428,458
Depreciation	40,633	34,794
Investment income	(23)	(305)
(Gains) on investments	(353)	(278)
(Profit)/loss on disposal of tangible fixed assets	-	(7,224)
(Increase)/ Decrease in stocks	(39,234)	13,824
(Increase)/ Decrease in debtors	(221,382)	17,187
Increase/ (Decrease) in creditors	21,815	(21,155)
(Decrease)/Increase in deferred income	(2,247)	(27,118)
Net cash flow from operating activities	497,984	438,183

20 Prior year adjustment – Association

During 2020/21 a prior year adjustment was made. Expenditure in the subsidiary Twin Oaks (Co-Housing) Construction Limited in prior periods has been re-classified and included within the expenditure of the parent charity Sturts Community Trust.

The effect of this is outlined below:

a) Accounting policies – there were no consequential changes to the accounting policies as a result of this adjustment.

b) Reconciliation of reserves - adjustments to previously reported reserves at the beginning and end of the comparative period are outlined below.

Previously reported reserves of £5,820,488 have been decreased by £42,036 in respect of expenditure reallocated to the parent charity Sturts Community Trust. Reserves (as restated) at 1 September 2019 total £5,778,452.

Previously reported reserves of £6,340,627 have been decreased by £133,717 in respect of expenditure reallocated to the parent charity Sturts Community Trust. Reserves (as restated) at 31 August 2020 total £6,206,910.

c) Reconciliation of comparative period income and expenditure – adjustments to the comparative period income and expenditure are outlined below.

The previously reported surplus of £520,139 has been reduced by £91,681 in respect of expenditure reallocated to the parent charity Sturts Community Trust. The surplus (as restated) at 31 August 2020 is £428,458.

Sturts Community Trust
Notes to the Financial Statements
Year Ended 31 August 2021

21 Related party transactions – Group and Association

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

Reimbursed expenses

During the year reimbursed expenses of £383 (2020: £nil) were paid to one board member.

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 £720 (2020 - £2,898). At the balance sheet date the amount due to/from Signpost HR Solutions was £Nil (2020 - £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 £nil (2020 - £1,000). At the balance sheet date the amount due to/from KT People Solutions Ltd was £Nil (2020 - £Nil).

Twin Oaks (Co-Housing) Construction Limited

(Subsidiary)

At the balance sheet date the amount due from Twin Oaks (Co-Housing) Construction Limited was £1 (2020 - £1).

Related beneficiaries

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