

**Sturts Community Trust**  
**Financial Statements**  
**Year Ended 31 August 2023**

Regulator of Social Housing registration number: 5089

Company registration number: 08359958

Charity registration number: 1152152

**Sturts Community Trust**  
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**Year Ended 31 August 2023**

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**Sturts Community Trust  
Registered Provider Information  
Year Ended 31 August 2023**

|                                                        |                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Regulator of Social Housing registration number</b> | 5089                                                                                                                                                                                                                                                                                                                                                             |
| <b>Company registration number</b>                     | 08359958                                                                                                                                                                                                                                                                                                                                                         |
| <b>Charity registration number</b>                     | 1152152                                                                                                                                                                                                                                                                                                                                                          |
| <b>Members of the board</b>                            | Mrs Caroline Rosemary Darby-Jenkins<br>Mrs Gabrielle Mary Gray<br>Mrs Katherine Mary Jones (resigned 14 August 2023)<br>Mrs Joy Elizabeth Malyon<br>Mr David Harvey Taylor (resigned 31 March 2023)<br>Mrs Caroline Louise Wigley (appointed 13 October 2022)<br>Mr Iain Williams (appointed 14 October 2022)<br>Mr Benjamin Mark Lloyd (appointed 19 June 2023) |
| <b>Secretary</b>                                       | Mrs Helen Elizabeth Breen (resigned 13 June 2022)                                                                                                                                                                                                                                                                                                                |
| <b>Registered office</b>                               | Sturts Farm<br>Three Cross Road<br>West Moors<br>Ferndown<br>BH22 0NF                                                                                                                                                                                                                                                                                            |
| <b>Auditor</b>                                         | PKF Francis Clark<br>Towngate House<br>2 – 8 Parkstone Road<br>Poole<br>BH15 2PW                                                                                                                                                                                                                                                                                 |
| <b>Bankers</b>                                         | NatWest<br>Ringwood branch<br>11 High Street<br>Ringwood<br>Hants<br>BH24 1BA                                                                                                                                                                                                                                                                                    |

# **Sturts Community Trust**

## **Board Report**

### **Year Ended 31 August 2023**

The board of Sturts Community Trust presents their report, and the audited financial statements of the registered provider for the year ended 31 August 2023.

#### **Directors of the board**

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

Mrs Caroline Rosemary Darby-Jenkins  
Mrs Gabrielle Mary Gray  
Mrs Katherine Mary Jones (resigned 14 August 2023)  
Mr Benjamin Mark Lloyd (appointed 19 June 2023)  
Mrs Joy Elizabeth Malyon  
Mr David Harvey Taylor (resigned 31 March 2023)  
Mrs Caroline Louise Wigley (appointed 13 October 2022)  
Mr Iain Williams (appointed 14 October 2022)

The purpose of this report is for Sturts Community Trust's Board to present audited financial statements for the year ended August 2023, which have been prepared in accordance with the Statement of Recommended Practice (SORP 2018).

#### **Principles**

Sturts Community Trust (SCT) aims to foster social and cultural wellbeing through mutual support (co-production) and community building out of respect for the uniqueness of each human being.

SCT works in agriculture, care and support, housing, education and the arts. We promote citizenship for all those involved in its activities. We believe that personal development, participation and the opportunity to contribute towards creating a healthy sense of belonging and purpose promotes wellbeing in both the individual and within the organisation.

The vision for Sturts Community Trust is for adults with additional support needs to 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 to the wider local community.

#### **Intention**

Our intention is to create a welcoming, lively, social and cultural centre linking with West Moors in Dorset. It enables 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.

#### **Sturts Community Trust's focus and key activities**

**Care and Support:** A strong focus on gaining a consistent level of compliance in social care.

**Co-Housing:** Our neighbourhood model takes its direction from existing co-housing and community housing structures.

**Co-production:** Refocusing the social enterprise within the local community by establishing a vibrant farm shop and reinvigorating a neglected farm.

**Learning and practice:** A process of increasing professionalism and reflective learning culture through the development of a skills-based training in social pedagogy.

#### **Summary of the main activities**

##### **Care Together**

The Care Together team supports people in their own homes in all activities of daily living. Combining the principles of social pedagogy and active support, the team supports 26 people in six different and

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inclusive neighbourhoods. Due to the nature of the co-housing community, the team organically becomes part of the extended community and integrated fully into the lives of the people they support.

Registered with the CQC to deliver personal care, the Care Together team places a strong emphasis on rhythm and routines of the day, week and year. This includes healthy home-cooked food and shared meals, a tidy and welcoming home, and the security of long-term, supportive relationships.

**Day Service at Sturts Farm and Gullivers Farm, Shop & Kitchen**

The Day Service is at the centre of our social enterprise. This programme designed to develop skills and encourage personal development. We focus on working in teams, while also taking into account the specific needs of an individual and providing 1:1 support where required.

**Gullivers Farm, Shop & Kitchen**

Gullivers Farm Shop first opened in October 2015. The mission was to provide our customers with top quality, seasonal and local produce. It might be made or grown by us or sourced from the best local farmers, producers and growers.

**Sturts and Gullivers farming team**

Sturts and Gullivers' land is farmed using Biodynamic/Organic methods, certified by Demeter. Biodynamic/Organic methods seek to maximise the health and wellbeing of the soil, animals, food and people. Biodynamic agriculture and food production is a special type of ecological farming, with extra responsibilities regarding animal welfare, closed nutrient cycles and ecology.

Our method of regenerative farming means there is no need for the multitude of chemicals that modern farming relies upon. We simply revert to ploughing and weeding instead. It means topsoil and subsoils on our land become healthier, aerated, and living.

**Market Garden workshop**

At Sturts Community Trust we work with nature to grow high quality seasonal produce throughout the year. This is farmed on a rotation system where the farm is seen as a whole organism.

Our team is formed of paid employees, volunteers and Companions, who work together to grow a wide variety of organic/biodynamic fruit, vegetables, salad leaves and herbs for local pubs and restaurants and provide the local community from our farm shop. The Gullivers Deli Kitchen bases menus around what is being grown in our Market Garden and is usually harvested in the morning it arrives in the shop and on your plate in the café.

**Clover Co-Housing**

We have a number of community housing schemes, known as Clover Co-housing Housing. These are located on two farm sites, Sturts and Gullivers, and within the local West Moors community.

Clover Co-housing Housing is arranged into six small mixed neighbourhoods with accommodation, ranging from one bedroom to five-bedroomed properties. Four neighbourhoods are on Sturts Farm, and one is on the adjoining farm, Gullivers. The other is in West Moors. Each neighbourhood house between 10 and 17 people, including those with additional support needs, where communication will need to be adapted in order to be truly inclusive.

**Reflection and reconnection**

**Celebrating 40 years of Sturts Community Trust**

The year started with a special gathering to celebrate the charity's 40<sup>th</sup> Birthday. The idea for the celebration was initiated by Norrie Crader, mother of Danny. She was instrumental in not only purchasing the farm, but also supporting this impulse of shared working and family life. True inclusion before inclusion was even a word.

This gathering marked an important milestone in our organisation's journey. People travelled from far and wide to attend. Even those dating back to the beginning of Sturts Community Trust.

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Ulf Nillson from Sweden and Nicky and Pip Molnar travelled from Scotland; three people responsible for the early pioneering days. They purchased the first animals, learned how to farm together, building experience and skills along with the Companions.

### **Sharing memories**

After welcoming everyone with open arms, the merriment began. Songs were sung, poems read and stories told. All interspersed with beautiful chamber music, giving time for reflection between each contribution.

One particular song, written by the current mothers within the community, was performed around the community pram. This is a pram that has been pushed around the farm for much of these past 40 years. By the mothers and those Companions who supported the care of their children. The song detailed how everyone in community life changes and develops, but the special place that children in the history and memories of Companions remains.

### **Community spirit**

Throughout our 40<sup>th</sup> birthday celebrations it became clear that a strong sense of belonging and place have been embedded since the beginning. Our shared endeavour, the depth of relationships and shared memories flowed back into the community.

We were reminded that what is carried today was laid down at the beginning. It was uplifting to see how much had been retained, treasured and carried forward with the new forms that have been established. Shared relationships and mutual support being the key.

### **A year in review**

#### **Care Together**

This year the Care Together team has had to adapt to a new structure to accommodate the maternity leave of the current service manager. Increasing shared management time to support Registered Managers enabled them to step up and take increased responsibility for compliance.

The difficulty with recruitment, previously highlighted as a major risk to the charity, has continued to be closely monitored. However, this year saw a significant reduction in risk. The acknowledgement by central government that Social Care requires skilled workers, and there is a national shortage, enabled Sturts Community Trust to recruit from a large pool of previous international volunteers.

Reaching full employment, with an influx of new and returning carers has had a significant positive impact on morale. The time spent by managers constantly trying to cover rotas has diminished to the point where it can be delegated back to those delivering care in each setting.

### **Solid foundations**

Now that Care Together is fully staffed, the cohort now has the ability and the forum to focus on learning, reflection and application of skills within stable teams. This is largely thanks to the trust reaching full employment, but the introduction of a formal learning programme in Social Pedagogy has also been a key contributor to this.

#### **The Social Pedagogy – Community of Practice – has been directly responsible for:**

- Delivering a monthly newsletter. Both recording the activities of the previous month and informing of events on the horizon. Requested by families, this digital tool has also aided communication. The monthly newsletter shows how busy our community is in both work, play and celebrations, and is keenly read by everyone in the community.
- Organising festivals and community gatherings
- Discussing practice and therapeutic approaches that have an impact on how people are supported

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consistently in a way that helps them being engaged.

- Developing an active support culture within the Care Together team. Sharing successes and encouraging each other.

**A sense of pride**

It feels like true professionalism has returned. We now have a fully resourced, highly motivated support team who carry the values of the community.

The digital care system continues to underpin the delivery of consistent care practices. The support team have also been engaged in the support of a person with terminal cancer, and have adapted well to her need for both physical and emotional care.

The Care Together team at 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 organisation 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.



# Sturts Community Trust Board Report Year Ended 31 August 2023

## Social Enterprise: Gullivers Farm, Shop and Kitchen

The year began with the need to take an immediate decision to go ahead with the planned changes to Gullivers Farm, Shop & Kitchen. Over the past few years, the Farm Shop has continued to develop in a number of directions: café, farm produce, and cultural events. However, this success left it overstretched in an environment that could no longer easily accommodate those we support.

It was decided to reduce the various functions, concentrating more fully in delivering a high-quality café using farm-based produce. The Farm Shop size and selection of produce was to be reduced until a more substantial development is possible.

The kitchen developments, while expensive, has provided the team with both the space and equipment to promote the involvement of those we support. This increased ability to focus on skills has benefited a number of people who, over time, have found a real purpose delivering a high-quality menu to customers (as documented on the [Gullivers' blog](#)).



The Kitchen renovations and new seasonal menus – combined with the hiring out and use of the Wellness Yurt for wellbeing and other related events – has resulted in a further expansion of the Gullivers loyal customer base.

The Social Enterprise team has also strengthened connections within the local community by developing special moments of inclusion for seasonal events and well attended volunteer work days.

The Great Winter Get Together, hosted in January 2023, was a free community event featuring live music, woodland work, art projects, wellness workshops and a community lunch.

Summer saw the PYO sunflower event encouraging visitors to connect with the land and buy sunflowers from the farm in August.

Autumn saw the fruition of the Pumpkin Seed Planting project too. Back in the summer, the Gullivers team invited local school children to visit the farm and plant pumpkin seeds with the teaching team. It was an opportunity for us to work with the community and share our knowledge. For the children it was about gaining hands-on learning opportunities beyond the classroom, fostering a connection with nature and teaching them about the importance of sustainable farming practices.

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The local school children took some seeds away to grow themselves. At the end of the growing season they had a pumpkin festival at school with the vegetables they had helped to grow. Together we turned their pumpkins into soup.



“Projects like these hold immense importance... they provide meaningful experiences that go beyond traditional classroom learning.” – **Headteacher, Roy Sewell**

“It was so fun and we learnt lots! I liked getting my hands dirty.” – **Poppy, student**

“I loved it! I enjoyed mushing up the clumpy dirt and seeing how big the pumpkin seeds were.” – **Bella, student**

Following this, the Social Enterprise team hosted a PYO pumpkin event for the wider community, further bolstering attendance and generating revenue for the food trailers, shop and café.

**Farm & Market Gardening Team**

Two further projects remain in their infancy, yet offer great potential. With the market garden, a connection to a London-based herbalist Zen Maitri has resulted in a contract to grow herbal plants. This year we started growing Calendula, Yarrow and Chamomile.

The challenge for the team was to work on an effective method of drying the herbs on a larger scale. A real positive is that the picking and drying of flowers has been enjoyed and is a task most people can perform. The resulting product is of the highest quality.

On the farm, the induction of Kunekune pigs has been tricky, given the lack of available organic stock nationally. Our intention is to carry on the process in the coming year.

The view is that the breed fits well into our farm organism. The pigs live well next to the cows and graze rather than root. They are known for their friendly nature and are easier to handle. Meanwhile, the meat has a nuttiness and is ideal for sausages, bacon and charcuterie.

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We currently have a sow, a boar, a gilt and two piglets bought in from two suppliers. The aim will be to start breeding this coming year.

**Art Studio**

The Art Studio is a new workshop, part of a wider goal to develop a more extensive cultural life. Its task is to hold a direct relationship between the community and express it through art.

It's proving to be a very practical endeavour so far. The team has worked on a number of projects, from signs, theatre props and design aspects for social media. They have also picked and dried the flowers, made small candles for the tables and mini shortbread biscuits decorated with herbs to accompany the coffee in the Farm Shop.

Art is also used as a tool to capture the inclusiveness of our development plans, thanks to a member of our team who is particularly accomplished in graphic arts.



**Little Elves & Fairies Woodland Nursery**

This year saw a partnership with a local childcare provider to create a beautiful new nursery school that looks after children in the community in addition to local children. It establishes the charity's duty of care to the children who live here, and the commitment that they will have adequate care and support to be fully engaged in community life in a safe way.

The Little Elves & Fairies Woodland Nursery project was developed out of operational funds and has so far been a great success. The partnership also enables two people with additional needs to be supported to take part in caring for the children. It is something very dear to their hearts and is another great example of how the charity develops truly inclusive provision.



### **The 7-Year Plan: An update on progress**

Last year we worked on sketching out the directions of developments over the next 7 years. The new plan focused on consolidating the vision of Sturts Community Trust's first 7 years with three main projects: Ikigai Project, Gullivers Farm, Shop and Kitchen expansion and the Farmyard Project.

Each project seeks to broaden the appeal and accessibility of Sturts Community Trust in the local area, while continuing to meet the needs of our living community and developing a much-needed cultural centre for supporting the arts. Project teams are inclusive and meetings to review progress are held once every three months.

### **The 7-Year Plan: Year one**

The first year of our plans focused on engaging the community in the three projects to clarify our aims, prioritise our actions and getting them underway.

#### **1: Ikigai Project**

A residential neighbourhood that includes people with increased mobility/care needs and an adjoining childcare provision.

This year saw the project team clarify the brief of the project, research other projects and talk to all stakeholders – including carers, Companions, family members and trustees.

A tender process to choose and appoint architects was achieved and an outline masterplan of the farmyard completed. A grant from Camphill Scotland helped fund the first steps.

The next year will see the completion of the design, costing the overall project, and the submission of a planning application.

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**2: Gullivers Farm, Shop & Kitchen**

The first stage of this project – conversion of the existing shop into being primarily a café – is complete. The second stage will focus on rebuilding the existing dilapidated barn and making a purpose-built and accessible Farm Shop with increased space. It will allow for increased involvement of those with additional needs in the retail setting. The plan will include a design for Phase 3, which will be two 2-bedroom flats.

Inclusive meetings have been held to focus on the provision and these were documented using graphic facilitation. Advice has been sought on the location, and size of the building, as well as vehicle access.

The next year will see the continued development of monthly events that become embedded in the local community, giving them access to the farming year, supported by a consistent social media strategy. We will also focus on the siting of the new shop and parking, in addition to the costing of the overall project.

**3: The Farmyard Project**

This project looks at establishing the Farmyard as a more accessible environment for those we support. The Farmyard project is also now considered as part of the master plan for the site following the appointment of architects for the Ikigai Project. The new residential build has been located to accommodate the planned usage. An integrated Arts-based extension will also be added to the existing provision.

The first stage of this project is complete, with the formation of an arts team of illustrators, craftspeople, singers and actors. Various inclusive meetings have taken place, recorded using graphic facilitation.

The coming year will see the implementation of a Farm service specification, so that the size and positioning of new barns can be agreed. Polytunnels will be moving into this area. The team will then work to establish a set planting plan to meet the needs of events, vegetable and flower production.

Work will also be getting underway of establishing a working shed for the garden team that includes a tea break area and toilets. For us, a sustainable future is not only how we look after the land, but also extended to how we live our lives. Including how we look after the vulnerable in society.

**Clover Co-housing, part of Sturts Community Trust Housing Association.**

The co-housing community is very stable, with only one change in long-term accommodation. This meant the level of voids were zero. The community is healthy and participation is high. Community meetings are well attended and have resulted in the community becoming involved in helping to organise events.

The community continues to grow, with the arrival of five more children. In addition to the Sturts Community Trust's 40<sup>th</sup> birthday, we also had a community wedding and hosted a community play at Easter. The performance was well attended, and the commitment of the cast from both the community and the Social Enterprise team was commendable.

**Tackling issues swiftly**

There was incident of unsociable behaviour, following a safeguarding accusation against a community member. This was fully investigated, and the person was given a warning as well as some strict guidance over the use of language.

**Repairs and improvements**

Planned maintenance focused on the window replacement to two houses, and an overhaul of the community sewage treatment system. There were no complaints and all policies were reviewed and updated.

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A project to research digital housing management systems was undertaken, and a new system will be implemented next year that seeks to increase the participation of community members, giving valuable information on the responsiveness of maintenance.

A new risk assessment on the funding of planned maintenance was undertaken. All properties were deemed to comply with the Good Homes criteria, with no predicted problems within the next five years.

In the next year, Sturts Community Trust will commission further financial modelling on the funding of the maintenance programme long-term. Senior managers are also enrolled on Level 5 training in Housing Management.

**Value for Money statement**

**2022-2023 review**

Sturts Community Trust is a small, registered provider of specialist housing, supplying supported living within the context of a co-housing model.

Its vision is centred on the concept of living connected lives. It is this connection between people, and part of the organisation, that aims to achieve higher levels of quality within the constraints of the available finance.

SCT has a proven track record in fundraising, which has enabled its high quality building for low levels of loan finance. This success is based on the outcomes for the people involved in the project. Therefore, all projects involve people from all levels of the organisation, so that the end result is something that fits with the needs of those that use it.

**Governance and plans to develop**

The culture within our Board reflects that of the whole organisation. The Board will consider all projects in the context of the history and charitable goals of the Community. It contains skills and knowledge from a wide range of backgrounds to ensure both the operational plans and development projects are well managed.

All projects require a robust business case that considers Value for Money and clearly defined benefits for those whom the charity supports.

The benefit of being a small, well-connected Community is that Board members have been able to see and be involved in the nature of decision making.

Developments are based on improving the quality of people's lives, rather than increasing market share. Decisions are made balancing commercial pressures, maintaining the Community ethos and responding to the ever-present demand for services.

The new 7-Year Plan is therefore 'our' plan for our setting and 'we' will work on achieving it together. It is this working together, detailed in our agreements, which delivers high-quality projects at a reasonable cost.

The trustees have undertaken a Governance review and will be implementing a new meeting structure by delegating a set of committees for the three main activities of the trust.

**How we look after our properties**

Sturts Community Trust's Co-Housing Community works through its inclusive neighbourhoods to manage maintenance needs. Maintenance plans are devised through monthly neighbourhood meetings and a three-monthly walk-through audit undertaken by the person responsible for Neighbourhood Liaison and a neighbourhood representative. Building schedules are reviewed and monitored through a monthly Co-Housing Management meeting attended by Community members.

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SCT's approach to maintenance is to use good quality materials that can cope with heavy usage. It operates a preferred contractor system of firms that can prove they can deliver quality and responsible work practices that benefit those we support. Annual reviews of the list of contractors are undertaken and, periodically quotes are sought from other contractors to check market value.

SCT is committed to sustainable purchases in maintaining property and is committed to reducing utility costs for both Community members with additional needs and those on low incomes. Therefore, the quarterly committee meetings focus on well-prepared budget forecasts balanced against quality outcomes.

**Management team**

The focus of our management approach is to get a higher level of engagement from Community members. In order to achieve this, higher level of housing management are required to enable those with additional needs to be fully involved in the life of the Community. However, this is offset by low levels of voids, disputes and complaints.

**New supply**

There was no supply of new housing in this year.

Sturts Community Trust, as a Co-Housing Community, has limited capacity to expand housing due to maintaining an ethos of connected decision making and restrictions of planning in the greenbelt. Therefore, the 7-Year Plan details one further residential development to be completed in 2026, adding 15% to existing supply

**Re-investment**

The small nature of the Co-Housing and new development has had a big impact on the percentage of re-investment. This can be seen by the change in figures between 2020 at 12.77%, 2021 at 21.36%, 2022 at 0.67% and 2023 at 1.93%.

However, this said, the amount re-invested remains high. This is attributable to the change in model of service provision and the conversion of larger shared housing into smaller, self-contained units with shared facilities. Work continues in this respect, and it is deemed necessary in responding to Good Practice criteria detailed by Care Quality Commission.

**Right support – Right care – Right culture**

October 2020

**Gearing**

Sturts Community Trust has made it a policy term that the charity will not exceed the current gearing level of 10.81% and this policy will underpin future development decisions.

**Operating Margin**

Sturts Community Trust has opened a series of interest-bearing accounts and has developed and ratified an Investment Policy.

Sturts Community Trust will include in all cyclical maintenance an assessment of sustainability, insulation, and renewables.

SCT will commission further financial modelling on the funding of the maintenance programme long-term.

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| <b>Value for Money Metrics</b>                                                                                      | <b>2023</b>                                                        | <b>2022</b>                                                        |
|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------------------------|
| Metric 1 – Reinvestment %                                                                                           | 1.93%                                                              | 0.67%                                                              |
| Metric 2 – New supply delivered %                                                                                   | 0% for social housing units<br><br>0% for non-social housing units | 0% for social housing units<br><br>0% for non-social housing units |
| Metric 3 – Gearing %                                                                                                | 8.11%                                                              | 6.68%                                                              |
| Metric 4 – Earnings before interest, depreciation, amortisation, major repairs included (EBITDA MRI) Interest Cover | 1.90                                                               | 0.78                                                               |
| Metric 5 – Headline social housing cost per unit                                                                    | £22,930                                                            | £18,056                                                            |
| Metric 6 – Operating Margin %                                                                                       | 36.77% for social housing units<br><br>2.00% total                 | 43.92% for social housing units<br><br>5.55% total                 |
| Metric 7 – Return on capital employed (ROCE) %                                                                      | 0.85%                                                              | 2.04%                                                              |

### **Financial review**

We are able to report a surplus the year ended 31 August 2023 of £60,913 (2022: £170,852).

### **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. 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 free reserves of £242,295 (2022: £222,905) in free reserves at the year-end (calculated by deducting the net book value of fixed assets excluding 'land and buildings' of £92,361 (2022: £114,194) (see note 10) which are not covered by designations or restrictions, from the general unrestricted fund balance of £334,656 (2022: £337,099) (see note 18)). 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 19 day'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.

### **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.

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**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.
- Increased inflation and impact on costs..

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.

**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 5<sup>th</sup> 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 23<sup>rd</sup> 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.

**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.

**Sturts Community Trust**  
**Board Report**  
**Year Ended 31 August 2023**

**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.

**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.

**Compliance with Governance and Financial Viability Standard**

The Board confirms that Sturts Community Trust Housing Association complies with the requirements of the Governance and Financial Viability Standard 2020, and has adopted and applied the recommended practice of the Charity Governance Code for Larger Charities.

**Sturts Community Trust**  
**Board Report**  
**Year Ended 31 August 2023**

**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 2023. 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 26 February 2024 and signed on its behalf by:

Mrs Caroline Rosemary Darby-Jenkins

**Sturts Community Trust  
Independent Auditor's Report  
Year Ended 31 August 2023**

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

**Opinion**

We have audited the financial statements of Sturts Community Trust (the company) for the year ended 31 August 2023 which comprise Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Reserves, 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 company's affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022.

**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 2023**

**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 company 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 16, 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 2023**

In preparing the financial statements, the board is responsible for assessing the 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 in 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.

Reviewed filings with Companies House and The Charity Commission and whether there were any serious incident reports made during the year.

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.

Audited the risk of management override of controls, including through testing journal entries and

**Sturts Community Trust  
Independent Auditor's Report  
Year Ended 31 August 2023**

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](http://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.

Chloe Mills FCA  
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: 27 February 2024

**Sturts Community Trust**  
**Statement of Comprehensive Income (Including Income and Expenditure Account)**  
**Year Ended 31 August 2023**

|                                                |      | <b>2023</b>   | <b>2022</b>    |
|------------------------------------------------|------|---------------|----------------|
|                                                |      | <b>Total</b>  | <b>Total</b>   |
|                                                | Note |               | £              |
| <b>Turnover</b>                                |      | 3,053,040     | 2,929,763      |
| Cost of sales                                  |      | (2,992,127)   | (2,750,453)    |
| <b>Operating (deficit) / surplus</b>           |      | <u>60,913</u> | <u>179,310</u> |
| Gains / (losses) on investment assets          | 4    | -             | (8,458)        |
| <b>Total comprehensive income for the year</b> |      | <u>60,913</u> | <u>170,852</u> |

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 26 February 2024 and signed on behalf of the board by:

Mrs Caroline Rosemary Darby-Jenkins

The notes on pages 25 to 37 form part of these accounts.

**Sturts Community Trust**  
**Balance Sheet**  
**Year Ended 31 August 2023**

**Company registration number: 08359958**

|                                                                | Note | <b>2023</b><br><b>£</b> | <b>2022</b><br><b>£</b> |
|----------------------------------------------------------------|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                            |      |                         |                         |
| Tangible fixed assets                                          | 9,10 | 7,347,701               | 7,292,694               |
|                                                                |      | <hr/> 7,347,701         | <hr/> 7,292,694         |
| <b>Current assets</b>                                          |      |                         |                         |
| Stocks                                                         |      | 60,610                  | 66,024                  |
| Debtors                                                        | 12   | 249,508                 | 165,891                 |
| Investments                                                    | 13   | 604                     | 604                     |
| Cash at bank and in hand                                       |      | 514,237                 | 615,724                 |
|                                                                |      | <hr/> 824,959           | <hr/> 848,243           |
| <b>Creditors: amounts falling due within one year</b>          | 14   | (179,894)               | (190,370)               |
| <b>Net current assets / (liabilities)</b>                      |      | <hr/> 645,065           | <hr/> 657,873           |
| <b>Total assets less current liabilities</b>                   |      | <hr/> 7,992,766         | <hr/> 7,950,567         |
| <b>Creditors: amounts falling due after more than one year</b> | 15   | (855,316)               | (874,030)               |
| <b>Total net assets / (liabilities)</b>                        |      | <hr/> 7,137,450         | <hr/> 7,076,537         |
| <b>Reserves</b>                                                |      |                         |                         |
| Unrestricted funds                                             | 18   | 7,137,450               | 7,076,537               |
| Restricted funds                                               | 18   | -                       | -                       |
| <b>Total Reserves</b>                                          |      | <hr/> 7,137,450         | <hr/> 7,076,537         |

The financial statements were approved and authorised for issue by the Board on 26 February 2024 and signed on behalf of the board by

Mrs Caroline Rosemary Darby-Jenkins

The notes on pages 25 to 37 form part of these accounts.

**Sturts Community Trust**  
**Statement of Changes in Reserves**  
**Year Ended 31 August 2023**

|                                              | General<br>unrestricted fund | Restricted<br>fund | Designated<br>unrestricted<br>fund | Total            |
|----------------------------------------------|------------------------------|--------------------|------------------------------------|------------------|
|                                              | £                            | £                  | £                                  | £                |
| <b>At 1 September 2021</b>                   | 186,301                      | -                  | 6,719,384                          | 6,905,685        |
| Surplus / (deficit) for the<br>year          | 150,798                      | -                  | 20,054                             | 170,852          |
| <b>Total comprehensive<br/>income</b>        | <u>150,798</u>               | <u>-</u>           | <u>20,054</u>                      | <u>170,852</u>   |
| <b>At 31 August and 1<br/>September 2022</b> | 337,099                      | -                  | 6,739,438                          | 7,076,537        |
| Surplus / (deficit) for the<br>year          | (2,443)                      | -                  | 63,356                             | 60,913           |
| <b>Total comprehensive<br/>income</b>        | <u>(2,443)</u>               | <u>-</u>           | <u>63,356</u>                      | <u>60,913</u>    |
| <b>At 31 August 2023</b>                     | <u>334,656</u>               | <u>-</u>           | <u>6,802,794</u>                   | <u>7,137,450</u> |

The notes on pages 25 to 37 form part of these accounts.

**Sturts Community Trust**  
**Statement of Cash Flows**  
**Year Ended 31 August 2023**

|                                                               | Note | 2023<br>£        | 2022<br>£ |
|---------------------------------------------------------------|------|------------------|-----------|
| <b>Cash flow from operating activities</b>                    | 19   | <b>73,233</b>    | 456,670   |
| <b>Net cash flow from operating activities</b>                |      | <b>73,233</b>    | 456,670   |
| <b>Cash flow from investing activities</b>                    |      |                  |           |
| Purchase of tangible fixed assets                             |      | (97,079)         | (33,591)  |
| Receipts from sale of tangible fixed assets                   |      | -                | -         |
| Interest receivable and similar income                        |      | -                | 140       |
| <b>Net cash flow from investing activities</b>                |      | <b>(97,079)</b>  | (33,451)  |
| <b>Cash flow from financing activities</b>                    |      |                  |           |
| Advances/ Repayment of loans and borrowings                   |      | (21,953)         | (9,995)   |
| Interest payable and similar charges                          |      | (55,688)         | (28,951)  |
| <b>Net cash flow from financing activities</b>                |      | <b>(77,641)</b>  | (38,946)  |
| <b>Net increase / (decrease) in cash and cash equivalents</b> |      | <b>(101,487)</b> | 384,273   |
| <b>Cash and cash equivalents at 1 September 2022</b>          |      | <b>615,724</b>   | 231,451   |
| <b>Cash and cash equivalents at 31 August 2023</b>            |      | <b>514,237</b>   | 615,724   |
| <b>Cash and cash equivalents consists of:</b>                 |      |                  |           |
| Cash at bank and in hand                                      |      | <b>514,237</b>   | 615,724   |
| <b>Cash and cash equivalents at 31 August 2023</b>            |      | <b>514,237</b>   | 615,724   |

The notes on pages 25 to 37 form part of these accounts.

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**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 2022. 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.

**(d) 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.

Housing and other property was transferred in at fair value on 1 September 2013 and has not been depreciated this year because the trustees consider the expected residual value at the year end and at the end of its useful life is likely to be higher than the carrying value. The trustees have considered whether any impairment has occurred and are not aware of any events or matters (such as damage or exceptional deterioration, properties are maintained in a sound state of repair) that would require a write down against the carrying value of any particular properties.

**(e) 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 |

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**(f) 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.

**(g) 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.

**(h) Current asset investments**

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

**(i) 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).

**(j) 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.

**(k) 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.

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**(l) 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.

**(m) 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.

**(n) 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.

**(o) Turnover and other income**

Turnover represents income from the various activities undertaken by the company. 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.

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.

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

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.

**(p) 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.

**(q) 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.

**(r) 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.

**Sturys Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

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.

**(s) 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, cost of living crisis, future uncertainty and the impact on the association's operations and finances in the short to medium term. In the opinion of the board, 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 for the association to be able to continue as a going concern.

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

The association has not provided information required by part 1 of the Accounting Direction for Social Housing in England 2022 on the grounds that it is small.

**3 Social housing turnover and costs**

|                                                              | <b>2023</b>      | <b>2022</b> |
|--------------------------------------------------------------|------------------|-------------|
|                                                              | <b>£</b>         | <b>£</b>    |
| Rents receivable excluding service charges                   | <b>492,294</b>   | 446,581     |
| Service charges receivable                                   | <b>198,631</b>   | 180,482     |
| Revenue grants receivable                                    | -                | 48,361      |
| Capital grants receivable                                    | -                | -           |
| Social housing activity expenditure                          | <b>(664,966)</b> | (523,619)   |
| Operating surplus / (deficit) from social housing activities | <b>413,346</b>   | 469,973     |
| Net surplus / (deficit) from social housing activities       | <b>(62,150)</b>  | 16,784      |
| Void losses                                                  | -                | -           |

**Accommodation owned**

|                  | <b>Number of<br/>units at<br/>31 August<br/>2023</b> | <b>Number of<br/>units at<br/>31 August<br/>2022</b> |
|------------------|------------------------------------------------------|------------------------------------------------------|
| Completed units: |                                                      |                                                      |
| - Social Housing | <b>29</b>                                            | 29                                                   |
|                  | <b>29</b>                                            | 29                                                   |

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**4 Gains on investment assets**

|                                              | <b>2023</b><br><b>£</b> | 2022<br><b>£</b> |
|----------------------------------------------|-------------------------|------------------|
| Gains/(losses) on revaluation of investments | -                       | (8,458)          |
|                                              | <hr/> -                 | <hr/> (8,458)    |
|                                              | <hr/>                   | <hr/>            |

**5 Surplus / (deficit) on ordinary activities**

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

|                                                                            | <b>2023</b><br><b>£</b> | 2022<br><b>£</b> |
|----------------------------------------------------------------------------|-------------------------|------------------|
| Auditor's remuneration (including expenses and benefits in kind) for audit | <b>20,305</b>           | 17,550           |
| (Profit)/loss on disposal of tangible fixed assets                         | -                       | -                |
| (Gain)/loss on revaluation of investments                                  | -                       | 8,458            |
| Depreciation of fixed assets                                               | <b>42,072</b>           | 34,551           |
|                                                                            | <hr/>                   |                  |

**6 Auditor's remuneration**

|                                                                                                              | <b>2023</b><br><b>£</b> | 2022<br><b>£</b> |
|--------------------------------------------------------------------------------------------------------------|-------------------------|------------------|
| Fees payable to the Registered Provider's auditor for the audit of the Registered Provider's annual accounts | <b>20,305</b>           | 17,550           |
|                                                                                                              | <hr/>                   |                  |
| Fees payable to the Registered Provider's auditor for services other than those of external audit            | <b>4,284</b>            | 4,686            |
|                                                                                                              | <hr/>                   |                  |
|                                                                                                              | <b>24,589</b>           | 22,236           |
|                                                                                                              | <hr/>                   |                  |

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**7 Board and key management personnel remuneration**

The total remuneration for key management personnel amounted to £54.8k (2022 - £45.6k).

**8 Staff costs**

The average number of employees, including members of the executive team, calculated on a full-time equivalent was 45 employees (2022 – 42).

The aggregate remuneration of such employees was as follows:

|                       | <b>2023</b><br><b>£</b> | 2022<br>£        |
|-----------------------|-------------------------|------------------|
| Wages and salaries    | <b>1,061,007</b>        | 1,124,195        |
| Social security costs | <b>78,946</b>           | 78,655           |
| Pension costs         | <b>19,043</b>           | 18,304           |
| Redundancy costs      | -                       | 3,843            |
|                       | <b><u>1,158,996</u></b> | <u>1,224,997</u> |

**9 Tangible fixed assets – housing properties**

|                     | Land and<br>buildings | Assets<br>under<br>construction | Total            |
|---------------------|-----------------------|---------------------------------|------------------|
|                     | £                     | £                               | £                |
| Cost:               |                       |                                 |                  |
| At 1 September 2022 | 4,544,544             | -                               | 4,544,544        |
| Additions           | 19,200                | -                               | 19,200           |
| Transfers           | -                     | -                               | -                |
| At 31 August 2023   | <u>4,563,744</u>      | <u>-</u>                        | <u>4,563,744</u> |
| Net book value:     |                       |                                 |                  |
| At 31 August 2023   | <u>4,563,744</u>      | <u>-</u>                        | <u>4,563,744</u> |
| At 31 August 2022   | <u>4,544,544</u>      | <u>-</u>                        | <u>4,544,544</u> |

The net book value of land and buildings comprised:

|                     | <b>2023</b><br><b>£</b> | 2022<br>£        |
|---------------------|-------------------------|------------------|
| Land and buildings: |                         |                  |
| Freehold            | <b><u>4,563,744</u></b> | <u>4,544,544</u> |
|                     | <b><u>4,563,744</u></b> | <u>4,544,544</u> |

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**10 Tangible fixed assets – other**

|                     | Land and<br>buildings<br>£ | Furniture<br>and fittings<br>£ | Motor<br>vehicles<br>£ | Tools and<br>equipment<br>£ | Total<br>£       |
|---------------------|----------------------------|--------------------------------|------------------------|-----------------------------|------------------|
| Cost or valuation:  |                            |                                |                        |                             |                  |
| At 1 September 2022 | 2,633,956                  | 203,073                        | 60,593                 | 73,595                      | 2,971,217        |
| Additions           | 68,727                     | -                              | 9,152                  | -                           | 77,879           |
| At 31 August 2023   | 2,702,683                  | 203,073                        | 69,745                 | 73,595                      | 3,049,096        |
| Depreciation:       |                            |                                |                        |                             |                  |
| At 1 September 2022 | -                          | 159,804                        | 23,667                 | 39,596                      | 223,067          |
| Charge for the year | -                          | 23,664                         | 11,520                 | 6,888                       | 42,072           |
| At 31 August 2023   | -                          | 183,468                        | 35,187                 | 46,484                      | 265,139          |
| Net book value:     |                            |                                |                        |                             |                  |
| At 31 August 2023   | 2,702,683                  | 19,605                         | 34,558                 | 27,111                      | 2,783,957        |
| At 31 August 2022   | 2,633,956                  | 43,269                         | 36,926                 | 33,999                      | 2,748,150        |
| Total fixed assets: |                            |                                |                        | <b>2023</b><br>£            | <b>2022</b><br>£ |
| Housing properties  |                            |                                |                        | <b>4,563,744</b>            | 4,544,544        |
| Other               |                            |                                |                        | <b>2,783,957</b>            | 2,748,150        |
|                     |                            |                                |                        | <b>7,347,701</b>            | 7,292,694        |

**12 Debtors**

|                 | <b>2023</b><br>£ | <b>2022</b><br>£ |
|-----------------|------------------|------------------|
| Trade debtors   | <b>189,743</b>   | 114,663          |
| Accrued income  | <b>7,561</b>     | 20,051           |
| Other debtors   | <b>52,204</b>    | 26,406           |
| VAT recoverable | -                | 3,701            |
|                 | <b>249,508</b>   | 165,891          |

**Sturts Community Trust**  
**Notes to the Financial Statements**  
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**13 Current asset investments**

|                    | <b>2023</b> | <b>2022</b> |
|--------------------|-------------|-------------|
|                    | <b>£</b>    | <b>£</b>    |
| Listed investments | <b>604</b>  | 604         |
|                    | <b>604</b>  | 604         |

**14 Creditors: amounts falling due within one year**

|                                    | <b>2023</b>    | <b>2022</b> |
|------------------------------------|----------------|-------------|
|                                    | <b>£</b>       | <b>£</b>    |
| Bank loans                         | <b>35,537</b>  | 38,776      |
| Trade creditors                    | <b>39,584</b>  | 42,675      |
| Other loans                        | <b>2,000</b>   | 2,000       |
| Other taxation and social security | <b>21,656</b>  | 17,111      |
| Other creditors                    | <b>43,223</b>  | 69,079      |
| Accruals                           | <b>34,084</b>  | 11,375      |
| Deferred income                    | <b>3,176</b>   | 9,354       |
| VAT Liability                      | <b>634</b>     | -           |
|                                    | <b>179,894</b> | 190,370     |

**15 Creditors: amounts falling due after more than one year**

|             | <b>2023</b>    | <b>2022</b> |
|-------------|----------------|-------------|
|             | <b>£</b>       | <b>£</b>    |
| Bank loans  | <b>645,779</b> | 870,030     |
| Other loans | <b>209,537</b> | 4,000       |
|             | <b>855,316</b> | 874,030     |

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

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

**16 Leases**

Operating leases - lessee

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

|                                              | <b>2023</b>               | 2022               |
|----------------------------------------------|---------------------------|--------------------|
|                                              | <b>£</b>                  | £                  |
| Not later than one year                      | <b>9,132</b>              | 36,120             |
| Later than one and not later than five years | <b>4,623</b>              | 4,189              |
| Later than five years                        | <b>5,575</b>              |                    |
|                                              | <hr/> <b>19,330</b> <hr/> | <hr/> 40,309 <hr/> |

**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 £19,043 (2022 - £18,304).

Contributions totalling £4,562 (2022 - £3,715) 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 2023**

**18 Reserves**

**Reconciliation of movement in funds**

|                           | <b>Brought<br/>Forward<br/>01/09/2022</b> | <b>Income</b>    | <b>Expenditure</b> | <b>Transfers</b> | <b>Other<br/>Recognised<br/>Gains/ (Losses)</b> | <b>Carried<br/>Forward<br/>31/08/2023</b> |
|---------------------------|-------------------------------------------|------------------|--------------------|------------------|-------------------------------------------------|-------------------------------------------|
|                           | <b>£</b>                                  | <b>£</b>         | <b>£</b>           | <b>£</b>         | <b>£</b>                                        | <b>£</b>                                  |
| <b>Unrestricted Funds</b> |                                           |                  |                    |                  |                                                 |                                           |
| Unrestricted income fund  | 337,099                                   | 3,043,040        | (2,875,869)        | (169,614)        | -                                               | 334,656                                   |
| <b>Designated funds</b>   |                                           |                  |                    |                  |                                                 |                                           |
| Co-worker benevolent fund | 396,961                                   | -                | (18,239)           | 36,500           | -                                               | 415,222                                   |
| Co-worker social fund     | 51,332                                    | -                | (65,457)           | 14,125           | -                                               | -                                         |
| Property capital fund     | 6,268,583                                 | -                |                    | 118,989          | -                                               | 6,387,572                                 |
| Property development fund | 22,562                                    | -                | (22,562)           | -                | -                                               | -                                         |
| <b>Restricted funds</b>   |                                           |                  |                    |                  |                                                 |                                           |
| Property development      | -                                         | 10,000           | (10,000)           | -                | -                                               | -                                         |
|                           | <b>7,076,537</b>                          | <b>3,053,040</b> | <b>(2,992,127)</b> | <b>-</b>         | <b>-</b>                                        | <b>7,137,450</b>                          |

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

|                                       | <b>Brought<br/>Forward<br/>01/09/2021</b> | <b>Income</b>    | <b>Expenditure</b> | <b>Transfers</b> | <b>Other<br/>Recognised<br/>Gains/ (Losses)</b> | <b>Carried<br/>Forward<br/>31/08/2022</b> |
|---------------------------------------|-------------------------------------------|------------------|--------------------|------------------|-------------------------------------------------|-------------------------------------------|
|                                       | <b>£</b>                                  | <b>£</b>         | <b>£</b>           | <b>£</b>         | <b>£</b>                                        | <b>£</b>                                  |
| <b>Unrestricted Funds</b>             |                                           |                  |                    |                  |                                                 |                                           |
| Unrestricted income fund              | 186,301                                   | 2,929,763        | (2,740,091)        | (30,416)         | (8,458)                                         | 337,099                                   |
| <b>Designated funds:</b>              |                                           |                  |                    |                  |                                                 |                                           |
| Co-worker benevolent fund             | 357,328                                   | -                | -                  | 39,633           | -                                               | 396,961                                   |
| Co-worker social fund                 | 58,648                                    | -                | (10,362)           | 3,046            | -                                               | 51,32                                     |
| Property capital and revaluation fund | 6,281,408                                 | -                | -                  | (12,825)         | -                                               | 6,268,583                                 |
| Property development fund             | 64,000                                    | -                | -                  | 562              | -                                               | 22,562                                    |
|                                       | <b>6,905,685</b>                          | <b>2,929,763</b> | <b>(2,750,453)</b> | <b>-</b>         | <b>(8,458)</b>                                  | <b>7,076,537</b>                          |

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.

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.

**Sturts Community Trust**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2023**

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

|                                                    | 2023<br>£       | 2022<br>£ |
|----------------------------------------------------|-----------------|-----------|
| <b>Surplus / (deficit) for the year</b>            | <b>60,913</b>   | 170,852   |
| Depreciation                                       | <b>42,072</b>   | 34,551    |
| Investment income                                  | -               | (140)     |
| Finance costs                                      | <b>55,688</b>   | 28,951    |
| (Gains) / losses on investments                    | -               | 8,458     |
| (Profit)/loss on disposal of tangible fixed assets | -               | -         |
| (Increase)/ Decrease in stocks                     | <b>5,414</b>    | 27,317    |
| (Increase)/ Decrease in debtors                    | <b>(83,617)</b> | 209,683   |
| Increase/ (Decrease) in creditors                  | <b>(1,059)</b>  | (22,232)  |
| (Decrease)/Increase in deferred income             | <b>(6,178)</b>  | (770)     |
| <b>Net cash flow from operating activities</b>     | <b>73,233</b>   | 456,670   |

**20 Related party transactions**

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

**Reimbursed expenses**

**During the year reimbursed** expenses of £Nil (2022: £Nil) were paid to board members.

**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 £13,826 (2022 - £4,928). At the balance sheet date the amount due to/from Signpost HR Solutions was £3,504 (2022 - £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 (2022 - £200). At the balance sheet date the amount due to/from KT People Solutions Ltd was £Nil (2022 - £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 (2022 - £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 arm's length transaction.