

REGISTERED COMPANY NUMBER: 01294923 (England and Wales)

REGISTERED CHARITY NUMBER: 274192

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021
FOR**

THE PENNINE CAMPHILL COMMUNITY LIMITED



**Gibson Booth Limited
Statutory Auditor
12 Victoria Road
Barnsley
South Yorkshire
S70 2BB**

THE PENNINE CAMPHILL COMMUNITY LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 28
Detailed Statement of Financial Activities	29 to 31

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the charitable company is to provide education and care of young people who have learning difficulties and disabilities.

The charitable company enables and supports provision of care and learning opportunities for school leavers who have a learning disability and delivers access to further and continuing education.

The college offers Skills for Work and Life courses. These are individual learning plans based on aspirations of the young people who come to Pennine. This is underpinned by the 2014 Special Education and Needs (SEND) Code of Practice (latest amendment 2020), produced by the Department for Education and Department of Health and Social Care. Four key elements to the Skills for Work and Life are guided by Preparing for Adulthood (PFA), through:

1. Employment
2. Independent Living
3. Community Inclusion
4. Health

On site are residential houses, various workshops, two large halls and other learning spaces, including a working farm with a small animal care area, vegetable garden and orchard. A modern teaching block houses various craft workshops.

Students have a study programme that builds on their personal aspirations, including taking English and Maths skills further, and choosing external awards to support their progression routes. The study programmes have a focus on farming, gardening, retail options, creative crafts, hospitality and catering. All learning contributes to outcomes set in Individual Education, Health and Care Plans (EHCPs).

Employability is embedded into the curriculum, with meaningful work experience, internships and placements. There are also links to local day provision, further education and supported living.

All students are encouraged to attend the social and leisure facilities on offer, such as parties, festivals, concerts and drama.

Students can attend as a day student (full or part time) as well as residential options, including term-time or 52 week options. The residential options include a full leisure programme and there are wrap-around day services available to students and non-students through our day social care programme.

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities and performance

6 residential and 53 day learner places were provided during this accounting period. Of these 5 residential and 46 day places were Students funded by Education Funding agency payments with Local Authority top ups and 8 places (4 part time, 3 full time day and 1 residential) and were offered for post college Adult Learners. All adult learner places were funded by a mix of Local Authority social care payments and personal budgets.

The year saw the programme of supported internships continue and develop following the disruptions caused by the Covid pandemic, with the majority of our placements being based onsite. This has been a challenge, but the College continued to develop its outreach and networking with schools, specialist colleges and forging links within the local community in anticipation of an improvement in accessibility to external work experience. This will allow us to build on our previous good transition arrangements for students both in to and out of Pennine with external learning opportunities for work and independence skills.

In line with changes to commissioning places, the College now contracts with nine Local Authorities. Work with nearby authorities has been mostly maintained over the last year and there continues to be good working relationships with Rotherham, Barnsley and Kirklees and well developed local offer presence in Wakefield. Bradford and Calderdale have begun to commission again, and Leeds is a new commissioning authority.

The college operating costs were financed by learner fees through different sources including the Education Skills Funding Agency, Health and Social Service Departments and contributions from the students' personal budgets.

The college meets its revenue expenses and maintained repayments against a long-term bank loan which financed capital development costs. The Bank also provides an overdraft facility to cover cash flow shortfalls.

The company generated a surplus on ordinary activities of £337,847 during the 12 months of this accounting period. This is compared with a surplus of £79,879 generated in the 12 months ended 31 July 2020. At 31 July 2021 the company has a healthy balance sheet with net assets of £3,424,955.

The Charity was impacted by the initial lockdown phase of the Covid-19 pandemic and measures were taken to protect income and reduce expenditure. There are more details later in this report. At all times the site remained open and had a successful Covid secure restart in early June 2020 with a limited programme. The college returned to a full on-site provision in September 2020.

The Directors consider that satisfactory financial controls are in place. The company is well placed and resourced to continue providing its services into the foreseeable future.

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

FINANCIAL REVIEW

Reserves policy

The company will set priorities directing revenue surpluses to reducing its bank loan. This is to develop a reserve of working capital that will generate up to four months of the previous year's average running costs.

At the year end the company has no free reserves.

FUTURE PLANS

The Principal, William Taylor, retired in August 2021, after 35 years of dedicated service to the Pennine Community, having made a tremendous contribution to the life and success of the Community and its many residents and students. An interim Principal / CEO, with vast experience of leading and supporting SEND FE colleges provided a continuity of leadership, leading to the permanent appointment of a new CEO in January 2022.

The new CEO has led a thorough audit of the quality and scope of provision as part of a wider Trustee Strategic Review. There is substantial good practice, and feedback shows that students and residents value their time at Camphill Wakefield. The team has also identified opportunities to improve the depth and breadth of learning, residential facilities, the range of qualifications offered, as well as increased social care day services. The delivery of the points found in the Strategic Review will be implemented throughout 2022 and is already showing good returns.

Exciting new local and national partnerships are being developed to further extend the range and quality of learning opportunities, including augmenting supported routes to employment and other destinations. A partnership with Wakefield MDC, while continuing, was not progressed due to the COVID pandemic and will continue to remain under review into the next financial year.

The relationship with Wakefield Riding for the Disabled is being formalised during 2022 to raise quality of learning, collaboration and transition all services to a more sustainable format. This strategy has also been mindful of maximising the diversity of funding sources, which in turn mitigates Camphill Wakefield's reliance of any single funder.

Key strands to the Strategy have included:

- Increasing the breadth and depth of vocational and English & Maths accreditation;
- Increasing the social care day services offer, including holiday and wrap-around sessions;
- Refurbishing buildings to welcome more residential students back to the campus;
- Extending the employability and enterprise offer so that students are more able to move towards, or into, employment.

Admissions for 2022/23 are above the trajectory for last year, with regular enquiries for residential and social care places. Early projections are that Camphill Wakefield will operate at capacity for students, residents and day services for 2022/23.

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

FUTURE PLANS – CONTINUED

The Trustees' Strategic Review included a fundamental review of the land use and focus. In June 2020, a social farmer was appointed to take the land use into a more formal Social Farming approach. This will maintain the many learning opportunities that exist, but build on local non-profit connections around nutrition and the value of land activities, as well as developing a volunteer base and the therapeutic aspects of land work. The continuing COVID precautions have delayed the full impact of this initiative, however 2022 sees a return to effective use of the land. The majority of rented farm land has been handed back.

The COVID pandemic has also meant that some of the assets across the campus have been unused for a period of time. Therefore, the Strategic Review has identified a one-off spend requirement of £170,400 to bring three buildings back into service and a separate designated fund in respect of these expected costs has been set up during the year.

More widely, the COVID pandemic led to reduced student numbers on site, with others moving to remote learning. All students had regular welfare contact and families were offered support, including free school meals, where needed. Weekly packs were emailed or delivered to homes, and used our learning from the success of our staff portal to set up a student portal. This enabled students to be able to return work regularly, and also send in photos and communication diarising their learning activities within the home environment. We also utilised Zoom, which enabled students to virtually join their peers in session, allowing them to engage socially and maintain regular interactions. However, home learning presented additional challenges for our student cohort. Many students struggled with completing college work at home and mixing the two very separate environments. We overcame this by providing practical, hands-on work, such as following instructions to build a flat pack animal home.

Throughout 21/22 we have followed DFE guidance and when appropriate, notification was made to Public Health England and advice followed around restrictions. We have managed to cover staff absences due to COVID by rotating staff and adjusting timetables. This minimised the impact on the quality of learning.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Charity constitution

The charitable company was established in 1976.

The Memorandum and Articles of Association govern its charitable objects using Rudolf Steiner methods and principles, as developed by the worldwide Camphill Movement.

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Human resources

As students returned on-site in September, staffing numbers have increased accordingly with furloughed staff returning.

The charity continues to operate a comprehensive pay scale that ensures a fair pay policy is in place. All staff are supported to develop the necessary skills for their roles and engage with the social and cultural life of the Pennine Camphill Community. All staff are suitably qualified for their roles.

Decision making

Directors are elected under the terms of the company's Articles of Association, govern and carry responsibility of the charity. They are advised and assisted by senior managers who are directly involved with the day to day running of the Company's activities.

It is open to any member of the Pennine Association to nominate potential Directors of the Company (who also serve as Trustees of the Charity). In practice they are mostly co-opted by the governing body and elected at the Association's annual general meeting.

Trustees meet as a trustee board every two months to review strategic progress and effectiveness of the charity. Specific leadership and management responsibilities are delegated by trustees to the leadership group. A nominated group of trustees considers remuneration and pension payments for staff and specifically the leadership group.

The trustees undertake an annual assessment of governance which contributes to the College improvement plans.

Induction and training of new trustees

New Trustees have an induction training which includes observation of management meetings and of the educational and care services provided for the student beneficiaries.

Trustees undertake a commitment to visit the College regularly to maintain a knowledge of the college and key management meetings. Observations and Impressions are reported to the full governing body. This health check supports quality monitoring cycle. Trustees are also encouraged to take part in internal and external training events relevant to their role.

Related parties

The Directors had no personal interests that require disclosure.

The Pennine Community is a member of the National Association of Specialist Colleges and the Association of Camphill Communities.

It also works alongside and shares facilities with Wakefield Riding for the Disabled Association (a registered Charity). A full review of the historic and current arrangements was initiated in May 2018 and has resulted in a new relationship being provisionally agreed. The Covid pandemic has delayed the implementation of this but it will be enacted during the next financial year.

Mr W N Taylor (College Principal during the majority of the year) is chair of Greentracks (CIC) with whom the charity has a service level agreement for the provision of work experience opportunities.

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
01294923 (England and Wales)

Registered Charity number
274192

Registered office
The Pennine Camphill Community
Wood Lane
Chapelthorpe
Wakefield
West Yorkshire
WF4 3JH

Trustees

Mr A McIntyre
Mr G Franklin
Mrs J Barry
Mr N Dodd
Mr T Coen

Company Secretary
Ms N Bell

Auditors

Gibson Booth Limited
Statutory Auditor
12 Victoria Road
Barnsley
South Yorkshire
S70 2BB

THE PENNINE CAMPHILL COMMUNITY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Pennine Camphill Community Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP, 2019 (FRS102);
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Gibson Booth Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20 April 2022 and signed on its behalf by:


.....
Ms N Bell - Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PENNINE CAMPHILL COMMUNITY LIMITED

Opinion

We have audited the financial statements of Pennine Camphill Community Limited (the 'charitable company') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PENNINE CAMPHILL COMMUNITY LIMITED

Other Information

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PENNINE CAMPHILL COMMUNITY LIMITED

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Scott Mell (Senior Statutory Auditor)
for and on behalf of Gibson Booth Limited
Statutory Auditor
12 Victoria Road
Barnsley
South Yorkshire
S70 2BB

24 April 2022

THE PENNINE CAMPHILL COMMUNITY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2021**

		Unrestricted fund	Restricted funds	Designated fund	31.7.21 Total funds	31.7.20 Total funds
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	16,470	48,124	-	64,594	93,925
Charitable income	3	2,044,482	16,547	-	2,061,029	1,482,213
Investment income	4	125	-	-	125	1,645
Furlough grant received		-	-	-	-	25,434
Total		2,061,077	64,671	-	2,125,748	1,603,217
EXPENDITURE ON						
Charitable activities	5					
Charitable		<u>(1,732,045)</u>	<u>(55,856)</u>	<u>-</u>	<u>1,787,901</u>	<u>(1,523,338)</u>
NET INCOME / (EXPENDITURE)		329,032	8,815	-	337,847	79,879
Transfers between funds		<u>(170,400)</u>	<u>-</u>	<u>170,400</u>	<u>-</u>	<u>-</u>
Net movement in funds		158,632	8,815	170,400	337,847	79,879
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>2,711,696</u>	<u>34,694</u>	<u>340,718</u>	<u>3,087,108</u>	<u>3,007,229</u>
TOTAL FUNDS CARRIED FORWARD		<u>2,870,328</u>	<u>43,509</u>	<u>511,118</u>	<u>3,424,955</u>	<u>3,087,108</u>

The notes form part of these financial statements

THE PENNINE CAMPHILL COMMUNITY LIMITED

**BALANCE SHEET
AT 31 JULY 2021**

		Unrestricted fund £	Restricted funds £	Designated fund £	31.7.21 Total funds £	31.7.20 Total funds £
	Notes					
FIXED ASSETS						
Tangible assets	12	4,285,810	34,694	340,718	4,661,222	4,655,668
Investments	13	4,639	-	-	4,639	4,759
		4,290,449	34,694	340,718	4,665,861	4,660,427
CURRENT ASSETS						
Debtors	14	64,917	-	-	64,917	13,489
Cash at bank and in hand		(167,746)	8,815	170,400	11,469	6,893
		(102,829)	8,815	170,400	76,386	20,382
CREDITORS						
Amounts falling due within one year	15	(167,386)	-	-	(167,386)	(382,590)
NET CURRENT ASSETS/(LIABILITIES)		(270,215)	8,815	170,400	(91,000)	(362,208)
TOTAL ASSETS LESS CURRENT LIABILITIES		4,020,234	43,509	511,118	4,574,861	4,298,219
CREDITORS						
Amounts falling due after more than one year	16	(1,149,906)	-	-	(1,149,906)	(1,211,111)
NET ASSETS		2,870,328	43,509	511,118	3,424,955	3,087,108

The notes form part of these financial statements

THE PENNINE CAMPHILL COMMUNITY LIMITED

**BALANCE SHEET - CONTINUED
AT 31 JULY 2021**

		31.7.21	31.7.20
		Total	Total
		funds	funds
		£	£
FUNDS	Notes		
	19		
Unrestricted funds		2,870,328	2,711,696
Restricted funds		43,509	34,694
Designated funds		511,118	340,718
TOTAL FUNDS		<u>3,424,955</u>	<u>3,087,108</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 20 April 2022 and were signed on its behalf by:


.....
Mr A McIntyre -Trustee

The notes form part of these financial statements

THE PENNINE CAMPHILL COMMUNITY LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021**

	Notes	31.7.21 £	31.7.20 £
Cash flows from operating activities:			
Cash generated from operations	1	440,359	195,282
Interest paid		<u>(81,878)</u>	<u>(77,741)</u>
Net cash provided by (used in) operating activities		<u>358,481</u>	<u>117,541</u>
Cash flows from Investing activities:			
Interest received		3	17
Payments to acquire tangible fixed assets		<u>(14,832)</u>	<u>-</u>
Net cash provided by (used in) Investing activities		<u>(14,829)</u>	<u>17</u>
Cash flows from financing activities:			
Loan repayments in year		<u>(58,190)</u>	<u>(62,327)</u>
Net cash provided by (used in) financing activities		<u>(58,190)</u>	<u>(62,327)</u>
Change in cash and cash equivalents in the reporting period		285,462	55,231
Cash and cash equivalents at the beginning of the reporting period	2	<u>(273,993)</u>	<u>(329,224)</u>
Cash and cash equivalents at the end of the reporting period	2	<u>11,469</u>	<u>(273,993)</u>

The notes form part of these financial statements

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.7.21	31.7.20
	£	£
Net Income/(expenditure) for the reporting period (as per the statement of financial activities)	337,847	79,879
Adjustments for:		
Depreciation charges	8,993	6,737
Loss on disposal of fixed assets	285	-
Gain/(loss) on fixed asset investments	120	(1,628)
Interest received	(3)	(17)
Interest paid	81,878	77,741
 (Increase)/decrease in debtors	(2,287)	61,523
Increase/(decrease) in creditors	13,526	(28,953)
 Net cash provided by (used in) operating activities	<u>440,359</u>	<u>195,282</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.7.21	31.7.20
	£	£
Cash in hand	4,003	4,342
Notice deposits (less than 3 months)	7,466	2,551
Overdrafts included in bank loans and overdrafts falling due within one year	-	(280,886)
 Total cash and cash equivalents	<u>11,469</u>	<u>(273,993)</u>

THE PENNINE CAMPHILL COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

General information and basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Pennine Camphill Community Limited is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 6 of these financial statements. The nature of the charity's operations and principal activities are the provision of college facilities for young people with learning difficulties.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

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.

Critical accounting judgements and key sources of estimation uncertainty

No judgements have been made in the process of applying the below accounting policies that have had the most significant effect on amounts recognised in the financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

THE PENNINE CAMPHILL COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES - continued

Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred. These grants and voluntary income are included in incoming resources when these are receivable and allocated appropriately between unrestricted and restricted income depending upon restrictions imposed.

Donations and legacies are accounted for when they are received.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and is recognised when the amount can be measured reliably.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities include expenditure associated with helping people with mental health problems, their carers and relatives. This includes both the direct costs and support costs relating to these activities.

THE PENNINE CAMPHILL COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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 straight line basis over the shorter of the relevant period or, where the asset has been obtained via a funded project, the length of the project/funding stream as follows:

Motor vehicles - 25% on reducing balance

Computer equipment - 20% on reducing balance

Assets under construction are stated at cost and will be depreciated when they are completed.

No depreciation is provided on freehold land and buildings, as estimated residual value is considered to be in excess of its current carrying value. In addition, expenditure is incurred annually in order to maintain the economic life of the charitable company's buildings.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' on the SOFA.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of the designated fund is set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution plan for the benefit of its employees. Contributions are charged to the Statement of Financial Activities as they become payable.

The company also makes contributions into individual pension schemes. Contributions payable are charged to the Statement of Financial Activities.

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

2. DONATIONS AND LEGACIES

	31.7.21	31.7.20
	£	£
Donations and appeals	15,470	1,542
Grants	49,124	49,199
Other	-	43,184
	<u>64,594</u>	<u>93,925</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.7.210	31.7.20
		£	£
Fees	Charitable	1,513,251	923,124
Performance related grants	Charitable	518,123	537,699
RDA income	Charitable	1,059	5,042
Other	Charitable	28,596	16,348
		<u>2,061,029</u>	<u>1,482,213</u>

4. INVESTMENT INCOME

	31.7.21	31.7.20
	£	£
Interest receivable	3	17
Dividends received	122	-
Gain on fixed asset investment	-	1,628
	<u>125</u>	<u>1,645</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs	Totals
		(See note 6)	
	£	£	£
Charitable	<u>1,247,061</u>	<u>540,840</u>	<u>1,787,901</u>

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

6. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	costs	£
	£	£	£	£
Charitable	<u>415,423</u>	<u>91,035</u>	<u>34,382</u>	<u>540,840</u>

Support costs, included in the above, are as follows:

	31.7.21	31.7.20
	Charitable	Total
	£	activities
	£	£
Wages and salaries	378,897	490,248
Social security	36,526	44,826
Bank and credit card charges	9,157	14,297
Interest payable and similar charges	81,878	77,741
Auditors' remuneration	3,850	3,850
Legal and professional fees	30,532	24,077
	<u>540,840</u>	<u>655,039</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.7.21	31.7.20
	£	£
Depreciation - owned assets	8,993	6,737
Loss on sale of tangible fixed assets	285	-
Loss on fair value movement of investments	120	(1,628)
	<u>9,398</u>	<u>5,109</u>

8. AUDITOR'S REMUNERATION

Net income/(expenditure) is stated after charging/(crediting):

	31.7.21	31.7.20
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	3,850	3,850
Fees payable for the charity's auditor for other services:		
- Preparation of annual accounts.	4,650	4,650
	<u>8,500</u>	<u>8,500</u>

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

Trustees' expenses

There were no trustees' expenses paid for in the year ended 31 July 2021 nor the year ended 31 July 2020.

10. STAFF COSTS

	31.7.21	31.7.20
	£	£
Wages and salaries	1,028,860	891,349
Social security costs	72,689	68,931
Other pension costs	36,704	31,625
	<u>1,138,253</u>	<u>991,905</u>

The average monthly number of employees during the year was as follows:

	31.7.21	31.7.20
Administration, teaching and secretarial	<u>56</u>	<u>50</u>

No employees received emoluments in excess of £60,000 during 2021 and 2020.

The total amount of employee benefits received by key management personnel is £100,200 (2020 - £99,627). The Trust considers its key management personnel comprises the Principal and members of the Senior Management Team.

The company makes contributions into individual pension schemes. Contributions are charged to the statement of financial activities and for the year ended 31 July 2021 were £36,704 (2020: £31,625).

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Designated fund £	31.7.20 Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	76,560	17,365	-	93,925
Charitable activities				
Charitable	1,477,171	5,042	-	1,482,213
Investment income	1,645	-	-	1,645
Furlough grant received	25,434	-	-	25,434
Total	1,580,810	22,407	-	1,603,217
EXPENDITURE ON				
Charitable activities				
Charitable	(1,500,404)	(22,934)	-	(1,523,338)
NET INCOME/(EXPENDITURE)				
Transfers between funds	80,406	(527)	-	79,879
Net movement in funds	80,406	(527)	-	79,879
RECONCILIATION OF FUNDS				
Total funds brought forward	2,631,290	35,221	340,718	3,007,229
TOTAL FUNDS CARRIED FORWARD	2,711,696	34,694	340,718	3,087,108

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

12. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Computer equipment £	Leasehold Improvements £	Totals £
COST					
At 1 August 2020	5,410,525	81,830	46,617	38,017	5,576,989
Additions	-	13,450	1,382	-	14,832
Disposals	-	(6,320)	-	-	(6,320)
At 31 July 2021	<u>5,410,525</u>	<u>88,960</u>	<u>47,999</u>	<u>38,017</u>	<u>5,585,501</u>
DEPRECIATION					
At 1 August 2020	816,953	69,623	34,745	-	921,321
Depreciation eliminated on disposal	-	(6,035)	-	-	(6,035)
Charge for year	-	6,343	2,650	-	8,993
At 31 July 2021	<u>816,953</u>	<u>69,931</u>	<u>37,395</u>	<u>-</u>	<u>924,279</u>
NET BOOK VALUE					
At 31 July 2021	<u>4,593,572</u>	<u>19,029</u>	<u>10,604</u>	<u>38,017</u>	<u>4,661,222</u>
At 31 July 2020	<u>4,593,571</u>	<u>12,208</u>	<u>11,872</u>	<u>38,017</u>	<u>4,655,668</u>

13. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 August 2020	4,759
(Loss)/gain on investment	(120)
At 31 July 2021	<u>4,639</u>

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.21	31.7.20
	£	£
Trade debtors	64,917	4,407
Other debtors	-	6,276
Prepayments and accrued income	-	2,806
	<u>64,917</u>	<u>13,489</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.21	31.7.20
	£	£
Bank loans and overdrafts (see note 16)	58,190	336,061
Trade creditors	47,041	6,770
Other creditors	49,141	28,666
Accruals	13,014	11,093
	<u>167,386</u>	<u>382,590</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.7.21	31.7.20
	£	£
Bank loans (see note 16)	<u>1,149,906</u>	<u>1,211,111</u>

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

17. LOANS

An analysis of the maturity of loans is given below:

	31.7.21	31.7.20
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	-	280,886
Bank loans	<u>58,190</u>	<u>55,175</u>
	<u>58,190</u>	<u>336,061</u>
 Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>232,761</u>	<u>220,699</u>
 Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	<u>917,145</u>	<u>990,412</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	31.7.21	31.7.20
	£	£
Bank overdraft	-	280,886
Bank loans	<u>1,208,096</u>	<u>1,266,286</u>
	<u>1,208,096</u>	<u>1,547,172</u>

The bank loan and overdraft are secured by means of a fixed and floating charge over the assets of the charitable company.

The bank loan is repayable by instalments and interest is charged on normal commercial terms.

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

19. MOVEMENT IN FUNDS

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
Unrestricted funds				
General Fund	2,711,696	329,032	(170,400)	2,870,328
Restricted funds				
LSIS PRD Fund	3,437	-	-	3,437
EFA Capital Fund	6,019	999	-	7,018
EFA Student Financial Support Fund	21,751	3,828	-	25,579
Thomas Baily Fund	3,487	(3,487)	-	-
EFA Tuition Fund	-	-	-	-
DFC Capital Fund	-	3,894	-	3,894
Covid 19 Testing Fund	-	-	-	-
EFA Other Funding	-	3,581	-	3,581
	<u>34,694</u>	<u>8,815</u>	<u>-</u>	<u>43,509</u>
Designated Funds	340,718	-	170,400	511,118
TOTAL FUNDS	<u><u>3,087,108</u></u>	<u><u>337,847</u></u>	<u><u>-</u></u>	<u><u>3,424,955</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	2,061,077	(1,732,045)	329,032
Restricted funds			
EFA Capital Fund	22,719	(21,720)	999
EFA Student Financial Support Fund	5,147	(1,319)	3,828
Thomas Baily Fund	-	(3,487)	(3,487)
EFA Tuition Fund	11,400	(11,400)	-
DFC Capital Fund	5,924	(2,030)	3,894
Covid 19 Testing Fund	15,900	(15,900)	-
EFA Other Funding	3,581	-	3,581
	<u>64,671</u>	<u>(55,856)</u>	<u>8,815</u>
Designated Funds	-	-	-
TOTAL FUNDS	<u><u>2,125,748</u></u>	<u><u>(1,787,901)</u></u>	<u><u>337,847</u></u>

THE PENNINE CAMPHILL COMMUNITY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2021**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.20 £
Unrestricted Funds				
General fund	2,631,290	80,406	-	2,711,696
Restricted Funds				
LSIS PRD Fund	3,437	-	-	3,437
EFA Capital Fund	14,208	(8,189)	-	6,019
EFA Student Financial Support Fund	16,709	5,042	-	21,751
Thomas Baily Fund	867	2,620	-	3,487
Poly Tunnel Fund	-	-	-	-
	35,221	(527)	-	34,694
Designated Funds	340,718	-	-	340,718
TOTAL FUNDS	3,007,229	79,879	-	3,087,108

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,580,810	(1,500,404)	80,406
Restricted funds			
EFA Capital Fund	13,365	(21,554)	(8,189)
EFA Student Financial Support Fund	5,042	-	5,042
Thomas Baily Fund	3,000	(380)	2,620
Poly Tunnel Fund	1,000	(1,000)	-
	22,407	(22,934)	(527)
Designated Funds	-	-	-
TOTAL FUNDS	1,603,217	1,523,338	79,879

THE PENNINE CAMPHILL COMMUNITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2021

20. DESCRIPTION OF FUNDS

The LSIS PRD fund is a project provided to develop the skills and self-confidence of young people in the district who are not currently in education, employment or training.

A grant was received from the Learner and Skills Improvement Service in respect of Peer Review and Development work that the college is undertaking with five other specialist colleges. The aim is to improve the quality and inspection grades.

The EFA Capital Grant relates to monies received from the EFA towards capital projects planned in order to maintain the fabric of the site.

The EFA Student Financial Support Fund monies are used to pay eligible claims from vulnerable students.

The Thomas Bailey Fund provided monies for the development and delivery of the college's own supported internship programme.

The Designated Fund was historically set-up to cover future pension and taxation commitments of co-workers the charitable company is expected to incur. 5% of annual fees received from 1997 onwards have been transferred to this fund from unrestricted funds. As of 1 August 2020 the charitable company ceased to engage co-workers and the Trustees are considering the uses of this fund in the future. There were no movements on this fund during the year.

During the year monies from unrestricted funds have been transferred to a separate designated fund to use towards a one-off project to bring two buildings at Pennine Camphill Community Limited back into service. These buildings have been unused for some time due to the Covid 19 pandemic and are currently not habitable. The amount of the transfer was £170,400.

The EFA Tuition Fund has been received to support students in catching up with their studies after the Covid 19 pandemic.

The DFA Capital Fund has been awarded to the school to use towards repairs and capital items required to maintain the fabric of the site.

The Covid 19 Testing Grant was awarded to cover additional costs to the school which were incurred due to Covid 19.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2021 or the year ended 31 July 2020.

THE PENNINE CAMPHILL COMMUNITY LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	31.7.21	31.7.20
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and appeals	1,189	1,542
Sundry income	63,405	92,383
	64,594	93,925
Investment income		
Dividends receivable	122	-
Interest receivable	3	17
Gain on fixed asset investment	-	1,628
	125	1,645
Charitable activities		
Fees	2,059,970	1,477,171
RDA income	1,059	5,042
	2,061,029	1,482,213
Furlough grant received	-	25,434
Total incoming resources	2,125,748	1,603,217
EXPENDITURE		
Charitable activities		
Wages	649,963	401,101
Social security	36,164	24,105
Pensions	36,704	31,625
Insurance	29,116	27,665
Light and heat	68,658	74,775
ILT expenses	67,316	63,316
Household expenses	28,027	20,054
Student education and training expenses	49,608	64,300
Co-workers expenses	-	12,639
Carried forward	965,556	719,580

This page does not form part of the statutory financial statements

THE PENNINE CAMPHILL COMMUNITY LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	31.7.21	31.7.20
	£	£
Charitable activities		
Brought forward	965,556	719,580
Repairs and renewals	119,316	32,243
Office expenses	20,145	18,323
Student support expenses	8,884	15,262
Motor and travel expenses	12,846	13,974
Food	15,514	21,915
Organisational expenses	11,595	14,873
HR costs	74,410	19,272
Rent	3,120	6,120
Motor vehicles depreciation	6,343	4,069
Computer equipment depreciation	2,650	2,668
Loss on fixed asset investments	120	-
Loss on sale of fixed assets	285	-
Bad debts	6,277	-
	1,247,061	868,299
Support costs		
Management		
Wages and salaries	378,897	490,248
Social security	36,526	44,826
	415,423	535,074
Finance		
Bank and credit card charges	9,157	14,297
Bank interest payable	81,878	77,741
	91,035	92,038
Governance costs		
Auditors' remuneration	3,850	3,850
Legal and professional fees	30,532	24,077
	34,382	27,927
Total resources expended	1,787,901	1,523,338

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THE PENNINE CAMPHILL COMMUNITY LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	31.7.21	31.7.20
	£	£
Net Income/(expenditure)	<u>337,847</u>	<u>79,879</u>

This page does not form part of the statutory financial statements