

Company registration number: 01600678

Charity registration number: 283877

Stallcombe House

(A company limited by guarantee)

Group Annual Report and Financial Statements

for the Year Ended 31 December 2020

Redwoods
Statutory Auditors
2 Clyst Works
Clyst Road
Topsham
Exeter
EX3 0DB

Stallcombe House

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Stallcombe House

Strategic Report for the Year Ended 31 December 2020

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2020, in compliance with s414C of the Companies Act 2006.

Achievements and performance

Review of charitable activities

In common with all organisations, 2020 started with plans and schemes only to have everything put on hold in March due to Covid. Events were cancelled, normal operation turned upside down and resident's external activities and family contacts virtually cancelled for the year. The trustees would like to express unconditional thanks to the staff for keeping the lives of residents safe and as near normal as possible. The staff have had to bear the brunt of the difficulties including extended hours, near continuous testing and resident family issues, to mention a few.

It is therefore to the credit of the management and staff that Stallcombe has come through the year maintaining the safety of the residents and the financial and organisational security of Stallcombe.

The charity's principle objective continued to be that of the promotion for the public benefit of providing a supportive living community for adults with learning difficulties best met by participating in a rural environment providing purposeful activities on the farm and gardens. The charity provides day services thus enabling more adults with learning difficulties to benefit from this unique environment. However due to Covid, the day services had to be cancelled, but we hope to reintroduce these in the future when outside visiting is back to normal. When planning activities the trustees have considered the Charity Commission guidance on public benefit.

During the year we have had 33 residents.

Fundraising performance against activities

Fundraising is actively engaged to supplement the charity's income from statutory bodies and service users. A major part of this is normally the annual 'Open day / Fete', arts and craft items produced in the Weavery and any surplus produce from the gardens are sold through local outlets. This unfortunately had to be cancelled this year.

The charity is also grateful to the Family and Friends of Stallcombe House along with helpers and volunteers who contribute to making Stallcombe House such a great place for the charity's clients. Their input this year was much reduced but their contacts and messages of support were very welcome.

Stallcombe House

Strategic Report for the Year Ended 31 December 2020 (continued)

Investment performance against activities

During the year the investment in the solar array continued to perform as expected. This investment delivers funds back to the charity in three ways, income from Government tariffs, interest payments and rent. In 2020 it delivered £7,328 in interest and rent, loan repayment of £20,000, plus savings of approx. £10,000 over buying from the National Grid. It should be noted the above figures do not appear in the group accounts as they relate to the charitable parent only and inter group trading is eliminated on consolidation.

The Board is concentrating on developing and fully utilising the whole Stallcombe site including the upgrading and modernisation of the accommodation at Stallcombe House and Willows. Architects have prepared detailed plans for Stallcombe House and draft schemes for a "new" Willows. Plans should have been submitted for planning by December 2020, however while some work off site did continue it was not possible to submit plans during the year. It is hoped that plans will be finalised for the kitchen, room upgrades in the main house and a new single storey accommodation building.

The Board has considered overall finances and allocated cash reserves into, operational reserves, and long term reserves. The latter to be invested via a professional investment manager and development cash to fund stage one upgrades. An investment manager has been appointed. Funds invested by the investment manager have performed well to date. The board will consider further medium term investments once the capital programme is agreed.

Factors relevant to achievement

Staff are the most important element in enabling Stallcombe to provide the level of care to our residents we aim for. We are continually monitoring staff satisfaction and comparable pay rates. We must expect there to be upward pressure on pay rates and staff training and welfare programmes. To ensure costs are covered we continually review charge rates and actively engage with commissioning authorities to ensure costs are covered. Staff costs currently make up approximately 85% of operating costs.

The care industry in general continues to struggle and cope with the impact of the living wage, workplace pensions and continued challenges with local authority funding. To address and manage these challenges the trustees and the management team use a 5 year rolling financial plan. The management team continue to review funding arrangements and where any have fallen below market rates or the individual care requirements have increased we actively seek increased funding.

We continue to invest in our facilities and have started to capture the requirements for a multi-year programme to modernise and bring all our accommodation up to the current CQC recommended standards. Initial work commenced in 2018.

A lot of the outdoor activities we provide at Stallcombe are only possible because we have a total 'ECO' ethos. Our 'ECO' investment minimise the cost of running the farm and gardens, we have our own water bore, we are self-sufficient in compost, we process our waste water etc. Stallcombe House uses around 200,000 Kwh of electricity each year, our Solar Array generates around 230,000 Kwh, so we are exporting 15% more green energy than we use ourselves.

Stallcombe House

Strategic Report for the Year Ended 31 December 2020 (continued)

Key financial performance indicators

	Unit	2020	2019
Net (expenditure)/income	£	608,761	112,300
Gains / (losses) on investment assets	£	63,062	
Unrestricted reserve	£	4,895,255	4,225,103

Key non-financial performance indicators

We are pleased to have received a continued rating of Good from the Care Quality Commission.

Financial review

The financial position is considered to be satisfactory, and the trustees are pleased to see a retention on reserves during the current year of £671,823. This is in part because if the management team successfully addressing issues of underfunding by some of the commissioning local authorities. There was also a one-off donation in the year increasing the income.

The trustees aim is to deliver a surplus of 8% to 10% each year. This year the surplus exceeded the target level however due to the extenuating circumstances in the year and the decisions relating to staff pay levels already implemented in the 2021 year surpluses are expected to return to target levels in 2021.

Surpluses are subject to maximum occupancy. At the present time filling vacancies is not a problem the major risk is not maintaining the staffing levels. The board will in future be reporting on target staffing levels.

All surpluses are reinvested in the charity always striving to provide the best possible care for residents. Surpluses are retained in reserves, Trustees agree levels of reserves for operational security and capital improvement. These will be detailed in subsequent reports.

Stallcombe House

Strategic Report for the Year Ended 31 December 2020 (continued)

Policy on reserves

The fund balances in the balance sheet on page 17 represent reserves. The level of our reserves is determined by balancing two objectives: maintaining sufficient reserves to enable us to carry on our work, and ensuring we maximise the resources used for charitable purposes. Our reserves level therefore needs to be adequate to allow us to address potential losses that might arise from our charitable activities and other activities. It also needs to give us sufficient time to adjust our strategy to meet changing circumstances without unnecessarily removing funds from addressing our charitable purposes.

The Board of Trustees assesses the risks Stallcombe House could be exposed to and the appropriate level of reserves that we should maintain. The current assessment is that £600,000 of reserves should be maintained to mitigate identified risks. The basis of this is to keep the operational bank account balances at an average of £200,000. A provision of £400,000, to include £250,000 for loss of revenue due to vacancies and a further £150,000 to cover unplanned work to the estate and buildings.

The balance sheet shows unrestricted reserves — that is, reserves that do not carry any restrictions on how they can be used — of £4,895,255 (2019 - £4,225,103). In assessing our level of free reserves against the target range, we exclude the fixed assets (primarily written down land and buildings) of £2,022,154 (2019 - £2,092,487) because this cannot quickly be realised. In addition funds have been earmarked for future work and projects and these are specified in “Activities planned to achieve aims”. These five elements represent plans and intentions that are incorporated into the charity’s updated five year plan where a funding requirement of circa £1,000,000 has been allocated.

In addition the charity has restricted reserves of £34,693 (2019 - £33,022).

We regularly review the actual level of reserves, and would take action to bring it back in line with the target if the level looked likely to move significantly outside the target range.

Principal funding sources

Funding for the charity is received regularly on a four weekly basis from the local authorities. The amounts involved are governed by the number of residents in situ at any time. Subject to voids, future cash flow is known with a degree of certainty and monthly budgets are prepared.

Investment policy and objectives

Under the Memorandum and Articles of association, the charity has the power to make investments which the trustees see fit.

The Board of Trustees has appointed Fairstone Financial Management Ltd to manage an investment fund of £750,000.

Stallcombe House

Strategic Report for the Year Ended 31 December 2020 (continued)

Plans for future periods

Aims and key objectives for future periods

Our continuing priority, as always, is to maintain the current high quality of service we provide to our whole client group.

Attracting, retaining and training staff in order to develop Stallcombe as the "Gold Standard" of how care to vulnerable residents is to be our key objective over the next 5 years. Capital and revenue funds will be directed towards this aim and will be detailed in the next 5 year business plan.

Developing the staff team must go in parallel with developing the physical resources and facilities. While the staffing costs must be covered by revenue income, capital sums may be directed to specific staff development projects or joint use of facilities for resident use and training.

In recognition of national policy to promote "supportive living" as opposed to residential care, the Board is actively looking at ways of providing a "supported living" alternative for existing residents where appropriate, and new residents where there is a demand. The object of this is to provide a range of care best suited to our residents taking into consideration funding restraints that may be applied by funding authorities.

The over arching consideration of the Board is to be able to provide the best care possible appropriate to the individual under the Stallcombe ethos of a home for life taking maximum advantage of the rural setting and facilities of the Stallcombe site. This means that whilst residential accommodation may be sited within an urban setting the high quality facilities and care ethos afforded by Stallcombe and its staff will be accessible to all residents whether in house or in supported living,

Activities planned to achieve aims

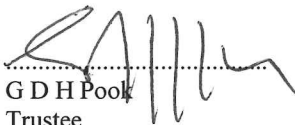
The Board has implemented a 5 year facilities development plan in order to develop the Stallcombe site to ensure all individual and common resident facilities are of the highest appropriate standard.

A Care and Staff development plan will be prepared with the aim of implementing actions in 2022.

A capital investment policy is to be prepared to ensure funds are used to their best effect to benefit Stallcombe whilst retaining the necessary reserve security.

The board will continue to investigate the development of a Supported Living facility and appropriate care model.

The strategic report was approved by the trustees of the charity on 7 September 2021 and signed on its behalf by:


G D H Pook
Trustee

Stallcombe House

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

Objectives and activities

Objects and aims

The charity's principle objective is the promotion for the public benefit of providing a supportive living community for adults with learning needs best met by participating in a rural environment providing purposeful activities on the farm and gardens.

Our priority, as always, is to maintain a high quality of service to our whole client group.

Objectives, strategies and activities

The charity's main activity is providing a supporting living community. It also provides daycare services, and sells excess farm produce that the residents have produced from their activities on the farm and gardens.

Public benefit

When planning activities the trustees have considered the Charity Commission guidance on public benefit. The charity relies on payments for services from local authorities to cover its operating costs. Keeping costs to a minimum is important to us to ensure public funds are well spent.

The charity's beneficiaries are a section of the public comprised of adults with learning difficulties that benefit from Stallcombe's unique rural living and working environment. The care provided at Stallcombe enriches its client's lives by giving them purposeful activities on the farm and gardens and also ensures they receive the care they need to remain safe and happy.

The wider local population also benefits by becoming volunteers for such a worthy charity and joining the great Stallcombe Community spirit.

There is no private benefit flowing from the purpose of the charity.

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

Use of volunteers

Stallcombe is grateful to its team of volunteers for their efforts in supporting our community.

The continued financial donations from the Family and Friends of Stallcombe House, are much appreciated.

Structure, governance and management

Nature of governing document

The charity is limited by guarantee the governing document being the memorandum and articles of association.

Stallcombe House

Trustees' Report (continued)

Recruitment and appointment of trustees

Trustees are appointed at the annual general meeting of the charity, in accordance with the articles that state that there shall not be less than three and no more than nine trustees of whom no more than three shall be user trustees. Casual vacancies during the year can be filled by co-opted trustees who must be formally appointed at the next annual general meeting.

A staff trustee is elected by staff members to sit on the board of trustees.

The articles require that one third of the trustees retire by rotation in each year.

Induction and training of trustees

Trustees are recruited through personal recommendation to the existing trustees. New trustees are provided with the trustees handbook providing extensive detail of the operation and management of the charity. At the earliest convenient meeting they are introduced to the other trustees and key members of staff.

The charity has appropriate trustees indemnity insurance in place.

Arrangements for setting key management personnel remuneration

The charity has a Head of Charity, Mrs A Greenaway, and a Head of Care, Ms S Boulton who manage the day to day administration of the charity and organise fund raising activities.

The trustees decide on their remuneration, usually on an annual basis with regard to staff performance and current pay policies of similar organisations.

Organisational structure

The charity is organised where board meetings are held four times a year. In addition to this, a subset of trustees attend a monthly management meeting where a review of the operation takes place and subject to the meeting being quorate, minor decisions/expenditures are signed off.

Stallcombe House

Trustees' Report (continued)

Relationships with related parties

Stallcombe Eco Power Ltd

This is a wholly owned trading subsidiary of Stallcombe House.

User Trustees

In the accounting period there were an average of two trustees who have relatives who are beneficiaries of the charity, enjoying the same benefits as unrelated beneficiaries.

Major risks and management of those risks

Key Personnel

Loss of key members of staff through resignation. Shortage of staff and difficulties in recruitment. Staff training and development of Stallcombe as the preferred care establishment to work for.

The trustees manage this risk by ensuring that staff satisfaction is maintained and suitable replacement staff are sourced as required. For more senior positions the trustees work with management to ensure succession plans are in place.

Safeguarding

Risk of harm to clients, reputation or operational damage if appropriate care standards are not met.

The trustees manage this risk by ensuring the care standards achieved meet and sometimes exceed the CQC standards and guidelines.

Funding cuts

As the majority of the charity's income comes from local authorities there is a risk to the charity of imposed funding cuts or withdrawal of funding.

The trustees manage this risk by regular contract negotiations with relevant authorities and highlighting the outstanding care provided by Stallcombe which it would be difficult for other providers to service.

Resident vacancies

Loss of revenue due to resident vacancies.

The trustees manage this risk by ensuring that Stallcombe is well promoted both with Local Authorities and guardians / parents of potential clients.

Unplanned events impacting our estate and buildings

Damage to our estate and buildings due to unplanned events.

The trustees manage this risk by ensuring that the regular maintenance plan is appropriate and meets all foreseen problems. Stallcombe has built up a strong working relationship with local trades so that any unplanned problem can be dealt with in a timely and safe manner.

Factors outside charities control

COVID19

In consideration of COVID19 and the onset of any other pandemic, significant risk assessments have been undertaken and hygiene and health monitoring systems put in place. Should there be any infection on site we have operational contingency plans.

Stallcombe House

Trustees' Report (continued)

Reference and Administrative Details

Trustees	Mrs A E Liverton C M Retallack Mrs E Wragg (resigned 22 June 2021) G D H Pook C G Townroe (resigned 22 June 2021) Mrs K A E Masterton D H Tucker Mrs J M Ellis (appointed 29 September 2020) N M Rice (appointed 29 September 2020)
Senior Management Team	Ms A Greenaway, Head of Charity Ms S Boulton, Head of Care
Principal Office	Stallcombe House Farm Sanctuary Lane Woodbury Exeter EX5 1EX The charity is incorporated in England & Wales.
Company Registration Number	01600678
Charity Registration Number	283877
Bankers	National Westminster Bank PLC Exmouth 11 Rolle Street Exmouth Devon EX8 1HJ Nationwide Building Society PO Box 3 5-11 St. Georges Street Douglas Isle of Man IM99 1AS
Auditor	Redwoods Statutory Auditors 2 Clyst Works Clyst Road Topsham Exeter EX3 0DB

Stallcombe House

Trustees' Report (continued)

Financial instruments

Objectives and policies

The Group only has basic financial instruments and therefore limits its exposure to risk.

Credit risk

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

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

The Group has no significant concentration of credit risk, with exposure spread over several government authorities.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group keeps sufficient unrestricted reserves in readily accessible bank accounts.

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

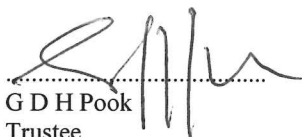
Creditor payment policy

The Group pays all its debts within the agreed payment terms.

Disclosure of information to auditor

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

The annual report was approved by the trustees of the charity on 7 September 2021 and signed on its behalf by:


G D H Pook
Trustee

Stallcombe House

Statement of Trustees' Responsibilities

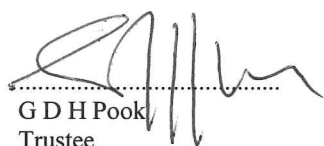
The trustees (who are also the directors of Stallcombe House for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable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

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

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

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

Approved by the trustees of the charity on 7 September 2021 and signed on its behalf by:



G D H Pook
Trustee

Stallcombe House

Independent Auditor's Report to the Members of Stallcombe House

Opinion

We have audited the financial statements of Stallcombe House (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

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

Stallcombe House

Independent Auditor's Report to the Members of Stallcombe House (continued)

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Stallcombe House

Independent Auditor's Report to the Members of Stallcombe House (continued)

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 Group. We gained an understanding of the charity and the sector in which the charity operates, and as part of this assessment to identify the key laws and regulations affecting the charity (and group). The key regulations we identified were compliance with the Care Quality Commission ("CQC"), and health and safety regulations. 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 Charities Act 2011.

We discussed with management how the compliance with these laws and regulations is monitored and discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the charity complies with relevant laws and regulations and deal 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 company's ability to continue trading and the risk of material misstatement to the accounts.

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

- Enquiries of management regarding their knowledge of any non compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- Reviewed documentation from the CQC regarding inspections, to confirm compliance with standards, and ensure 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 the trustee board minutes and filings with Companies House.
- Reviewed internal controls regarding managing staff training requirements.
- Discussed with the health and safety officer whether any serious incidents had been reporting during the year to the relevant authorities.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business, of which there were none.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Stallcombe House

Independent Auditor's Report to the Members of Stallcombe House (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

Use of our report

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



Keith David Tuvey (Senior Statutory Auditor)
For and on behalf of Redwoods , Statutory Auditor

2 Clyst Works
Clyst Road
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Exeter
EX3 0DB

7 September 2021

Stallcombe House

Consolidated Statement of Financial Activities for the Year Ended 31 December 2020 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	160,606	4,967	165,573
Charitable activities	3	2,925,107	-	2,925,107
Other trading activities	4	40,452	-	40,452
Investment income	5	5,504	-	5,504
Other income	6	54,118	-	54,118
Total income		<u>3,185,787</u>	<u>4,967</u>	<u>3,190,754</u>
Expenditure on:				
Raising funds	7	(72,337)	-	(72,337)
Charitable activities	29	(2,506,360)	(3,296)	(2,509,656)
Total expenditure		(2,578,697)	(3,296)	(2,581,993)
Gains/losses on investment assets		<u>63,062</u>	<u>-</u>	<u>63,062</u>
Net income		<u>670,152</u>	<u>1,671</u>	<u>671,823</u>
Net movement in funds		670,152	1,671	671,823
Reconciliation of funds				
Total funds brought forward		<u>4,225,103</u>	<u>33,022</u>	<u>4,258,125</u>
Total funds carried forward	23	<u><u>4,895,255</u></u>	<u><u>34,693</u></u>	<u><u>4,929,948</u></u>

Stallcombe House

Consolidated Statement of Financial Activities for the Year Ended 31 December 2020 (continued) (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	2	3,627	7,963	11,590
Charitable activities	3	2,487,373	-	2,487,373
Other trading activities	4	50,241	-	50,241
Investment income	5	7,887	-	7,887
Other income	6	27,070	-	27,070
Total income		<u>2,576,198</u>	<u>7,963</u>	<u>2,584,161</u>
Expenditure on:				
Raising funds	7	(70,973)	-	(70,973)
Charitable activities	29	<u>(2,395,182)</u>	<u>(5,706)</u>	<u>(2,400,888)</u>
Total expenditure		<u>(2,466,155)</u>	<u>(5,706)</u>	<u>(2,471,861)</u>
Net income		110,043	2,257	112,300
Transfers between funds		<u>2,218</u>	<u>(2,218)</u>	<u>-</u>
Net movement in funds		112,261	39	112,300
Reconciliation of funds				
Total funds brought forward		<u>4,112,842</u>	<u>32,983</u>	<u>4,145,825</u>
Total funds carried forward	23	<u><u>4,225,103</u></u>	<u><u>33,022</u></u>	<u><u>4,258,125</u></u>

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

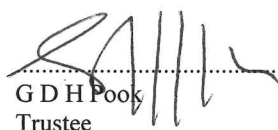
Stallcombe House

(Registration number: 01600678)

Consolidated Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	2,022,154	2,092,487
Investments		<u>761,764</u>	<u>-</u>
		<u>2,783,918</u>	<u>2,092,487</u>
Current assets			
Stocks	15	11,038	11,279
Debtors	16	495,026	166,233
Cash at bank and in hand	17	<u>1,825,659</u>	<u>2,126,702</u>
		2,331,723	2,304,214
Creditors: Amounts falling due within one year	18	<u>(185,693)</u>	<u>(138,576)</u>
Net current assets		<u>2,146,030</u>	<u>2,165,638</u>
Net assets		<u>4,929,948</u>	<u>4,258,125</u>
Funds of the group:			
Restricted income funds			
Restricted funds		34,693	33,022
Unrestricted income funds			
Unrestricted funds		4,838,081	4,225,103
Revaluation reserve		<u>57,174</u>	<u>-</u>
Total unrestricted funds		<u>4,895,255</u>	<u>4,225,103</u>
Total funds	23	<u>4,929,948</u>	<u>4,258,125</u>

The financial statements on pages 16 to 53 were approved by the trustees, and authorised for issue on 7 September 2021 and signed on their behalf by:

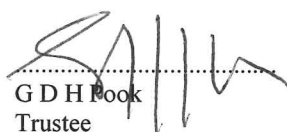

G D H Pook
Trustee

Stallcombe House

(Registration number: 01600678) Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	1,704,106	1,752,997
Investments	14	761,864	100
		<u>2,465,970</u>	<u>1,753,097</u>
Current assets			
Stocks	15	11,038	11,279
Debtors	16		
- due within one year		517,153	189,264
- due after one year		372,635	392,635
Cash at bank and in hand	17	1,773,910	2,077,819
		<u>2,674,736</u>	<u>2,670,997</u>
Creditors: Amounts falling due within one year	18	<u>(183,290)</u>	<u>(139,028)</u>
Net current assets		<u>2,491,446</u>	<u>2,531,969</u>
Net assets		<u>4,957,416</u>	<u>4,285,066</u>
Funds of the charity:			
Restricted funds		<u>34,693</u>	<u>33,022</u>
Unrestricted income funds			
Unrestricted funds		4,865,549	4,252,044
Unrestricted revaluation reserve		57,174	-
Total unrestricted funds		<u>4,922,723</u>	<u>4,252,044</u>
Total funds	23	<u>4,957,416</u>	<u>4,285,066</u>

The financial statements on pages 16 to 53 were approved by the trustees, and authorised for issue on 7 September 2021 and signed on their behalf by:


G D H Hook
Trustee

Stallcombe House

Consolidated Statement of Cash Flows for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		671,823	112,300
Adjustments to cash flows from non-cash items			
Depreciation	9	108,969	105,694
Investment income	5	(5,504)	(7,887)
Revaluation of investments		(57,174)	-
Loss on disposal of fixed assets held for the charity's own use	9	536	5,016
		<u>718,650</u>	<u>215,123</u>
Working capital adjustments			
Decrease in stocks	15	241	1,359
(Increase)/decrease in debtors	16	(328,793)	182,198
Increase in creditors	18	47,117	37,021
Net cash flows from operating activities		<u>437,215</u>	<u>435,701</u>
Cash flows from investing activities			
Interest receivable and similar income	5	5,504	7,887
Purchase of tangible fixed assets	13	(39,172)	(36,048)
Purchase of investments		(764,344)	-
Sale of investments		59,754	-
Net cash flows from investing activities		<u>(738,258)</u>	<u>(28,161)</u>
Net (decrease)/increase in cash and cash equivalents		(301,043)	407,540
Cash and cash equivalents at 1 January		<u>2,126,702</u>	<u>1,719,162</u>
Cash and cash equivalents at 31 December		<u><u>1,825,659</u></u>	<u><u>2,126,702</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Stallcombe House

Statement of Cash Flows for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		672,350	117,404
Adjustments to cash flows from non-cash items			
Depreciation	9	87,527	84,252
Investment income	5	(12,632)	(17,285)
Revaluation of investments		(57,174)	-
Loss on disposal of fixed assets held for the charity's own use	9	536	5,016
		<u>690,607</u>	<u>189,387</u>
Working capital adjustments			
Decrease in stocks	15	241	1,359
(Increase)/decrease in debtors	16	(330,159)	186,430
Increase in creditors	18	44,262	35,314
Net cash flows from operating activities		<u>404,951</u>	<u>412,490</u>
Cash flows from investing activities			
Interest receivable and similar income	5	12,632	17,285
Purchase of tangible fixed assets	13	(39,172)	(36,048)
Purchase of investments		(764,344)	-
Sale of investments		59,754	-
Receipts from the repayment of loans to other entities		22,270	19,743
Net cash flows from investing activities		<u>(708,860)</u>	<u>980</u>
Net (decrease)/increase in cash and cash equivalents		(303,909)	413,470
Cash and cash equivalents at 1 January		<u>2,077,819</u>	<u>1,664,349</u>
Cash and cash equivalents at 31 December		<u><u>1,773,910</u></u>	<u><u>2,077,819</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

The Group's financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

The charity's subsidiary has been set up to generate electricity using a solar array. All profits of the subsidiary will be gift aided back to the charity to promote its main aims.

The presentation currency is £ sterling and the accounts have been rounded to £1.

The charity is incorporated in England and Wales.

Its registered office is shown in the Trustees Report.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity had a surplus for the financial year of £672,350. (2019- £117,404).

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

Judgements

In the application of the charity's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Key sources of estimation uncertainty

Depreciation of tangible fixed assets. This is by nature an estimate and the actual market values of assets may be different to the values presented in the accounts. The fixed assets are shown in the financial statements. The carrying amount is £2,022,154 (2019 -£2,092,487).

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income is recognised after trade discounts, other sales taxes and net of VAT where applicable.

Donations and legacies

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Other trading activities

Shop income and income derived from events is recognised as earned (that is as the related goods and services are provided).

Investment income

Investment income is recognised on a receivable basis.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods and services are provided) under contract.

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. Expenditure is classified under the following activity headings:

Raising funds

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

Charitable activities

Includes the care costs of the residents and daycare visitors, other activities undertaken to further the main purposes of the charity and their associated support costs.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, administration and governance costs which support the trusts main aims and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

Governance costs

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

Government grants

Feed in tariff/renewable heating incentive income is recognised as earned (that is, as the power is produced).

Job retention scheme Covid grants have been recognised in the period relating to the wages paid.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Freehold interest in land and buildings	2% straight line (buildings)
Solar panels (Solar array)	4% straight line (5% straight line)
Bio-mass boiler	5% straight line
Farm plant	20% reducing balance
Fixtures, fittings and equipment	20% reducing balance
Motor vehicles	20% reducing balance
Computer equipment	25% straight line

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

Impairment of fixed assets

Fixed assets are regularly reviewed for impairment.

The Group has adopted a policy to write off items of farm plant, fixtures, fittings and equipment and computer equipment over 12 years old.

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.

Stock

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 (FIFO).

Trade debtors

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

Trade debtors are recognised initially at the transaction price. They are subsequently reviewed for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Other debtors include the amounts due in respect of residents fees.

Cash and cash equivalents

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

Trade creditors

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

Trade creditors are recognised at their settlement amount after allowing for any trade discounts due.

Fund structure

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

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

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

Pensions and other post retirement obligations

The Group offers a defined contribution pension scheme to its employees.

Financial instruments

Classification

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Recognition and measurement

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Impairment

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment, if objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets at cost less impairment, the impairment loss is measured as the difference between the assets carrying amount and the best estimate, which is an approximation, of the amount that the charity would receive for the asset if it were to be sold at the reporting date.

Debt instruments

The charity has made a loan to its subsidiary that qualifies as a Public Benefit Entity Concessionary Loan under the requirements of FRS102.

The loan has initially been measured at the amount paid in the charity's balance sheet. The inter group loan has been eliminated on consolidation.

In subsequent years the carrying amount of the loan will be adjusted to reflect any accrued interest receivable or any impairment losses.

The terms of the loan provide for interest to be payable to the charity at a rate of 1.5% above bank base rate. The loan is repayable over a period of 25 years.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies (continued)

Derivative financial instruments

The group does not use derivative financial instruments.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	General £	£	£	£
Donations and legacies;				
Appeals and donations	160,606	4,967	165,573	11,590
	<u>160,606</u>	<u>4,967</u>	<u>165,573</u>	<u>11,590</u>

3 Income from charitable activities

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Fee income	2,925,107	2,925,107	2,487,373
	<u>2,925,107</u>	<u>2,925,107</u>	<u>2,487,373</u>

4 Income from other trading activities

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Trading income;			
Farm income	24,082	24,082	24,895
Craft sales	395	395	1,084
Events income;			
Open day income	-	-	7,596
Feed in tariff/renewable heating incentive	15,975	15,975	16,666
	<u>40,452</u>	<u>40,452</u>	<u>50,241</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

5 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	3,355	3,355	7,887
Other income from fixed asset investments	2,124	2,124	-
Other income from current asset investments	25	25	-
	<u>5,504</u>	<u>5,504</u>	<u>7,887</u>

6 Other income

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Income from trading subsidiary	30,711	30,711	27,070
UK government grants - job retention scheme	23,407	23,407	-
	<u>54,118</u>	<u>54,118</u>	<u>27,070</u>

7 Expenditure on raising funds

a) Costs of trading activities

		Unrestricted funds		
		General	Total	Total
		£	2020	2019
	Note		£	£
Farm trading costs		14,876	14,876	16,328
Trading subsidiary costs		51,341	51,341	53,510
Open day costs		-	-	1,135
		<u>66,217</u>	<u>66,217</u>	<u>70,973</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

7 Expenditure on raising funds (continued)

b) Investment management costs

	Note	Unrestricted funds General £	Total 2020 £
Other investment management costs;			
Amounts payable to investment managers		6,120	6,120
		<u>6,120</u>	<u>6,120</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

8 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted funds		
	General £	Total 2020 £	Total 2019 £
Support costs allocated to charitable	171,001	171,001	229,953
Support costs allocated to governance	1,539	1,539	1,395
	<u>172,540</u>	<u>172,540</u>	<u>231,348</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

8 Analysis of governance and support costs (continued)

Support costs allocated to charitable activities

	Governance costs £	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total 2020 £	Total 2019 £
Payroll and other services	-	-	-	-	-	-	3,948
Insurance	-	-	-	20,640	-	20,640	16,985
Trustee insurance	1,526	-	-	-	-	1,526	1,382
Sundry expenses	13	-	-	-	-	13	13
Premises expenses	-	-	-	28,272	-	28,272	32,093
Property and equipment repairs	-	-	-	38,829	-	38,829	51,582
Office expenses	-	-	24,241	-	-	24,241	53,470
Print, post and stationery	-	-	3,701	-	-	3,701	5,254
Training and subscriptions	-	12,432	-	-	-	12,432	15,937
Equipment hire	-	-	-	-	9,090	9,090	8,286
Motor expenses	-	-	-	-	15,727	15,727	25,923
Professional and registration fees	-	-	-	-	15,461	15,461	15,066
Bank charges	-	-	-	-	2,608	2,608	1,409
	<u>1,539</u>	<u>12,432</u>	<u>27,942</u>	<u>87,741</u>	<u>42,886</u>	<u>172,540</u>	<u>231,348</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

8 Analysis of governance and support costs (continued)

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Audit fees			
Audit of the financial statements	4,369	4,369	4,098
Other fees paid to auditors	10,329	10,329	9,908
Trustees remuneration and expenses	-	-	45
Allocated support costs	1,539	1,539	1,395
	<u>16,237</u>	<u>16,237</u>	<u>15,446</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2020 £	2019 £
Operating leases - plant and machinery	9,090	8,286
Audit fees	4,369	4,098
Loss on disposal of fixed assets held for the group's own use	536	5,016
Depreciation of fixed assets	87,527	84,252
Depreciation of trading subsidiary assets	<u>21,442</u>	<u>21,442</u>

10 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

Mrs A E Liverton

£Nil (2019: £45) of expenses were reimbursed to Mrs A E Liverton during the year.

Reimbursement for trustee meeting costs.

At the balance sheet date the amount due Mrs A E Liverton was £Nil (2019: £Nil).

D H Tucker

Is the nominated staff trustee. He is an employee prior to his appointment as a trustee and receives no additional remuneration for his role as a trustee of the charity.

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

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

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	1,769,983	1,653,549
Social security costs	131,920	115,065
Pension costs	41,735	34,941
Other staff costs	<u>105,389</u>	<u>73,158</u>
	<u>2,049,027</u>	<u>1,876,713</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

11 Staff costs (continued)

The average monthly head count was 87 staff (2019 - 86 staff). The monthly average number of persons (including senior management team) employed by the group during the year expressed as full time equivalents was as follows:

	2020	2019
	No	No
Charitable activities	<u>75</u>	<u>74</u>

69 (2019 - 61) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £41,735 (2019 - £34,941).

During the year, the group made redundancy and/or termination payments which totalled £3,361 (2019 - £14,100).

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

The total employee benefits of the key management personnel of the group were £108,616 (2019 - £101,866).

The chief executive officer, as the highest paid member of staff, received benefits totalling £57,094 (2019 - £53,843).

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

12 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>4,369</u>	<u>4,098</u>
Other fees to auditors		
All other non-audit services	<u>10,329</u>	<u>9,908</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

13 Tangible fixed assets

Group

	Freehold Land and buildings £	Farm Plant £	Motor vehicles £	Computer equipment £	Solar panels and bio-mass boiler £	Fixtures, fittings and equipment £	Total £
Cost							
At 1 January 2020	2,260,165	103,972	56,225	31,699	551,886	170,791	3,174,738
Additions	-	300	-	25,143	-	13,729	39,172
Disposals	-	(5,486)	-	(123)	-	(4,513)	(10,122)
At 31 December 2020	<u>2,260,165</u>	<u>98,786</u>	<u>56,225</u>	<u>56,719</u>	<u>551,886</u>	<u>180,007</u>	<u>3,203,788</u>
Depreciation							
At 1 January 2020	718,655	67,839	23,500	27,118	132,559	112,580	1,082,251
Charge for the year	42,640	7,211	6,545	8,891	27,445	16,237	108,969
Eliminated on disposals	-	(5,109)	-	(123)	-	(4,354)	(9,586)
At 31 December 2020	<u>761,295</u>	<u>69,941</u>	<u>30,045</u>	<u>35,886</u>	<u>160,004</u>	<u>124,463</u>	<u>1,181,634</u>
Net book value							
At 31 December 2020	<u>1,498,870</u>	<u>28,845</u>	<u>26,180</u>	<u>20,833</u>	<u>391,882</u>	<u>55,544</u>	<u>2,022,154</u>
At 31 December 2019	<u>1,541,510</u>	<u>36,133</u>	<u>32,725</u>	<u>4,581</u>	<u>419,327</u>	<u>58,211</u>	<u>2,092,487</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

13 Tangible fixed assets (continued)

Charity

	Freehold Land and buildings £	Farm Plant £	Motor vehicles £	Computer equipment £	Solar panels and bio-mass boiler £	Fixtures, fittings and equipment £	Total £
Cost							
At 1 January 2020	2,260,165	103,972	56,225	31,699	123,054	170,791	2,745,906
Additions	-	300	-	25,143	-	13,729	39,172
Disposals	-	(5,486)	-	(123)	-	(4,513)	(10,122)
At 31 December 2020	<u>2,260,165</u>	<u>98,786</u>	<u>56,225</u>	<u>56,719</u>	<u>123,054</u>	<u>180,007</u>	<u>2,774,956</u>
Depreciation							
At 1 January 2020	718,655	67,839	23,500	27,118	43,217	112,580	992,909
Charge for the year	42,640	7,211	6,545	8,891	6,003	16,237	87,527
Eliminated on disposals	-	(5,109)	-	(123)	-	(4,354)	(9,586)
At 31 December 2020	<u>761,295</u>	<u>69,941</u>	<u>30,045</u>	<u>35,886</u>	<u>49,220</u>	<u>124,463</u>	<u>1,070,850</u>
Net book value							
At 31 December 2020	<u>1,498,870</u>	<u>28,845</u>	<u>26,180</u>	<u>20,833</u>	<u>73,834</u>	<u>55,544</u>	<u>1,704,106</u>
At 31 December 2019	<u>1,541,510</u>	<u>36,133</u>	<u>32,725</u>	<u>4,581</u>	<u>79,837</u>	<u>58,211</u>	<u>1,752,997</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

14 Fixed asset investments

Group

	2020 £
Other investments	761,764

Other investments

	Listed investments £	Total £
Cost or Valuation		
Revaluation	57,174	57,174
Additions	764,344	764,344
Disposals	(59,754)	(59,754)
At 31 December 2020	761,764	761,764
Net book value		
At 31 December 2020	761,764	761,764

The market value of the listed investments at 31 December 2020 was £761,764 (2019 - £Nil).

Charity

	2020 £	2019 £
Shares in group undertakings and participating interests	100	100
Other investments	761,764	-
	761,864	100

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

14 Fixed asset investments (continued)

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2020	100	100
At 31 December 2020	100	100
Net book value		
At 31 December 2020	100	100
At 31 December 2019	100	100

Other investments

	Listed investments £	Total £
Cost or Valuation		
Revaluation	57,174	57,174
Additions	764,344	764,344
Disposals	(59,754)	(59,754)
At 31 December 2020	761,764	761,764
Net book value		
At 31 December 2020	761,764	761,764

The market value of the listed investments at 31 December 2020 was £761,764 (2019 - £Nil).

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2020	2019	
Subsidiary undertakings					
Stallcombe Eco Power Ltd	England and Wales	Ordinary Shares	100%	100%	Generation of electricity

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

14 Fixed asset investments (continued)

Subsidiaries

The loss for the financial period of Stallcombe Eco Power Ltd was £527 (2019 - £5,104) and the aggregate amount of capital and reserves at the end of the period was £(27,368) (2019 - £(26,841)).

Company number 9559743. The company was incorporated on the 24th April 2015.

Turnover for the year ended 31st December 2020 was £59,732 (2019 - £59,714).

Expenditure for the year ended 31st December 2020 was £60,259 (2019 - £64,818).

15 Stock

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Stocks	11,038	11,279	11,038	11,279

16 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	974	849	-	-
Due from group undertakings	-	-	399,763	422,033
Prepayments	35,712	37,459	33,254	33,970
Other debtors	458,340	127,925	456,771	125,896
	<u>495,026</u>	<u>166,233</u>	<u>889,788</u>	<u>581,899</u>

Charity debtors includes £372,635 (2019: £392,635) receivable after more than one year.

17 Cash and cash equivalents

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Cash on hand	276	207	276	207
Cash at bank	1,825,383	2,126,495	1,773,634	2,077,612
	<u>1,825,659</u>	<u>2,126,702</u>	<u>1,773,910</u>	<u>2,077,819</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

18 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	5,038	6,328	-	-
Other taxation and social security	41,730	34,330	41,730	34,330
Other creditors	101,156	78,830	105,393	87,225
Accruals	37,769	19,088	36,167	17,473
	<u>185,693</u>	<u>138,576</u>	<u>183,290</u>	<u>139,028</u>

19 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Other				
Between one and five years	<u>16,051</u>	<u>8,057</u>	<u>16,051</u>	<u>8,057</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

20 Reserves

Group

	Unrestricted revaluation reserve £	Total £
Unrealised gain on investments	<u>57,174</u>	<u>57,174</u>

Group

Charity

	Unrestricted revaluation reserve £	Total £
Unrealised gain on investments	<u>57,174</u>	<u>57,174</u>

Charity

21 Charity status

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

The address of its registered office is:

Stallcombe House Farm
Sanctuary Lane
Woodbury
Exeter
EX5 1EX

These financial statements were authorised for issue by the trustees on 7 September 2021.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

22 Commitments

Group

Pension commitments

There are no pension commitments for the subsidiary.

Current pension contributions for the charity are owed at the year end and paid the following month. Commitments provided for in the accounts amounted to £9,169 (2019 - £5,136). Commitments not provided for in the accounts amounted to £Nil (2019 - £Nil). £Nil relates to pension commitments related to pensions payable to past directors (2019 - £Nil).

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

23 Funds

Group

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	4,225,103	3,185,787	(2,578,697)	5,888	4,838,081
Revaluation reserve	-	-	-	57,174	57,174
	<u>4,225,103</u>	<u>3,185,787</u>	<u>(2,578,697)</u>	<u>63,062</u>	<u>4,895,255</u>
Restricted funds					
Social fund	29,268	4,967	(3,296)	-	30,939
Willows fund	332	-	-	-	332
Computer fund	<u>3,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,422</u>
Total restricted funds	<u>33,022</u>	<u>4,967</u>	<u>(3,296)</u>	<u>-</u>	<u>34,693</u>
Total funds	<u>4,258,125</u>	<u>3,190,754</u>	<u>(2,581,993)</u>	<u>63,062</u>	<u>4,929,948</u>
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	4,112,842	2,576,198	(2,466,155)	2,218	4,225,103
Restricted funds					
Social fund	28,159	7,413	(5,488)	(816)	29,268
Willows fund	-	550	(218)	-	332
Equipment fund	1,402	-	-	(1,402)	-
Computer fund	<u>3,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,422</u>
Total restricted funds	<u>32,983</u>	<u>7,963</u>	<u>(5,706)</u>	<u>(2,218)</u>	<u>33,022</u>
Total funds	<u>4,145,825</u>	<u>2,584,161</u>	<u>(2,471,861)</u>	<u>-</u>	<u>4,258,125</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

23 Funds (continued)

Charity

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
Unrestricted funds					
<i>General</i>					
Unrestricted Fund	4,252,044	3,162,404	(2,554,787)	5,888	4,865,549
Revaluation reserve	-	-	-	57,174	57,174
	<u>4,252,044</u>	<u>3,162,404</u>	<u>(2,554,787)</u>	<u>63,062</u>	<u>4,922,723</u>
Restricted funds					
Social Fund	29,268	4,967	(3,296)	-	30,939
Willows Fund	332	-	-	-	332
Computer Fund	<u>3,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,422</u>
Total restricted funds	<u>33,022</u>	<u>4,967</u>	<u>(3,296)</u>	<u>-</u>	<u>34,693</u>
Total funds	<u>4,285,066</u>	<u>3,167,371</u>	<u>(2,558,083)</u>	<u>63,062</u>	<u>4,957,416</u>
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
Unrestricted funds					
<i>General</i>					
Unrestricted Fund	4,134,679	2,558,726	(2,443,579)	2,218	4,252,044
Restricted funds					
Social Fund	28,159	7,413	(5,488)	(816)	29,268
Willows Fund	-	550	(218)	-	332
Equipment Fund	1,402	-	-	(1,402)	-
Computer Fund	<u>3,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,422</u>
Total restricted funds	<u>32,983</u>	<u>7,963</u>	<u>(5,706)</u>	<u>(2,218)</u>	<u>33,022</u>
Total funds	<u>4,167,662</u>	<u>2,566,689</u>	<u>(2,449,285)</u>	<u>-</u>	<u>4,285,066</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

23 Funds (continued)

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

Social fund - to assist with the payment of social events for the beneficiaries of the charity.

Willows fund - for the building of the unit and for the purchase of equipment required to benefit the beneficiaries of the Willows unit.

Equipment fund - to assist in the purchase of fixed assets for charity use.

Computer fund - to assist in the purchase of computer equipment for charity use.

24 Analysis of net assets between funds

Group

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	2,022,154	-	2,022,154
Fixed asset investments	761,764	-	761,764
Current assets	2,293,961	37,762	2,331,723
Current liabilities	(182,624)	(3,069)	(185,693)
Total net assets	<u>4,895,255</u>	<u>34,693</u>	<u>4,929,948</u>

	Unrestricted funds		Total funds at 31 December 2019
	General £	Restricted funds £	£
Tangible fixed assets	2,092,487	-	2,092,487
Current assets	2,270,111	34,103	2,304,214
Current liabilities	(137,495)	(1,081)	(138,576)
Total net assets	<u>4,225,103</u>	<u>33,022</u>	<u>4,258,125</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

24 Analysis of net assets between funds (continued)

Charity

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	1,704,106	-	1,704,106
Fixed asset investments	761,864	-	761,864
Current assets	2,636,974	37,762	2,674,736
Current liabilities	(180,221)	(3,069)	(183,290)
Total net assets	<u>4,922,723</u>	<u>34,693</u>	<u>4,957,416</u>
	Unrestricted funds	Restricted funds	Total funds at 31 December 2019
	General £	£	£
Tangible fixed assets	1,752,997	-	1,752,997
Fixed asset investments	100	-	100
Current assets	2,636,894	34,103	2,670,997
Current liabilities	(137,947)	(1,081)	(139,028)
Total net assets	<u>4,252,044</u>	<u>33,022</u>	<u>4,285,066</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

25 Analysis of net funds

Group

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	2,126,702	(301,043)	1,825,659
Net debt	2,126,702	(301,043)	1,825,659
	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	1,719,162	407,540	2,126,702
Net debt	1,719,162	407,540	2,126,702

Charity

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	2,077,819	(303,909)	1,773,910
Net debt	2,077,819	(303,909)	1,773,910
	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	1,664,349	413,470	2,077,819
Net debt	1,664,349	413,470	2,077,819

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

26 Financial instruments

Group

Categorisation of financial instruments

	2020 £
Financial assets measured at fair value through profit or loss	<u>761,764</u>

Financial assets measured at fair value

Listed investments

Fair value is determined by reference to the open market value.

The fair value is £761,764 (2019 - £Nil) and the change in value included in profit or loss is £57,174 (2019 - £Nil).

Items of income, expense, gains or losses

	Income £	Expense £	Net gains £	Net losses £
2020				
Financial assets measured at fair value through profit or loss	<u>2,124</u>	<u>6,120</u>	<u>57,174</u>	<u>-</u>

Charity

Categorisation of financial instruments

	2020 £	2019 £
Financial assets measured at fair value through profit or loss	761,764	-
Financial assets that are equity instruments measured at cost less impairment	<u>100</u>	<u>100</u>
	<u>761,864</u>	<u>100</u>

Financial assets measured at fair value

Listed investments

Fair value is determined by reference to open market value.

The fair value is £761,764 (2019 - £Nil) and the change in value included in profit or loss is £57,174 (2019 - £Nil).

Items of income, expense, gains or losses

	Income £	Expense £	Net gains £	Net losses £
2020				
Financial assets measured at fair value through profit or loss	<u>2,124</u>	<u>6,120</u>	<u>57,174</u>	<u>-</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

26 Financial instruments (continued)

The total interest income for financial assets not measured at fair value through profit or loss is £7,128 (2019 - £9,398).

27 Related party transactions

Group

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

User trustees

(The user trustees are directors of the charity and have relatives who are beneficiaries of the charity)

The user trustees have relatives that are enjoying the same benefits as unrelated beneficiaries.. At the balance sheet date the amount due to/from User trustees was £Nil (2019 - £Nil).

Charity

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

User trustees

(The user trustees are directors of the charity and have relatives who are beneficiaries of the charity)

The user trustees have relatives that are enjoying the same benefits as unrelated beneficiaries. At the balance sheet date the amount due to/from User trustees was £Nil (2019 - £Nil).

Stallcombe Eco Power Ltd

(A wholly owned trading subsidiary of the charity)

During the 2015 year the charity made a loan to Stallcombe Eco Power Ltd interest is being charged on this loan at 1.5% above bank base rate.

During the year the charity has purchased electricity from Stallcombe Eco Power Ltd in the sum of £30,287 (2019 - £34,106). At the balance sheet date the amount due from Stallcombe Eco Power Ltd was £395,556 (2019 - £413,685).

28 Taxation

The group comprises a registered charity which is therefore exempt from taxation and a trading subsidiary which is liable to corporation tax on any profits not gift aided to the charity.

29 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	Total 2020 £	Total 2019 £
Fee income	<u>2,322,418</u>	<u>171,001</u>	<u>2,493,419</u>	<u>2,385,442</u>

£2,490,123 (2019 - £2,379,736) of the above expenditure was attributable to unrestricted funds and £3,296 (2019 - £5,706) to restricted funds.

Stallcombe House

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

29 Expenditure on charitable activities (continued)

In addition to the expenditure analysed above, there are also governance costs of £16,237 (2019 - £15,446) which relate directly to charitable activities. See note 8 for further details.