

Company registration number: 01600678

Charity registration number: 283877

Stallcombe House

(A company limited by guarantee)

Group Annual Report and Financial Statements
for the Period 1 January 2021 to 30 June 2022

Stallcombe House

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Stallcombe House

Strategic Report

The Trustees, who are Directors for the purposes of Company Law, present their Strategic Report for the period 1 January 2021 to 30 June 2022, in compliance with s414C of the Companies Act 2006.

Achievements and Performance

Review of Charitable Activities

As with many organisations, similar in size and operation as Stallcombe, we have been in virtually constant lockdown since the start of the pandemic of 2020.

The charity has been underfunded in certain areas due to uplift meetings being postponed due to unavailability of relevant individuals due to the pandemic and therefore we are only now reassessing our fees and engaging in meaningful and progressive dialogue with relevant authorities.

Throughout this period the Stallcombe team have shown great resilience, fortitude, and creative imagination and for this the board of trustees are indebted to everyone at Stallcombe. Residents have remained safe and engaged and families have seen their residents via zoom, teams, facetime, or socially distanced visits.

Life has been challenging for everyone at Stallcombe, the residents, staff, and visitors alike but they have weathered the storm and have emerged organisationally and financially secure throughout.

The charity remains committed to providing an environment that promotes independence and individuality for all our residents whilst being supported by highly motivated and trained staff. Recruitment, as with many similar enterprises has been challenging at times, but this appears to be improving.

Whilst we have seen residents relocate for various reasons our numbers have remained static at 31 for the past year. Our capacity is 33 (6 within Willows and 27 at Stallcombe) but due to imminent building improvements we are only filling 1 vacancy in Willows within the coming months.

Fundraising Performance Against Activities

Due to the pandemic, we did not hold our annual fayre which would have seen us raise thousands of pounds, on a good day, preferring to stage a family afternoon where residents and their families could meet for activities and entertainment within the grounds of Stallcombe. Guests were able to purchase freshly prepared food, items made within the weavery or grown on site in our gardens, and enjoy a musical extravaganza performed by residents and staff. The afternoon was designed for social time for everyone and not as a money raising activity.

Other yearly events such as the Bonfire Night and Pre- Christmas Get Together were scaled back over this period due to advice from the Health Security Agency around large groups and the spread of infections. Therefore, funds raised over this period were minimal.

Normally Stallcombe would be supported by the Family and Friends of Stallcombe charity but due to the pandemic this has been limited to selling Christmas cards through local outlets which has allowed Family and Friends to purchase items such as a fish tank and a mixing desk for music productions.

Stallcombe House

Strategic Report (continued)

Investment Performance against Activities

Over this period the Solar array project has continued to be an asset worthy of its installation. Whilst our directors of this project may have changed, the Solar array has been as productive as previous years generating £32k of Electricity to Stallcombe House, selling £39k to the National grid and repaying £20,000 in loan repayments and £7,128 in interest to the Charity. We are looking at further development of this project especially around utilising the electricity generated to power electric cars.

Our focus now is to consolidate our accommodation for our office staff by building a purpose-built office block which will see the current portacabins removed from site (Stage 1 of our building programme). Tendering for this stage of the project has commenced and we hope to have builders on site and commencing March 2023.

Stage 2 will be the redesigning of our theatre building to accommodate 4 new ensuite bedrooms for residents. This has been many years in the planning and as per previous CQC criticism we must now make this a priority. Planning permission is being sought with a possible start date of June 2023.

Stage 3 is the relocation and development of a training kitchen comprehensive enough to provide adequate space for the preparation of meals and for the residents to participate in the preparation of those meals. This aspect of the building programme is being progressed with the assistance of a team of architects especially selected for this project.

The Willows is undergoing a review of its building structure to ensure it maintains its durability as a suitable accommodation building for its residents. This review will include maintenance of the sound proofing, heating, and lighting systems to ensure it meets the needs of all the residents housed there.

All the above projects are being invested in to enhance the lives of our residents and our staff.

The funds for these projects have been identified and costings have been realistic for the amount of work involved to maintain national standards.

The board recognises that all projects, for the coming year and in the future, must be thoroughly thought out and therefore budgets must be set accordingly. With this in mind monies have been invested to ensure everything in our 5-year plan is achievable and realistic to our means. Further monies will be invested at a time indicated by our financial advisor and the world markets.

Factors Relevant to Achievement

The care sector, as with the majority of the working population, has seen inflation and interest rates rise at a rate not seen in this country for many a year and this has contributed to higher food costs, staffing costs, utility bills, fuel costs, with many services impacted.

Our greatest asset is our staff and therefore we have deliberated and awarded our pay rises at a rate that we can absorb through fee uplifts and associated grants without compromising our investments or capital.

Residents' fees have been reviewed, in line with local authority guidelines, to reflect our aging residents and their continuing needs. Funding arrangements are undertaken yearly or at a point where the needs of a resident are deemed significant enough to warrant a review of funding.

We review our financial status at all our board meetings and seek reassurances from our financial partners to ensure we remain financially secure.

After the completion of our building programme, we will be able to return to maximum bed occupancy which in turn will increase our revenue.

Stallcombe House

Strategic Report (continued)

Key Financial Performance Indicators

	Unit	18 months to 30 June 2022	Year to 31 December 2020
Net (expenditure)/income before investments (losses)/gains	£	618,261	608,761
Gains / (losses) on investment assets	£	(44,335)	63,062
Net Income	£	573,926	671,823
Available Cash Resources inc Investments	£	3,614,396	2,587,423
Unrestricted Reserve	£	5,467,801	4,895,255

Key Non-financial Performance Indicators

Although we were pleased to receive an overall 'Good' rating from the CQC for Care and Safety of our residents we did acknowledge and act on our 'Needs Improvement' rating for well-led.

Financial Review

The financial position is considered to be strong enough to be able to move forward with the Charity's investment plans. At the period end, net current assets were £2,797,064 and unrestricted funds were £5,467,801. Net income for the eighteen month period was £573,926 compared to £671,823 in the year to 31 December 2020. The annual surplus though will decline in the coming year as the full effect of staff pay rises and staff recruitment come through.

As previously acknowledged staff are and will remain our biggest asset and this has been reflected in two pay uplifts during this period. This has been made possible by fee uplifts and negotiating of fees with authorities slow to uplift fees accordingly. Negotiations are ongoing with many authorities to ensure funding is continuous and meets the needs of our aging population.

The relevant and appropriate care and support of our residents is paramount to ensuring they live as fulfilling, inclusive, and independent life as possible and any surplus funds are reinvested to guarantee that everyone's lifestyle reflects their ongoing needs.

We will be investing greatly in the next period to bring our accommodation up to a standard everyone, regardless of their needs, must expect from an environment such as Stallcombe. All bedrooms will have their own ensuite facilities, office staff will relocate from draughty and cold portacabins to a purpose-built office block which provides separate office space, kitchenette, and washroom facilities, and the catering provision will be delivered from a state-of-the-art kitchen facility that will see residents actively involved in daily meal planning, food preparation, and creative menu delivery.

Our trading subsidiary Stallcombe Eco Power Limited recorded a loss for the period and at the period end the balance sheet showed net liabilities of £51,738. The Trustees and directors of Eco Power will review the basis of charging between the entities to ensure the subsidiary receives a proper commercial return to resolve the deficit position.

In summary, our financial situation is secure and viable in this current economic climate, but the board and management team are ever vigilant to the ever changing economic and political status of the care sector and are poised to react accordingly should the need arise.

Stallcombe House

Strategic Report (continued)

Policy and Reserves

Monies held in reserve are there to ensure that we are able to react accordingly to meet the needs of our residents at any given point. With the ever-increasing cost of food, utilities, fuel, and any other sundries as required by our residents and staff the board are ever vigilant to ensure we can meet those needs as and when situations and positions change. The board understands and has made adequate provision to ensure that should the need arise funds are immediately accessible to cover any shortfalls.

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 in how they can be used - of £5,467,801 (2020 - £4,895,255). In assessing our level of free reserves against the target range, we exclude the fixed assets (primarily written down land and buildings) of £1,939,791 (2020 £2,022,154) because this cannot quickly be realised. In addition, funds have been earmarked for future work and projects and these are set aside in "activities planned to achieve aims". These 3 elements represent plans and intentions that are incorporated into the charities updated 5 year plan where a funding requirement of circa £1,100,000 has been allocated. Free reserves are therefore above the target level at the period end.

In addition the charity has restricted reserves of £36,073 (2020 - £34,693). 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.

The board reviews its financial situation at every board meeting and in between times should the need arise or the economic situation changes. We understand and acknowledge that our reserves are realistic and therefore should be and are being used for the benefit of the residents of Stallcombe.

Our five-year plan sets out our aims and goals to maintain the financial and material viability of Stallcombe.

Principal Funding Sources

Funding the charity is received regularly on a 4 weekly basis from the local authorities. The amounts involved are governed by the amount of residents in situ at the 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 appointed Fairstone Financial Management Ltd to administer our investments and this currently stands at approximately £767,000 at the period end. These funds are accessible immediately should the need arise. We are considering investing further to ensure our investments are of an ethical nature in line with our ethos.

We also have reserve funding should we find a suitable property to further our commitment to supported living in the local area. We are currently in consultation with the local authority exploring suitable sites, funding, and viability. This is a complex development, and we are committed to conduct due diligence before we fully embark on this project.

Stallcombe House

Strategic Report (continued)

Our existing Memorandum and Articles of Association set out the guidelines for investments by the board of Trustees.

Plans for Future Periods

Aims and Objectives for Future Periods

Activities planned to achieve aims

With a resident centred approach to our care and provision we are prioritising improvement in all aspects of that care from the identified building projects to the future plans of a designated entertainment area and training suite. Whilst still looking to extend that Stallcombe ethos to the community in providing supported living facilities and an opportunity for those residents to have full access to the site of Stallcombe on a daily basis.

Highly trained and motivated staff remains our key objective and with the development of our induction process and highly competitive pay rates, we envisage our staff as being the best in their field.

With these elements of resident centred care and highly trained staff must also come a living and working environment that compliments this approach and that is our aim over the coming months. The costings for this are: -

Stage 1 – purpose -built office space	approx. £250,000
Stage 2 – development of theatre space	approx. £350,000
Stage 3 – kitchen upgrade	approx. £450,000

The monies for this will be drawn from our capital and reserve funds.

We remain committed to developing the Stallcombe ethos both on site and within the locality in the form of supported living. We are actively investigating any potential property whether it be for future supported living in the long term or investment in the short term.

Activities Planned to Achieve Aims

We must continue to engage with local authorities, the CQC, residents, staff, families, and interested partners to ensure the future of Stallcombe remains vibrant, relevant, and productive for the provision of care for all.

With the support and guidance of our 5-year plan we will continue to invest in our residents, staff, and our financial standing within social care to deliver a resident centred approach by highly trained and highly motivated staff for the foreseeable future. This will be a home for life for all our residents.

Development of the Stallcombe site will be paramount in this period with our proposed building programme which will benefit all.

Our policies and procedures will be closely monitored and reviewed to ensure our standards remain high throughout with residents being at the heart of all our planning both present and future. We acknowledge an aging population, but this will not be a barrier to living their best lives within Stallcombe and in the community.

This strategic report was presented and approved by the board of Trustees.


.....
Karen Masterton (Chair of Trustees)

Stallcombe House

Trustees' Report

Reference and Administrative Details

Trustees	Mrs A E Liverton C M Retallack Mrs E Wragg (resigned 22 June 2021) G D H Pook (resigned 20 Sept 2022) C G Townroe (resigned 22 June 2021) Mrs K A E Masterton (Chair) D H Tucker (staff trustee resigned 30 June 2022) Mrs JM Ellis (appointed 29 Sept 2020- resigned 16 Feb 2022) N M Rice (appointed 29 September 2020 - resigned 2 Dec 2021) G Towning (staff Trustee appointed 20 Sept 2022) I Murray- (appointed Sept 2021) S Hines- (appointed Sept 2021 – resigned 12 Sept 2022) R Stevens – (appointed 10 Jan 2023)
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Senior Management Team

Ms A Greenaway, Head of Charity – (resigned 30 Sept 2022)
Ms S Boulton, Head of Care – (resigned 22 May 22)
Mrs Sonia Nye- Head of HR, Admin and Training (appointed April 2022)
Mrs Carianne Bright- Head of Care- (appointed April 2022)
Mr James Ayres-Turner- Head of Facilities (appointed April 2022 resigned 7 October 22)

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
EX81HJ

Nationwide Building Society
PO Box 3
5-11 St. Georges Street
Douglas
Isle of Man
IM99 1AS

Auditors

PKF Francis Clark
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

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Trustees' Report (continued)

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 period 1 January 2021 to 30 June 2022.

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 accords 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 Head of Charity, Mrs A Greenaway, left on 30th September 2022 and has been replaced by Sonia Nye, Head of People, Policy and Governance, and Mrs C Bright, is Head of Carereplacing, replacing Ms S Boulton who left in May 2022. Both members of the Senior Management team manage the day to day administration of the charity and report directly to the Trustees.

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.

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 three trustees who have relatives who are beneficiaries of the charity, enjoying the same benefits as unrelated beneficiaries.

Stallcombe House

Trustees' Report (continued)

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)

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 07-03-23 and signed on its behalf by:


.....
Karen Masterton
Chair of Trustees

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 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 07-03-23 and signed on its behalf by:



Karen Masterton
Chair of Trustees

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 period 1 January 2021 to 30 June 2022, 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 30 June 2022 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 13), 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.
- 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.
- Discussed with the health and safety officer whether any serious incidents had been reported 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.



.....
Sharon Austen (Senior Statutory Auditor)
PKF Francis Clark

Sigma House
Oak View Close
Edginswell Park
Torquay
Devon
TQ2 7FF

Date: 10 March 2023

Stallcombe House

Consolidated Statement of Financial Activities for the Period 1 January 2021 to 30 June 2022

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted funds £	30 June 2022 £	31 Dec 2020 £
Income and Endowments from:					
Donations and legacies	2	11,410	1,380	12,790	165,573
Charitable activities	3	4,742,477	-	4,742,477	2,925,107
Other trading activities	4	57,928	-	57,928	40,452
Investment income	5	16,261	-	16,261	5,504
Other income	6	38,756	-	38,756	54,118
Total income	3	4,866,832	1,380	4,868,212	3,190,754
Expenditure on:					
Raising funds	7	(101,106)	-	(101,106)	(72,337)
Charitable activities	8	(4,148,845)	-	(4,148,845)	(2,509,656)
Total expenditure		(4,249,951)	-	(4,249,951)	(2,581,993)
Net income before investment gains/(losses)		616,881	1,380	618,261	608,761
Gains/(losses) on investment assets		(44,335)	-	(44,335)	63,062
Net income		572,546	1,380	573,926	671,823
Net movement in funds		572,546	1,380	573,926	671,823
Reconciliation of funds					
Total funds brought forward		4,895,255	34,693	4,929,948	4,258,125
Total funds carried forward	23	5,467,801	36,073	5,503,874	4,929,948

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


The notes on pages 23 to 41 form part of the financial statements.

Stallcombe House

Consolidated Balance Sheet as at 30 June 2022

	Note	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Fixed assets			
Tangible assets	13	1,939,791	2,022,154
Investments	14	767,019	761,764
		<hr/>	<hr/>
		2,706,810	2,783,918
		<hr/>	<hr/>
Current assets			
Stocks	15	10,344	11,038
Debtors	16	428,197	495,026
Cash at bank and in hand	17	2,847,377	1,825,659
		<hr/>	<hr/>
		3,285,918	2,331,723
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	18	(488,854)	(185,693)
		<hr/>	<hr/>
Net current assets		2,797,064	2,146,030
		<hr/>	<hr/>
Net assets		5,503,874	4,929,948
		<hr/>	<hr/>
Funds of the group:	23		
Restricted income funds			
Restricted funds		36,073	34,693
Unrestricted income funds			
Unrestricted funds		5,467,801	4,838,081
Revaluation reserve		-	57,174
		<hr/>	<hr/>
Total unrestricted funds		5,467,801	4,895,255
		<hr/>	<hr/>
Total funds	23	5,503,874	4,929,948
		<hr/>	<hr/>

The financial statements on page 18 to 41 were approved by the trustees and authorised for issue on 07-03-23 and signed on their behalf by:



 K Masterton
 Trustee


The notes on pages 23 to 41 form part of the financial statements.

Stallcombe House

Charity Balance Sheet as at 30 June 2022

	Note	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Fixed assets			
Tangible assets	13	1,653,906	1,704,106
Investments	14	767,119	761,864
		<u>2,421,025</u>	<u>2,465,970</u>
Current assets			
Stocks	15	10,344	11,038
Debtors	16		
- Due within one year		440,232	517,153
- Due after one year		352,635	372,635
Cash at bank and in hand	17	2,813,014	1,773,910
		<u>3,616,225</u>	<u>2,674,736</u>
Creditors: Amounts falling due within one year	18	(481,738)	(183,290)
Net current assets		<u>3,134,487</u>	<u>2,491,446</u>
Net assets		<u>5,555,512</u>	<u>4,957,416</u>
Funds of the charity:			
Restricted funds		36,073	34,693
Unrestricted income funds			
Unrestricted funds		5,506,600	4,865,549
Revaluation reserve		12,839	57,174
Total unrestricted funds		<u>5,519,439</u>	<u>4,922,723</u>
Total funds	23	<u>5,555,512</u>	<u>4,957,416</u>

The financial statements on page 18 to 41 were approved by the trustees and authorised for issue on 07-05-23 and signed on their behalf by:



 K Masterton
 Trustee

The notes on pages 23 to 41 form part of the financial statements.

Stallcombe House

Consolidated Statement of Cash Flows for the period 1 January 2021 to 30 June 2022

	Note	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Cash flows from operating activities			
Net cash provided by operating activities (below)		1,144,399	437,215
Cash flows from investing activities			
Interest receivable and similar income	5	16,261	5,504
Purchase of tangible fixed assets	13	(89,354)	(39,172)
Purchase of investments	14	(413,994)	(764,344)
Sale of investments	14	364,406	59,754
Net cash flows used in investing activities		(122,681)	(738,258)
Net increase/(decrease) in cash and cash equivalents		1,021,718	(301,043)
Cash and cash equivalents at start of period		1,825,659	2,126,702
Cash and cash equivalents at end of period	17	2,847,377	1,825,659
Net income for the period (per Statement of Financial Activities)		573,926	671,823
Adjustments for			
Depreciation	13	171,717	108,969
Investment income	5	(16,261)	(5,504)
Revaluation of investments		44,335	(57,174)
Loss on disposal of fixed assets	9	-	536
Decrease in stocks	15	694	241
(Increase)/decrease in debtors	16	66,827	(328,793)
Increase in creditors	18	303,161	47,117
Net cash flows provided by operating activities		1,144,399	437,215

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

The notes on pages 23 to 41 form part of the financial statements.

Stallcombe House

Charity Statement of Cash Flows for the Period 1 January 2021 to 30 June 2022

	Note	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Cash flows from operating activities			
Net cash provided by operating activities (below)		1,134,659	404,951
Cash flows from investing activities			
Interest receivable and similar income	5	16,261	12,632
Purchase of tangible fixed assets	13	(89,354)	(39,172)
Purchase of investments	14	(413,994)	(764,344)
Sale of investments	14	364,406	59,754
Receipts from the repayment of loans to other entities		27,126	22,270
Net cash flows used in investing activities		(95,555)	(708,860)
Net increase/(decrease) in cash and cash equivalents		1,039,104	(303,909)
Cash and cash equivalents at start of period		1,773,910	2,077,819
Cash and cash equivalents at end of period	17	2,813,014	1,773,910
Net income for the period		598,096	672,350
Adjustments for			
Depreciation	13	139,554	87,527
Investment income	5	(16,261)	(12,632)
Revaluation of investments		44,335	(57,174)
Loss on disposal of fixed assets held for the charity's own use		-	536
Decrease in stocks	15	694	241
(Increase)/decrease in debtors	16	69,793	(330,159)
Increase in creditors	18	298,448	44,262
Net cash flows from operating activities		1,134,659	404,951

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

The notes on pages 23 to 41 form part of the financial statements.

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022

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 2019) - (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 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.

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 £598,096. (2020 - £672,350).

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its wholly owned trading subsidiary. 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.

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

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 and they have concluded that it is appropriate to complete the accounts on a going concern basis.

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (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.

Income

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 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.

Charitable activities

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

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.

Other income

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.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to make a payment, 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 Period Ended 30 June 2022 (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 trust's 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.

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

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 are included at market value using the bid price ruling 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.

Investment in the subsidiary is recognised at cost.

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

1 Accounting policies (continued)

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) method.

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.

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.

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

1 Accounting policies (continued)

Financial instruments

Classification

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments including trade and other debtors, legacies receivable, amounts due from subsidiary undertakings, cash at bank balances and short term trade and other creditors.

Recognition and measurement

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

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 was initially 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.

Derivative financial instruments

The group does not use derivative financial instruments.

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

2 Income from donations and legacies

	Unrestricted Funds £	Restricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Donations and legacies				
Appeals and donations	11,410	1,380	12,790	165,573
	<u>11,410</u>	<u>1,380</u>	<u>12,790</u>	<u>165,573</u>

Income for the year ended 31 December 2020 included £4,967 in respect of restricted funds

3 Income from charitable activities

	Unrestricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Fee income	4,742,477	4,742,477	2,925,107
	<u>4,742,477</u>	<u>4,742,477</u>	<u>2,925,107</u>

4 Income from other trading activities

	Unrestricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Trading income:			
Farm income	20,919	20,919	24,082
Craft sales	-	-	395
Feed in tariff/renewable heating incentive	37,009	37,009	15,975
	<u>57,928</u>	<u>57,928</u>	<u>40,452</u>

5 Investment income

	Unrestricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Interest receivable and similar income:			
Interest receivable on bank deposits	1,225	1,225	3,355
Other income from fixed asset investments	15,036	15,036	2,124
Other income from current asset investments	-	-	25
	<u>16,261</u>	<u>16,261</u>	<u>5,504</u>

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

6 Other income

	Unrestricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Income from trading subsidiary	38,756	38,756	30,711
UK government grants - job retention scheme	-	-	23,407
	<u>38,756</u>	<u>38,756</u>	<u>54,118</u>

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Farm trading costs	36,382	36,382	14,876
Trading subsidiary costs	51,951	51,591	51,341
	<u>88,333</u>	<u>88,333</u>	<u>66,217</u>

b) Investment management costs

	Unrestricted funds £	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Other investment management costs: Amounts payable to investment managers	12,773	12,773	6,120

8

a) Expenditure on charitable activities

	Activity undertaken Directly £	Activity support costs £	Total 18 mths to 30 June 2022 £	Total Year to 31 Dec 2020 £
Expenditure	3,753,519	395,326	4,148,845	2,509,656

£4,148,845 (2020 - £2,490,123) of the above expenditure was attributable to unrestricted funds and £nil (2020 -£3,296) to restricted funds. Support costs include governance costs of £63,220 (2020-£16,237) which relate directly to charitable activities.

Activities undertaken directly of £3,753,519 include staff costs of £3,325,446, household expenses of £218,290, utility costs of £89,378, farm costs of £37,290, residents' costs of £20,275 and other costs of £62,840, including depreciation.

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

b) Support costs allocated to charitable activities

	Governance Costs £	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total 18 mths to 30 June 2022 £	Total Year to 31 Dec 2020 £
Insurance	-	-	31,032	-	-	31,032	20,640
Trustees insurance	2,289	-	-	-	-	2,289	1,526
Sundry expenses	2,228	-	-	-	7,150	9,378	13
Premises expenses	-	-	-	24,294	-	24,294	28,272
Property and equipment repairs	-	-	-	44,094	-	44,094	38,829
Office expenses	-	18,865	51,180	-	-	70,045	24,241
Print, post and stationery	-	-	6,793	-	-	6,793	3,701
Training and subscriptions	-	15,296	-	-	-	15,296	12,432
Equipment hire	-	-	-	-	10,082	10,082	9,090
Motor expenses	-	-	-	-	25,695	25,695	15,727
Professional and registration fees	-	-	-	-	18,115	18,115	15,461
Professional fees	11,050	16,790	-	10,393	-	38,233	-
Bank charges	-	-	-	-	2,307	2,307	2,608
Accountancy	-	-	50,020	-	-	50,020	-
Audit fees	-	-	-	-	-	-	-
Audit of financial statements	25,506	-	-	-	-	25,506	4,369
Other fees paid to auditors	15,989	-	-	-	-	15,989	10,329
Trustees remuneration and expenses	6,158	-	-	-	-	6,158	-
	63,220	50,951	139,025	78,781	63,349	395,326	187,238

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

9 Net incoming/outgoing resources

Net incoming resources for the period include:

	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Operating leases -plant and machinery	10,082	9,090
Audit fees	25,506	4,369
Loss on disposal of fixed assets held for the group's own use	-	536
Depreciation of fixed assets	139,554	87,527
Depreciation of trading subsidiary assets	32,163	21,442
	<hr/>	<hr/>

10 Trustees remuneration and expenses

During the period the group made the following payments to trustees:

Mrs J Ellis

£1,328 (2020: £Nil) of expenses were reimbursed to Mrs J Ellis during the period.

Mr S Hines

£625 (2020: £nil) of expenses were reimbursed to Mr S Hines during the period.

Mrs K Masterton

£4,205 (2020: £nil) for expenses and fees for working as a Covid Tester.

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 period except as disclosed above. No trustees have received any other benefits from the charity during the period.

11 Staff costs

The aggregate payroll costs were as follows:

	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Staff costs during the period were:		
Wages and salaries	2,602,229	1,769,983
Social security costs	216,212	131,920
Pension costs	183,146	41,735
Other staff costs	339,155	105,389
	<hr/>	<hr/>
	3,340,742	2,049,027
	<hr/>	<hr/>

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

11 Staff costs (continued)

The average monthly head count was 79 staff (2020 -87 staff). The monthly average number of persons (including senior management team) employed by the group during the period expressed as full time equivalents was as follows:

	2022 No	2020 No
Charitable activities	73	75

70 (2020 - 69) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the period totalled £183,146 (2020 - £41,735).

During the period, the group made redundancy and/or termination payments which totalled £566 (2020 - £3,361).

Two employees received emoluments of more than £60,000 during the period of 18 months however the annualised emoluments were below £60,000.

The total employee benefits of the key management personnel of the group were £193,120 for the 18 month period (2020 -£108,616).

The highest paid member of staff, received benefits totalling £81,316 for the 18 month period (2020 - £57,094).

12 Auditors' remuneration

	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Audit of the financial statements	25,506	4,369
Other fees to auditors		
All other non-audit services	15,989	10,329

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (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 2021	2,260,165	98,786	56,225	56,719	551,886	180,007	3,203,788
Additions	57,112	-	950	1,240	-	30,051	89,354
At 30 June 2022	2,317,277	98,786	57,175	57,959	551,886	210,058	3,293,142
Depreciation							
At 1 January 2021	761,295	69,941	30,045	35,886	160,004	124,463	1,181,634
Charge for the year	69,440	8,077	7,330	21,735	41,168	23,967	171,717
At 30 June 2022	830,735	78,018	37,375	57,621	201,172	148,430	1,353,351
Net book value							
At 31 December 2020	1,498,870	28,845	26,180	20,833	391,882	55,544	2,022,154
At 30 June 2022	1,486,542	20,768	19,800	338	350,714	61,628	1,939,791

Stallcombe House

Notes to the Financial Statements for the Period Ended 30 June 2022 (continued)

13 Tangible fixed assets

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 2021	2,260,165	98,786	56,225	56,719	123,054	180,007	2,774,956
Additions	57,112	-	950	1,240	-	30,051	89,354
At 30 June 2022	2,317,277	98,786	57,175	57,959	123,054	210,058	2,864,310
Depreciation							
At 1 January 2021	761,295	69,941	30,045	35,886	49,220	124,463	1,070,850
Charge for the year	69,440	8,077	7,330	21,735	9,005	23,967	139,554
At 30 June 2022	830,735	78,018	37,375	57,621	58,225	148,430	1,210,404
Net book value							
At 31 December 2020	1,498,870	28,845	26,180	20,833	73,834	55,544	1,704,106
At 30 June 2022	1,486,542	20,768	19,800	338	64,829	61,628	1,653,906

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

14 Fixed asset investments

Group

Listed investments

	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
At Market Value		
At 1 January 2021	761,764	-
Additions	413,994	764,344
Disposals	(364,406)	(59,754)
Revaluation	(44,333)	57,174
	<hr/>	<hr/>
At 30 June 2022	767,019	761,764
	<hr/>	<hr/>

Investments include cash of £26,165 at 30 June 2022. The cost of the listed investments at 30 June 2022 was £758,382 (2020 - £704,590). The net revaluation losses of £44,333 for the period include £28,295 of realised gains and £72,628 of unrealised losses.

Charity

	18 mths to 30 June 2022 £	Year to 31 Dec 2020 £
Shares in subsidiary	100	100
Other investments	767,019	761,764
	<hr/>	<hr/>
	767,119	761,864
	<hr/>	<hr/>

Subsidiary

Cost and Net book value

At 31 December 2020 and 30 June 2022	100
	<hr/>

The charity owns 100% of the shares and voting rights in Stallcombe Eco Power Ltd, a company incorporated in England and Wales (Company number 9559743). Its principal activity is the generation of electricity.

The loss for the financial period of Stallcombe Eco Power Ltd was £24,050 (year ended 31 December 2020 - £527) and the aggregate amount of capital and reserves at the end of the period was a deficit of £(51,419) (2020 – deficit £(27,368)).

Turnover for the period ended 30 June 2022 was £70,363 (year ended 31 December 2020 - £59,732).

Expenditure for the period ended 30 June 2022 was £94,413 (year ended 31 December 2020 -£60,259).

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

15 Stock

	Group		Charity	
	2022	2020	2022	2020
	£	£	£	£
Stocks	10,344	11,038	10,344	11,038

16 Debtors

	Group		Charity	
	2022	2020	2022	2020
	£	£	£	£
Trade debtors	9,238	974	-	-
Due from group undertakings	-	-	383,490	399,763
Prepayments	41,549	35,712	41,549	33,254
Other debtors	377,410	458,340	367,828	456,771
	428,197	495,026	792,867	889,788

Charity debtors includes £352,635 (2020: £372,635) receivable after more than one year.

17 Cash and cash equivalents

	Group		Charity	
	2022	2020	2022	2020
	£	£	£	£
Cash on hand	276	276	276	276
Cash at bank	2,847,101	1,825,383	2,812,738	1,773,634
	2,847,377	1,825,659	2,813,014	1,773,910

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

18 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2020	2022	2020
	£	£	£	£
Trade creditors	174,811	5,038	167,695	-
Other taxation and social security	155,541	41,730	155,541	41,730
Other creditors	43,964	101,156	43,964	105,393
Accruals	114,538	37,769	114,538	36,167
	488,854	185,693	481,738	183,290

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	
	2022	2020	2022	2020
	£	£	£	£
Other				
Between one and five years	5,969	16,051	5,969	16,051

20 Funds Received as Agent

Stallcombe House acts as agent for several of its residents and collects benefits on their behalf. These benefits are paid into a ring fenced bank account which Stallcombe House operates as agent and it is used to pay residents expenses including their contributions to Stallcombe House's fees.

The balance on this bank account at 30 June 2022 was £221,043 (31 December 2020 - £120,503). These balances are not included in the statement of Financial Activities or balance sheet in accordance with the Charities SORP FRS102.

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.

22 Pension Commitments

There are no pension commitments for the subsidiary. Current pension contributions for the charity owed at the year end and provided for in the accounts amounted to £29,661 (2020 - £9,169). Commitments not provided for in the accounts amounted to £ nil (2020 - £Nil).

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

23 Funds

Group

Current Period

	Balance at 1 January 2021	Incoming resources £	Resources expended £	Transfers & recognised gains/(losses) £	Balance at 30 June 2022 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	4,838,081	4,866,232	(4,249,951)	12,839	5,467,801
Revaluation reserve	57,174	-	-	(57,174)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,895,255	4,866,832	(4,249,951)	(44,335)	5,467,801
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Social fund	30,939	1,380	-	-	32,319
Willows fund	332	-	-	-	332
Computer fund	3,422	-	-	-	3,422
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	34,693	1,380	-	-	36,073
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	4,929,948	4,868,212	(4,249,951)	(44,335)	5,503,874
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Previous Period

	Balance at 1 January 2020	Incoming resources £	Resources expended £	recognised gains/(losses) £	Balance at 31 Dec 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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,225,103	3,185,787	(2,578,697)	63,062	4,895,255
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Social fund	29,268	4,967	(3,296)	-	30,939
Willows fund	332	-	-	-	332
Computer fund	3,422	-	-	-	3,422
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	33,022	4,967	(3,296)	-	34,693
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	4,258,125	3,190,754	(2,581,993)	63,062	4,929,948
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

23 Funds

Charity

Current Period

	Balance at 1 January 2021	Incoming resources £	Resources expended £	Transfers & recognised gains/(losses) £	Balance at 30 June 2022 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	4,865,549	4,838,931	(4,197,880)	12,839	5,519,439
Revaluation reserve	57,174	-	-	(57,174)	-
	<u>4,922,723</u>	<u>4,838,931</u>	<u>(4,197,880)</u>	<u>(44,335)</u>	<u>5,519,439</u>
Restricted funds					
Social fund	30,939	1,380	-	-	32,319
Willows fund	332	-	-	-	332
Computer fund	3,422	-	-	-	3,422
	<u>34,693</u>	<u>1,380</u>	<u>-</u>	<u>-</u>	<u>36,073</u>
Total restricted funds					
	<u>34,693</u>	<u>1,380</u>	<u>-</u>	<u>-</u>	<u>36,073</u>
Total funds	<u>4,957,416</u>	<u>4,840,311</u>	<u>(4,197,880)</u>	<u>(44,335)</u>	<u>5,555,512</u>

Previous Period

	Balance at 1 January 2020	Incoming resources £	Resources expended £	recognised gains/(losses) £	Balance at 31 Dec 2020 £
Unrestricted funds					
<i>General</i>					
Unrestricted funds	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	3,422	-	-	-	3,422
	<u>33,022</u>	<u>4,967</u>	<u>(3,296)</u>	<u>-</u>	<u>34,693</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>

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (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.

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

Revaluation Fund – the amount by which the market value of listed investments exceeds their cost at the balance sheet date.

24 Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted funds £	Total funds 30 June 2022 £
Tangible fixed assets	1,939,791	-	1,939,791
Fixed asset investments	767,019	-	767,019
Current assets	3,249,845	36,073	3,285,918
Current liabilities	(488,854)	-	(488,854)
Total net assets	5,467,801	36,073	5,503,874

Previous period

	Unrestricted funds £	Restricted funds £	Total funds 31 Dec 2020 £
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	4,895,255	34,693	4,929,948

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2022 (continued)

24 Analysis of net assets between funds (continued)

Charity

	Unrestricted funds £	Restricted funds £	Total funds 30 June 2022 £
Tangible fixed assets	1,653,906	-	1,653,906
Fixed asset investments	767,119	-	767,119
Current assets	3,580,152	36,073	3,616,225
Current liabilities	(481,738)	-	(481,738)
Total net assets	5,519,439	36,073	5,555,512

Previous period

	Unrestricted funds £	Restricted funds £	Total funds 31 Dec 2020 £
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	4,922,723	34,693	4,957,416

25 Related party transactions

User trustees

The user trustees are directors of the charity that have relatives who are beneficiaries of the charity that enjoy the same benefits as unrelated beneficiaries. During the period there were three user trustees (year to 31 December 2020 - two). At the balance sheet date the amount due to/from user trustees was £nil (2020 -£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 and interest is being charged on this loan at 1.5% above bank base rate.

During the period the charity has purchased electricity from Stallcombe Eco Power Ltd in the sum of £31,607 (2020 -£30,287). At the balance sheet date the amount due from Stallcombe Eco Power Ltd was £383,490 (2020 -£395,556).

26 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.