

Company Registration Number: 01600678

Charity Registration Number: 283877

Stallcombe House
(A Company Limited by Guarantee)

Group Annual Report and Financial Statements
For the Period Ending 30th June 2023

Stallcombe House

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Stallcombe House

Trustees' Report (continued)

Reference and Administrative Details

Board Of Trustees

<i>User Trustees</i>	Mrs Karen Masterton (Chair) Mr Ian Murray Mr Chris Retallack
<i>Independent Trustees</i>	Mrs Ann Liverton Mr Robert Stevens (appointed 10 Jan 2023) Mr Todd Gifford (appointed 15 April 2023) Mr Geoff Pook (resigned 20 September 2022) Mr Stuart Hines (resigned 12 September 2022)
<i>Staff Trustees</i>	Mr Greg Towning (appointed September 2022 resigned August 2023) Mrs Debbie Davis-Briggs (appointed September 2023)

Senior Management Team	Sonia Nye – Head of HR, Training and Governance Carianne Bright – Head of Care Operations Amanda Greenaway – Head of Charity (until 30 September 2022) James Ayres-Turner – Head of Facilities (resigned 7 October 2022)
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Principal Office	Stallcombe House Sanctuary Lane Woodbury Exeter EX5 1EX
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Bankers	National Westminster Bank PLC 11 Rolle Street Exmouth EX8 1HJ
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Investment Advisors	Fairstone Financial Management 8 Camberwell Way Doxford International Business Park Sunderland SR3 3XN
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Solicitors	Tozers Broadwalk House Southernhay West Exeter EX1 1UA
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Auditors	PKF Francis Clark Sigma House Oak View Close Edginswell Park Torquay TQ2 7FF
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Stallcombe House

Trustees' Report (continued)

The Trustees, who are Directors for the purposes of Company Law, present their annual report together with the financial statements and auditors' report for the period 1st July 2022 to 30th June 2023 which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

Objectives and Activities

The objects of the Charity are:

- i. to provide a supportive living community for adults with learning difficulties based on purposeful activities in a farm and garden environment complimented by strong links with local communities and services to meet collective and individual needs.
- ii. to advance education and promote the physical and mental welfare of people with learning difficulties.

To achieve these aims, the charity provides a safe, warm and supportive environment, where each resident has his or her private room, a range of activities to take part in and lots of wide open space to explore.

The charity is committed to listening to and understanding our residents, their families and professionals through consultation, being forward thinking and by being person centred.

The charity's residential care operations are regulated by the Care Quality Commission which, following its latest inspection in March 2022, has rated its services as Good overall and Outstanding under the heading of "Responsive".

In common with many charitable care homes, the charity charges for its services in order to provide sustainable, high-quality care. Charges vary from person to person dependent upon support needs, but are at rates determined by the funding local authority or NHS funding group.

Public Benefit

Activities are planned in line with guidance from the Charity Commission to ensure not only the people we support benefit but those locally and in the greater community living with or without a learning disability. The charity does not apply any form of restriction, geographical or otherwise, to members of the public who wish to make use of its services.

The trustees ensure that all activities are purposeful and meet the individual needs of all those we support in line with 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.

Achievements and Performance

The charity remains committed to providing an environment that promotes independence and individuality for our residents.

Our focus for this year has been on reintegration within our community and ensuring our objectives of the charity have been adhered to after an often traumatic and challenging three years.

We actively support and encourage our residents to get out and about on shopping trips, visits to the local leisure centre, meals out and trips to the many visitor attractions in the area. With covid restrictions lifted and supported by our staff, many of our residents were able to enjoy holidays of their own choosing, both in the UK and abroad.

Stallcombe House

Trustees' Report (continued)

We have also held many onsite activities for residents, such as summer barbecues, music sessions, birthday parties, firework displays and even indoor camping.

The farm and garden provide lots of opportunity for the people we support in terms of outdoor activities if they wish, such as planting and harvesting vegetables, helping to care for the land and the animals or simply to enjoy the peace and quiet of the countryside.

The people we support continue to enjoy their time in the weavery and happily contribute their ideas. The facilities are regularly used by 21 residents over 10 sessions a week, working on craft activities such as felt making, resin art, weaving and pottery, among others.

Our highly trained and experienced staff are key to all the people we support reaching their full potential within their individual capabilities and the wonderful surroundings provide a unique and special place for the people we support to call home. The Trustees remain in awe of everything that is achieved by everyone at Stallcombe.

Within this year we have seen our occupancy rise from 31 residents to 32 (6 in Willows and 26 in Stallcombe). We continue to carry a vacancy which we will not look to fill until all building works have been completed.

During 2022/23 our focus has been on whole site improvement and therefore we have taken the difficult decision not to hold our annual fayre or our family's afternoon in order to achieve this.

We acknowledge that this was to the detriment of family contact and an excellent money raising opportunity but felt that, after many years in the planning, ensuring every person we support has their own bathroom facilities was paramount and we can plan for next year with a blank canvas.

During this period we have commenced the first of our building projects, stage 1, a new purpose-built office block which will see our use of portacabins cease. This work commenced in late May with a completion date of the end of September 2023. The people we support have been keen to supervise all aspects of this build and it has become a daily activity to inspect progress.

Stage 2 is well into planning and the local authority have our submitted plans for progression at a date later this year once the office block is complete. Four new ensuite bedrooms will be created and the people we support are keen to survey the plans and choose their rooms.

Stage 3 is very much under discussion in consultation with the CQC requirements for a site such as Stallcombe in order to meet the catering needs of all.

The Willows have undergone a full kitchen refit which will enhance the catering facilities for the people we support, ensuring that quality time is spent preparing snacks and drinks.

Once our major building works have been completed, stages 1,2 and 3, our focus will then move to further enhancing the lives of those at the Willows by opening up the building to create more light and better acoustics. This project will be fully costed and incorporated into next year's budget setting.

Our solar array project is key to our sustainability and our future use of all our resources. Using this resource to power electric vehicles in the very near future is our aim.

Monies for all of the above have been factored into our overall plans for the Stallcombe site. The board are very aware of the recent interest rate rises and are keen to take advantage of this through considered and careful investment. All aspects of our financial profile are discussed at all board meetings and duly minuted.

Stallcombe House

Trustees' Report (continued)

Factors Relevant to Achievement

The economic pressures are being felt across the whole of society but nowhere more so than in the care sector. All basic utilities have seen major increases as well as food prices, staff costs, fuel costs and much more has not gone unscathed in this ongoing financial crisis.

Our staffing bill has risen astronomically during this period and as with many in the care sector recruitment remains an ongoing issue. We are always looking at ways to increase our profile without resorting to using our investments or capital. With other sectors offering better pay and incentives we recognise that this is an area we need to be more competitive and creative in.

We remain keen to maximise our bed occupancy but recognise that until stage 2 of our building project is complete, we are unable to do so but we will be working closely with our partners when the time is right. This will ultimately increase our revenue at a time when every penny counts.

We remain committed to ensuring resident's fees meet the needs of those we support and our review process with local authorities remains a priority.

Fundraising Performance

The charity did not set any fundraising objectives in the year, for the reasons set out above. However, an ongoing exercise was begun to ascertain the true cost of providing services and to use this information to lobby for appropriate funding from those of the local authorities with work with whose fees do not appear to be adequately covering costs.

Investment Performance

The charity's stated investment policy, agreed in 2020, included £750,000 to be invested for capital growth on an expected five year horizon. Independent financial advisers, Fairstone Financial Management were appointed to manage the fund. Early gains were unfortunately followed by losses, as the impact of covid and then the war in Ukraine hit the markets. However, the situation has started to improve and at year end the investment portfolio was valued at £784,478. Updates on the performance of the fund are provided by the financial adviser on a regular basis and reviewed by the Trustees at their quarterly meetings.

Our Investment Policy is reviewed annually in accordance with our needs and on the advice of our financial partners.

Our Articles of Association clearly state that it is the trustees' responsibility to invest all funds appropriately and to gain the best for the charity at all times.

As per our 5-year plan, supported living remains very much an ongoing project being championed by a working group made up of trustees, senior managers, and finance manager. Monies have been identified for this specific project and we will be working closely with local authorities to ensure its development should the opportunity arise.

Stallcombe House

Trustees' Report (continued)

Key Group Financial Performance Indicators

	12 months to 30 June 2023 (£)	18 months to 30 June 2022 (£)
Net (expenditure)/Income	(394,478)	618,261
Gains / (losses) on investment assets	12,247	(44,335)
Net income	(382,231)	573,926
Available cash resources inc investments	3,224,157	3,614,396
Unrestricted Reserves	5,087,634	5,467,801

Key Non-financial Performance Indicators

We are monitored by the CQC and the Charity Commission and consult with them periodically to ensure ongoing compliance in all areas of our responsibilities.

Financial Review

We remain ever committed and confident in our ability to deliver on all our key aspects of our financial strategy by ensuring fee uplifts are timely and accurate to meet the needs of those we support, we monitor the markets, through our financial partners, to ensure we make the most of our funds and investments and we continually invest in our staff to maximise the potential of all that we employ to deliver a care package second to none.

Our financial position is as secure as we can make it in an ever changing political and financial climate of today.

Our investment in the Stallcombe site is clear and communicated to all and reflects the needs of those we support as well as the environment and the local community. By investing wisely, we can accommodate all that we wish to achieve throughout this reporting period and into the future.

The board work closely with the management team and our financial partners to ensure our investments are as secure and profitable as possible whilst monitoring local and global trends accordingly.

With the rising costs of every aspect of the care sector and local and global costs increasing the political and financial fields are ever changing and we, as a board of trustees and senior managers, recognise the need to address these challenges not just at our scheduled board meetings but also at a local level through weekly team meetings. This ensures that all areas of the site are aware of the challenges faced and can adapt accordingly should the need for action arise.

At the period end, net current assets were £2,326,848 and unrestricted funds were £5,087,634. The charity made a loss of £382,231 during the year ended 30 June 2023, compared to £573,926 surplus in the eighteen month period to 30 June 2022.

The deficit was not unexpected, given the inflationary pressures already referenced. However, the balance sheet remains strong and the trustees are confident that there are sufficient funds to progress with plans to invest in the building.

Stallcombe House

Trustees' Report (continued)

Policy and Reserves

The board and senior managers, along with our financial partners, have agreed to hold a reserve of £600,000 in order to mitigate identified risks. This is reviewed at board meetings as is our Investment Policy to ensure it meets the ever-changing financial needs of Stallcombe.

Loss of revenue due to vacancies would present a significant risk, as would any delays in payments received from Local Authorities. The reserve of £600,000 ensures that bank account balances would remain stable if either of these eventualities should occur.

The balance sheet shows unrestricted reserves - that is reserves that do not carry any restrictions in how they can be used - of £5,087,634 (2022: £5,467,801). In assessing our level of free reserves against the target range, we exclude the fixed assets (primarily written down land and buildings) of £2,010,316 (2022: £1,939,791) 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 £34,009 (2022: £36,073). 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.

As reported in the previous year our trading company, Stallcombe Eco Power, was showing losses due to undercharging on the provision of solar generated electricity to Stallcombe House. This has been addressed, increasing the charges closer towards commercial rates, yet still providing a better deal for the charity than buying from other providers.

Principal Funding Sources

Our principal funding source remains on a 4-weekly basis from the fifteen local authorities involved in the care needs of all we support.

Each amount is specific to the needs of each individual and therefore varies.

Plans for Future Periods

Aims and Objectives for Future Periods

Also included in our 5-year plan is to ensure that every person we support has the accommodation they should expect, the opportunity to develop skills on our farm and in our gardens to sustain the ethos of Stallcombe and the potential to integrate into the wider community through sport and hospitality.

In order to achieve this Stallcombe needs to evolve to meet the needs of the community and local authorities and one way to achieve this is to develop our website which will increase our accessibility to a wider workforce, which in turn will aid recruitment and to venture into supported living.

Our estimated costings for our building projects remain the same: -

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

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

Stallcombe House

Trustees' Report (continued)

The funding for our website upgrade comes at no cost to Stallcombe as we are being supported by Oprix Solutions who have generously offered the upgrade and working to upskill our business support manager free of charge.

We will continue to work with our partners in the community to source a suitable property and location for supported living.

Activities Planned to Achieve Aims

Investments and long-term savings - local and global financial markets will be closely monitored by us and our financial partners to ensure the best returns for our funds. Reviewed at every board meeting.

Ensure reviews with local authorities are carried out in a timely manner and address the individual needs of all those we support consideration being given to our aging population. Age will not be a barrier to living at Stallcombe nor will it deter from being a centre of excellence for the care community.

Continue to develop the Stallcombe site to its full potential whilst being mindful of environmental and ecological needs of the community.

Structure, Governance and Management

Nature of Governing Document

The charity is limited by guarantee the governing document being the memorandum and articles of association. The Charity is incorporated in England and Wales (Company Registration Number 01600678) and is registered with the Charity Commission (Registration Number 283877).

Recruitment and Appointment of Trustees

The board is governed by the articles in that trustees are appointed at the annual general meeting or co-opted mid-term accordingly.

A full board would consist of no more than three user trustees, five independent trustees and one staff trustee. Trustees must retire upon rotation although they can be voted back on.

Recruitment of the staff trustee is every three years unless retirement, resignation or removal occurs at any point.

User Trustees

As per our articles of association there are currently three user trustees with relatives living at Stallcombe who are and will remain beneficiaries of the charity.

Induction and Training of Trustees

New trustees are invited to the annual general meeting where they will introduce themselves to existing members and senior managers. Upon relevant checks being successful the new trustee will be formally accepted onto the board and invited to visit Stallcombe for an on-site induction where they will meet residents and staff. They will be actively encouraged to complete mandatory training which is undertaken by all new staff.

The charity has appropriate trustees' indemnity insurance in place.

Arrangements for Setting Key Management Personnel Remuneration

The salaries of the Chief Executive Officer and Head of Care are determined by the board of trustees, taking account of performance and benchmarked against the pay policies of similar organisations.

Stallcombe House

Trustees' Report (continued)

Organisational Structure

Day-to-day management is conducted by senior managers with direct support from trustees.

There is an open invitation for any trustee to attend the weekly team meetings and there is an expectation that all trustees attend board meetings currently set at 4 times per year. Working groups are set up should the need arise as in the case of actively exploring supported living.

Relationships with Interested Partners

Stallcombe Eco Power Ltd

This is a wholly owned trading subsidiary of Stallcombe House.

Funds held as custodian trustee on behalf of others

The charity acts as agent for several of the people we support 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 charity also operates a number of residents' own accounts as their appointee.

The balance on these bank accounts at 30 June 2023 was £199,344 (2022: £307,478). These balances are not included in the statement of financial activities or balance sheet in accordance with the Charities SORP FRS102.

Major Risks and Management of those Risks

Key Personnel

As with many in the care sector recruitment and retention of staff is often challenging and trustees acknowledge this and manage the risk accordingly.

Staff surveys are a vital part of communication as are staff engagement events and the weekly team meetings.

Safeguarding

Trustees have a direct role in managing this risk by ensuring all standards i.e., training, challenging, and investigating incidents are met to ensure the risk to clients is minimised through education and training.

Trustees welcome and learn from CQC and Charity Commission involvement.

Funding Cuts

Trustees and senior managers are very much aware of the local and national economic situation that could impact local government funding and mitigate this with adequate reserves.

Annual reviews are vital in maintaining funding needs and recognising that some resources are stretched.

Resident Vacancies

Trustees recognise that carrying resident vacancies is a risk to income and are taking steps to rectify this by carrying out much needed improvement in resident accommodation.

Stallcombe House

Trustees' Report (continued)

Unplanned Events Impacting our Estate and Buildings

Trustees are very much aware of the impact global warming is having on our weather and the damage this could have on our site.

Risk is managed by a maintenance plan and good relations with local tradespeople.

Factors Outside of our Control

Since the Covid 19 pandemic we have acknowledged that health and safety, hygiene and health monitoring are vital in our fight against any future epidemics or pandemics and our risk register reflects this. This is reviewed at every board meeting.

Investment Risk

The trustees have considered the risk of investments and in particular that the value of investments may fall. To mitigate that risk, the performance of the investment portfolio is reviewed every quarter and a significant proportion of the charity's funds is held as cash deposits within traditional banking institutions.

Financial Instruments

Objectives and Policies

The charity limits its exposure to risk by only having basic financial instruments.

Credit Risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributed 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 charity 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 charity 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 charity 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.

Stallcombe House

Trustees' Report (continued)

Statement of Trustees' Responsibilities

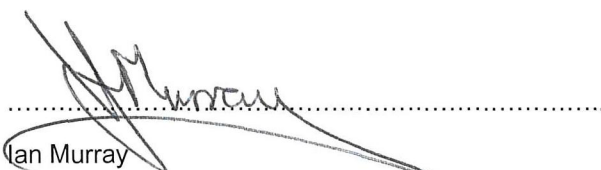
The trustees (who are the directors of Stallcombe House for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law 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 its incoming resources and application of resources, including the 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.
- 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 5 December 2023. and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'Ian Murray', is written over a horizontal dotted line. The signature is stylized and extends slightly below the line.

Vice 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 year to 30 June 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, Charity 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 2023 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 APB'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 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.
- 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

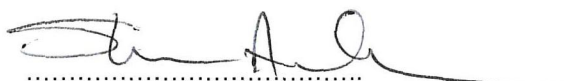
Independent Auditor's Report to the Members of Stallcombe House (continued)

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: 7 December 2023

Stallcombe House

Consolidated Statement of Financial Activities for the Year to 30 June 2023

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

	Note	Unrestricted Funds	Restricted Funds	Year to 30 June 2023	18mths to 30 June 2022
		£	£	£	£
Income and Endowments from:					
Donations and legacies	2	4,962	240	5,202	12,790
Charitable activities	3	3,488,744	-	3,488,744	4,742,477
Other trading activities	4	41,238	-	41,238	57,928
Investment income	5	28,424	-	28,424	16,261
Other income	6	47,731	-	47,731	38,756
Total income		3,611,099	240	3,611,339	4,868,212
Expenditure on:					
Raising funds	7	(141,909)	-	(141,909)	(101,106)
Charitable activities	8	(3,861,604)	(2,304)	(3,863,908)	(4,148,845)
Total expenditure		(4,003,513)	(2,304)	(4,005,817)	(4,249,951)
Net (expenditure)/income before investment gains/(losses)		(392,414)	(2,064)	(394,478)	618,261
Gains/(losses) on investment assets	14	12,247	-	12,247	(44,335)
Net (outgoings)/income		(380,167)	(2,064)	(382,231)	573,926
Net movement in funds		(380,167)	(2,064)	(382,231)	573,926
Reconciliation of funds					
Total funds brought forward		5,467,801	36,073	5,503,874	4,929,948
Total funds carried forward	22	5,087,634	34,009	5,121,643	5,503,874

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 21 to 39 form part of the financial statements.

Stallcombe House

Consolidated Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	2,010,316	1,939,791
Investments	14	784,479	767,019
		<hr/>	<hr/>
		2,794,795	2,706,810
		<hr/>	<hr/>
Current assets			
Stocks		7,454	10,344
Debtors	15	177,185	428,197
Cash at bank and in hand		2,439,678	2,847,377
		<hr/>	<hr/>
		2,624,317	3,285,918
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	16	(297,469)	(488,854)
		<hr/>	<hr/>
Net current assets		2,326,848	2,797,064
		<hr/>	<hr/>
Net assets		5,121,643	5,503,874
		<hr/>	<hr/>
Funds of the group:	22		
Restricted income funds			
Restricted funds		34,009	36,073
Unrestricted income funds			
Unrestricted funds		4,287,634	5,467,801
Designated funds		800,000	-
Revaluation reserve		-	-
		<hr/>	<hr/>
Total unrestricted funds		5,087,634	5,467,801
		<hr/>	<hr/>
Total funds		5,121,643	5,503,874
		<hr/>	<hr/>

The financial statements on page 16 to 39 were approved by the trustees and authorised for issue on 5 Dec 2023 and signed on their behalf by:



 Ian Murray
 Trustee

The notes on pages 21 to 39 form part of the financial statements.

Stallcombe House

Charity Balance Sheet as at 30 June 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,745,873	1,653,906
Investments	14	784,578	767,119
		<hr/>	<hr/>
		2,530,451	2,421,025
		<hr/>	<hr/>
Current assets			
Stocks		7,454	10,344
Debtors	15		
- Due within one year		57,370	440,232
- Due after one year		402,004	352,635
Cash at bank and in hand		2,420,191	2,813,014
		<hr/>	<hr/>
		2,887,019	3,616,225
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	16	(290,338)	(481,738)
		<hr/>	<hr/>
Net current assets		2,596,681	3,134,487
		<hr/>	<hr/>
Net assets		5,127,132	5,555,512
		<hr/>	<hr/>
Funds of the charity:	22		
Restricted funds		34,009	36,073
Unrestricted income funds			
Unrestricted funds		4,293,123	5,506,600
Designated funds		800,000	-
Revaluation reserve		-	12,839
		<hr/>	<hr/>
Total unrestricted funds		5,093,123	5,519,439
		<hr/>	<hr/>
Total funds		5,127,132	5,555,512
		<hr/>	<hr/>

The financial statements on page 16 to 39 were approved by the trustees and authorised for issue on 3 Dec 2023 and signed on their behalf by:


Ian Murray

Trustee

The notes on pages 21 to 39 form part of the financial statements.

Stallcombe House

Consolidated Statement of Cash Flows for the year to 30 June 2023

	Note	Year to 30 June 2023 £	18mths to 30 June 2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities (below)		(264,496)	1,144,399
Cash flows from investing activities			
Interest receivable and similar income	5	28,424	16,261
Purchase of tangible fixed assets	13	(166,415)	(89,354)
Purchase of investments	14	(176,787)	(413,994)
Sale of investments	14	171,575	364,406
Net cash flows used in investing activities		(143,203)	(122,681)
Change in cash & cash equivalents in reporting period		(407,699)	1,021,718
Cash and cash equivalents at start of period (cash in hand)		2,847,377	1,825,659
Cash and cash equivalents at end of period (cash in hand)		2,439,678	2,847,377
Net (outgoing)/income for the period (per Statement of Financial Activities)		(382,231)	573,926
Adjustments for			
Depreciation	13	93,945	171,717
Investment income	5	(28,424)	(16,261)
Revaluation of investments		(12,247)	44,335
Loss on disposal of fixed assets	9	1,944	-
Decrease in stocks		2,890	694
(Increase)/decrease in debtors	15	251,012	66,827
(Decrease)/increase in creditors	16	(191,385)	303,161
Net cash flows (used in)/provided by operating activities		(264,496)	1,144,399

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

The notes on pages 21 to 39 form part of the financial statements.

Stallcombe House

Charity Statement of Cash Flows for the Year to 30 June 2023

	Note	Year to 30 June 2023 £	18mths to 30 June 2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	(below)	(268,134)	1,134,659
Cash flows from investing activities			
Interest receivable and similar income		46,938	16,261
Purchase of tangible fixed assets	13	(166,415)	(89,354)
Purchase of investments	14	(176,787)	(413,994)
Sale of investments	14	171,575	364,406
Receipts from the repayment of loans to other entities		-	27,126
Net cash flows used in investing activities		(124,689)	(95,555)
Change in cash & cash equivalents in reporting period		(392,823)	1,039,104
Cash and cash equivalents at start of period (cash in hand)		2,813,014	1,773,910
Cash and cash equivalents at end of period (cash in hand)		2,420,191	2,813,014
Net (outgoing)/income for the period			
		(428,379)	598,096
Adjustments for			
Depreciation	13	72,503	139,554
Investment income		(46,938)	(16,261)
Revaluation of investments		(12,247)	44,335
Loss on disposal of fixed assets held for the charity's own use		1,944	-
Decrease in stocks		2,890	694
Decrease in debtors	15	333,493	69,793
(Decrease)/increase in creditors	16	(191,400)	298,448
Net cash flows (used in)/from operating activities		(268,134)	1,134,659

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

The notes on pages 21 to 39 form part of the financial statements.

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023

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 deficit for the financial year of £428,379 (2022 – surplus £598,096).

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 Year Ended 30 June 2023 (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. It is stated after trade discounts, other sales taxes and net of VAT.

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).

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 Year Ended 30 June 2023 (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 to charitable activities.

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
Property refurbishments	6.67% straight line
Assets under construction	nil

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 over 12 years old and computer equipment that is over 7 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.

At the year end, the charity is exposed to the risk that the value of the investments may fall.

Investment in the subsidiary is recognised at cost.

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (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.

Designated funds are unrestricted funds that the charity has set aside for a specific purpose. There is no legal force for the designations.

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 Year Ended 30 June 2023 (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 Year Ended 30 June 2023 (continued)

2 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Donations and legacies				
Appeals and donations	4,962	240	5,202	12,790
	<u>4,962</u>	<u>240</u>	<u>5,202</u>	<u>12,790</u>

Income for the year ended 30 June 2022 included £1,380 in respect of restricted funds

3 Income from charitable activities

	Unrestricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Fee income	3,488,744	3,488,744	4,742,477

4 Income from other trading activities

	Unrestricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Trading income:			
Farm income	32,669	32,669	20,919
Feed in tariff/renewable heating incentive	8,569	8,569	37,009
	<u>41,238</u>	<u>41,238</u>	<u>57,928</u>

5 Investment income

	Unrestricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Interest receivable and similar income:			
Interest receivable on bank deposits	15,184	15,184	1,225
Other income from fixed asset investments	13,240	13,240	15,036
	<u>28,424</u>	<u>28,424</u>	<u>16,261</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

6 Other income

	Unrestricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Income of trading subsidiary	47,731	47,731	38,756
	<u>47,731</u>	<u>47,731</u>	<u>38,756</u>

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Farm trading costs	37,857	37,857	36,382
Trading subsidiary costs	96,025	96,025	51,591
	<u>133,882</u>	<u>133,882</u>	<u>88,333</u>

b) Investment management costs

	Unrestricted funds £	Year to 30 June 2023 £	18mths to 30 June 2022 £
Other investment management costs: Amounts payable to investment managers	8,027	8,027	12,773

8 a) Expenditure on charitable activities

	Activity undertaken Directly £	Activity support costs £	Total Year to 30 June 2023 £	Total 18mths to 30 June 2022 £
Staff costs	3,098,107	-	3,098,107	3,325,446
Household expenses	165,614	-	165,614	218,290
Utility costs	159,499	-	159,499	89,378
Farm costs	-	-	-	37,290
Residents' costs	30,574	-	30,574	20,275
Other costs including depreciation	11,718	398,396	410,114	458,166
	<u>3,465,512</u>	<u>398,396</u>	<u>3,863,908</u>	<u>4,148,845</u>

£3,861,604 (18 months to 30 June 2022 - £4,148,845) of the above expenditure was attributable to unrestricted funds and £2,304 (18 months to 30 June 2022 - £nil) to restricted funds.

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

8 b) Support costs allocated to charitable activities

	Governance Costs £	Staff costs £	Administration costs £	Premises costs £	Other support costs £	Total Year to 30 June 2023 £	Total 18mths to 30 June 2022 £
Insurance	-	-	43,557	-	-	43,557	33,321
Sundry expenses	10,049	-	-	-	-	10,049	9,378
Premises expenses	-	-	-	23,575	-	23,575	24,294
Property and equipment repairs	-	-	-	53,476	-	53,476	44,094
Office expenses	-	14,922	41,465	-	-	56,387	70,045
Print, post and stationery	-	-	6,793	-	-	6,793	6,793
Training and subscriptions	-	37,446	-	-	-	37,446	15,296
Equipment hire	-	-	-	-	13,768	13,768	10,082
Motor expenses	-	-	-	-	31,746	31,746	25,695
Professional and registration fees	-	-	-	-	3,790	3,790	18,115
Professional fees	27,168	4,769	-	5,295	-	37,232	38,233
Bank charges	-	-	-	-	3,492	3,492	2,307
Accountancy	-	-	30,883	-	-	32,438	50,020
Audit fees							
Audit of financial statements	25,122	-	-	-	-	18,000	25,506
Other fees paid to auditors	14,171	-	-	-	-	19,738	15,989
Trustees' remuneration and expenses	990	-	-	-	-	990	6,158
Other	5,919	-	-	-	-	5,919	-
	<u>83,419</u>	<u>57,137</u>	<u>122,698</u>	<u>82,346</u>	<u>52,796</u>	<u>398,396</u>	<u>395,326</u>

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

9 Net outgoing/incoming resources

Net outgoing/incoming resources for the period include:

	Year to 30 June 2023	18mths to 30 June 2022
	£	£
Operating leases - plant and machinery	13,768	10,082
Audit fees	18,000	25,506
Loss on disposal of fixed assets held for the group's own use	1,944	-
Depreciation of fixed assets	72,503	139,554
Depreciation of trading subsidiary assets	21,442	32,163

10 Trustees remuneration and expenses

During the year the group reimbursed expenses totalling £990 to one Trustee in respect of travel, printing and stationery associated with Trustee meetings (18 months to 30 June 2022: £6,158 to three Trustees for expenses and fees for one Trustee that worked as a Covid Tester).

G Towing is the nominated staff trustee (appointed 20 Sept 2022) and was an employee prior to his appointment. He 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:

	Year to 30 June 2023	18mths to 30 June 2022
	£	£
Staff costs during the period were:		
Wages and salaries	2,289,646	2,602,229
Social security costs	196,066	216,212
Pension costs	66,849	183,146
Other staff costs	582,992	339,155
	3,135,553	3,340,742

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

11 Staff costs (continued)

The average monthly head count was 87 staff (18 months to 30 June 2022 - 79 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:

	2023 No	2022 No
Charitable activities	83	73

72 (2022 - 70) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the period totalled £66,849 (18 months to 30 June 2022 - £183,146).

During the period, the group made termination payments which totalled £13,750 (18 months to 30 June 2022 - £566).

No employees received emoluments of more than £60,000 during the year (18 months to 30 June 2022 the annualised emoluments were below £60,000).

The total employee benefits of the key management personnel of the group were £210,567 for the year (18 months to 30 June 2022 - £193,120).

12 Auditors' remuneration

	Year to 30 June 2023 £	18mths to 30 June 2022 £
Audit of the financial statements	18,000	25,506
Other fees to auditors		
All other non-audit services	19,738	15,989

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (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 July 2022	2,317,277	98,786	57,175	57,959	551,886	210,058	3,293,141
Additions	113,076	-	18,995	2,881	-	31,463	166,415
Disposals	-	(2,151)	-	(12,492)	-	(31,686)	(46,329)
At 30 June 2023	2,430,353	96,635	76,170	48,348	551,886	209,835	3,413,227
Depreciation							
At 1 July 2022	830,735	78,018	37,375	57,621	201,172	148,430	1,353,351
Charge for the year	40,220	4,297	5,226	1,031	27,445	15,726	93,945
Eliminated on disposal	-	(2,151)	-	(12,492)	-	(29,742)	(44,385)
At 30 June 2023	870,955	80,164	42,601	46,160	228,617	134,414	1,402,911
Net book value							
At 30 June 2022	1,486,542	20,768	19,800	338	350,714	61,628	1,939,791
At 30 June 2023	1,559,398	16,471	33,569	2,188	323,269	75,421	2,010,316

Freehold land and buildings include assets under construction of £87,287 (2022: £nil)

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (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 July 2022	2,317,277	98,786	57,175	57,959	123,054	210,058	2,864,309
Additions	113,076	-	18,995	2,881	-	31,463	166,415
Disposals	-	(2,151)	-	(12,492)	-	(31,686)	(46,329)
At 30 June 2023	2,430,353	96,635	76,170	48,348	123,054	209,835	2,984,395
Depreciation							
At 1 July 2022	830,735	78,018	37,375	57,621	58,225	148,430	1,210,404
Charge for the year	40,220	4,297	5,226	1,031	6,003	15,726	72,503
Eliminated on disposal	-	(2,151)	-	(12,492)	-	(29,742)	(44,385)
At 30 June 2023	870,955	80,164	42,601	46,160	64,228	134,414	1,238,522
Net book value							
At 30 June 2022	1,486,542	20,768	19,800	338	64,829	61,628	1,653,905
At 30 June 2023	1,559,398	16,471	33,569	2,188	58,826	75,421	1,745,873

Freehold land and buildings include assets under construction of £87,287 (2022: £nil)

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

14 Fixed asset investments

Group

Listed investments

	Year to 30 June 2023 £	18mths to 30 June 2022 £
At Market Value		
At 1 July 2022	767,019	761,764
Additions	176,787	413,994
Disposals	(171,575)	(364,406)
Revaluation	12,247	(44,333)
	<hr/>	<hr/>
At 30 June 2023	784,478	767,019
	<hr/>	<hr/>

Investments include cash of £22,808 at 30 June 2023. The cost of the listed investments at 30 June 2023 was £770,354 (2022 - £758,382). The net revaluation gains of £12,247 for the period include £2,890 of realised gains and £9,356 of unrealised gains.

Charity

	Year to 30 June 2023 £	18mths to 30 June 2022 £
Shares in subsidiary	100	100
Other investments	784,478	767,019
	<hr/>	<hr/>
	784,578	767,119
	<hr/>	<hr/>

Subsidiary

Cost and Net book value

At 30 June 2022 and 30 June 2023	100
	<hr/>

The charity owns 100% of the ordinary shares and voting rights in Stallcombe Eco Power Ltd, a company incorporated in England and Wales (Company number 9559743) with the same registered office as the charity. Its principal activity is the generation of electricity and it is consolidated in these accounts.

The profit for the 18 months to 30 June 2023 of Stallcombe Eco Power Ltd was £26,595 (year to 31 December 2021 – loss £4,616) and the aggregate amount of capital and reserves at the end of the period was a deficit of £5,389 (2022 – deficit £31,984).

Turnover for the 18 months to 30 June 2023 was £157,761 (year to 31 December 2021 - £54,776).

Expenditure for the 18 months to 30 June 2023 was £131,166 (year to 31 December 2021 - £59,392).

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

15 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	30,671	9,238	30,671	-
Due from group undertakings	-	-	288,709	383,490
Prepayments	56,969	41,549	55,626	41,549
Other debtors	89,545	377,410	84,368	367,828
	<u>177,185</u>	<u>428,197</u>	<u>459,374</u>	<u>792,867</u>

Charity debtors includes £402,004 (2022: £352,635) receivable after more than one year.

16 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	95,752	174,811	92,929	167,695
Other taxation and social security	60,262	155,541	60,262	155,541
Other creditors	26,155	43,964	26,154	43,964
Accruals and deferred income	115,300	114,538	110,993	114,538
	<u>297,469</u>	<u>488,854</u>	<u>290,338</u>	<u>481,738</u>

17 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	
	2023	2022	2023	2022
	£	£	£	£
Other				
Between one and five years	8,993	5,969	8,993	5,969

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

18 Capital commitments

At 30 June 2023 the charity had a capital commitment of £196,909 in respect of the contract for the new office building that was under construction at the year end.

19 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. Stallcombe House also operates a number of residents' own accounts as their appointee.

The balance on these bank accounts at 30 June 2023 was £199,344 (30 June 2022 - £307,478). These balances are not included in the statement of Financial Activities or balance sheet in accordance with the Charities SORP FRS102. The total amount received into these accounts during the year was £285,151 and the total payments in the year were £393,285.

20 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.

21 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 £10,940 (2022 - £29,661).

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

22 Funds

Group

Current Period

	Balance at 1 July 2022	Incoming resources £	Resources expended £	Transfers & recognised gains/(losses) £	Balance at 30 June 2023 £
Unrestricted funds					
General Unrestricted funds	5,467,801	3,611,099	(4,003,513)	(787,753)	4,287,634
Designated Building Projects fund	-	-	-	800,000	800,000
Revaluation reserve	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,467,801	3,611,099	(4,003,513)	12,247	5,087,634
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds					
Social fund	32,319	240	(2,304)	-	30,255
Willows fund	332	-	-	-	332
Computer fund	3,422	-	-	-	3,422
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	36,073	240	(2,304)	-	34,009
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	5,503,874	3,611,339	(4,005,817)	12,247	5,121,643
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Previous Period

	Balance at 1 January 2021	Incoming resources £	Resources expended £	Transfers & recognised gains/(losses) £	Balance at 30 June 2022 £
Unrestricted funds					
General					
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/>

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

22 Funds

Charity

Current Period

	Balance at 1 July 2022	Incoming resources £	Resources expended £	Transfers & recognised gains/(losses) £	Balance at 30 June 2023 £
Unrestricted funds					
General Unrestricted funds	5,519,439	3,581,882	(4,020,445)	(787,753)	4,293,123
Designated Building Projects fund	-	-	-	800,000	800,000
Revaluation reserve	-	-	-	-	-
	5,519,439	3,581,882	(4,020,445)	12,247	5,093,123
Restricted funds					
Social fund	32,319	240	(2,304)	-	30,255
Willows fund	332	-	-	-	332
Computer fund	3,422	-	-	-	3,422
Total restricted funds	36,073	240	(2,304)	-	34,009
Total funds	5,555,512	3,582,122	(4,022,749)	12,247	5,127,132

Previous 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)	-
	4,922,723	4,838,931	(4,197,880)	(44,335)	5,519,439
Restricted funds					
Social fund	30,939	1,380	-	-	32,319
Willows fund	332	-	-	-	332
Computer fund	3,422	-	-	-	3,422
Total restricted funds	34,693	1,380	-	-	36,073
Total funds	4,957,416	4,840,311	(4,197,880)	(44,335)	5,555,512

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

22 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.

Designated building projects fund – this represents funds set aside for stages 2 and 3 of the building projects.

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

23 Analysis of net assets between funds

Group

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 30 June 2023 £
Tangible fixed assets	2,010,316	-	-	2,010,316
Fixed asset investments	784,479	-	-	784,479
Current assets	1,790,308	800,000	34,009	2,624,317
Current liabilities	(297,469)	-	-	(297,469)
Total net assets	4,287,634	800,000	34,009	5,121,643

Previous period

	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

Stallcombe House

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

23 Analysis of net assets between funds (continued)

Charity

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 30 June 2023 £
Tangible fixed assets	1,745,873	-	-	1,745,873
Fixed asset investments	784,578	-	-	784,578
Current assets	2,053,010	800,000	34,009	2,887,019
Current liabilities	(290,338)	-	-	(290,338)
Total net assets	4,293,123	800,000	34,009	5,127,132

Previous period

	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

24 Related party transactions

User and staff 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 30 June 2022 - three). As explained in Note 10 there is also one staff trustee. At the balance sheet date the amount due to/from user and staff trustees was £nil (2022 -£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 year the charity has purchased electricity from Stallcombe Eco Power Ltd in the sum of £94,443 (2022 - £31,607). At the balance sheet date the amount due from Stallcombe Eco Power Ltd to the charity was £288,709 (2022 -£383,490).

25 Taxation

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