

COMPANY REGISTRATION NUMBER: 2152319

CHARITY REGISTRATION NUMBER: 297496

Thornage Hall Independent Living Limited
Company Limited by Guarantee
Financial statements
31 March 2021

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Financial statements

Year ended 31 March 2021

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Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Companies Act 2006 and 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 published in October 2019.

Reference and administrative details

| | |
|---|--|
| Registered charity name | Thornage Hall Independent Living Limited |
| Charity registration number | 297496 |
| Company registration number | 2152319 |
| Principal office and registered office | Thornage Hall Thornage Holt Norfolk NR25 7QH |

The trustees

The trustees who served during the year and at the date of approval were as follows:

E J Hare (Chair) (deceased 11 December 2020)
T M Fitzalan Howard CBE (Vice Chair, Chair from 22 February 2021)
C Hart (resigned 23 October 2020)
J A Manser (Vice Chair 22 February 2021)
M E Marchant
M B Pollitt
M C Scott
S A Simpson

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

| | |
|--------------------------------|---|
| Company secretary | P D Goddard |
| Patrons | The Rt. Rev. The Bishop of Norwich The Rt. Hon. The Lord Hastings The Lady Dannatt MBE |
| Senior Management Group | A Steggles (Chief Executive Officer) C Lawford (Director of Finance and Estates) S Loosley (Director of Independent Living) (to 16 November 2020) |
| Auditor | Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB |
| Bankers | Barclays 17 Market Place Fakenham Norfolk NR21 9BE Triodos Bank NV Brunel House 11 The Promenade Bristol BS8 2NN |
| Solicitors | Hayes and Storr 27 Bull Street Holt Norfolk NR25 6HP Bates Wells 10 Queen Street Place London EC4R 1BE Leathes Prior 74 The Close Norwich NR1 4DR Hansells 13 The Close Norwich NR1 4DS |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Objectives and activities

The Charity's objectives are, for the public benefit, to promote good health and wellbeing, provide care and support and advance the education and training of adults with a diagnosed disability (whether mental or physical) from the age of 18.

This is carried out in accordance with the principles of Dr Rudolf Steiner, particularly by the establishment and maintenance of a community including the provision of Supported Living in five houses and Day Services offering a range of work based learning opportunities. At Thornage Hall Independent Living we wish to see an environmentally sustainable world, where everyone can live, learn and work together in a meaningful way, regardless of ability or disability. In order to achieve this we continue to develop an environment where people of all abilities live the life they choose, have opportunities for work of real value to themselves and where shared learning is encouraged and embraced. Our strategic priorities over the next five years will continue to focus on five core objectives.

1. Live

Demonstrating our person centred approach to creating an 'ordinary life' including mealtimes, hobbies, links with the wider community, domestic duties. We will do this through the development of:

- Houses which provide supported living and not residential care.
- Tenants who understand their own responsibilities under their tenancy agreements.
- Increased tenant decision making.
- Increased participation and leadership by tenants in meetings, staff recruitment etc.
- How we respond to tenants as they age, their needs increase and their ability to continue to contribute to the community.

2. Work

Highlighting our work based learning opportunities and supporting the engagement of a wider client group. We will do this through the development of:

- An increasing range of Day Services responsive to the needs of adults with learning disabilities.
- Real and meaningful work both within the community as well as through work placement.
- Our skills development programme, including training to support work place skills as per the local authority Pathways.
- Diversified activities on the land including market garden, estate management and farming.
- Direct sales to the public, involving service users in the process.

3. Learn

Everyone has something to give and everyone has something to learn, regardless of whether they are tenants, day service users, staff members or volunteers. Mutuality of learning is a fundamental part of our community. Learning opportunities run through all of our 'living' and 'working' initiatives for everybody engaging with Thornage Hall and the wider community. We will develop these opportunities through:

- Our community engagement and education services.
- Positive behavioural support approaches and supporting people in accordance with their individual support needs.
- Seeking out and building new partnerships, expanding our work based learning services into the community.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Objectives and activities *(continued)*

4. Our people

In order to achieve our ambitions for developing the live, learn and work opportunities over the next five years we will need to attract, develop and retain a workforce with the skills and experience required. We will achieve this through:

- Highlighting the quality standards we are achieving and aspiring to.
- Differentiating our offer through underlining our values and ethos.
- Communicating with partner organisations and engagement with the wider community.
- Development and training of staff to provide high quality support and social care.
- Underlining the unique environment both of Thornage Hall Independent Living itself and of North Norfolk, not only as a desirable place to live, but also where career aspirations can be realised.

5. Our built environment

The development and improvement of the houses and facilities across our estate will be instrumental in helping us to meet our ambitions for providing the live, learn and work opportunities we wish to achieve over the next five years. In particular we will focus on the following initiatives:

- Plans to reconfigure accommodation in the Hall bringing en-suite and equitable standards of accommodation for all tenants.
- Continuation of our ongoing planned maintenance programme to maintain the upkeep and upgrade the standards of our existing accommodation as identified to a high standard some of which is heritage category Grade II listed.
- The development of a fundraising appeal to support the capital requirements for the development of Orchard Lodge, a further 4/5 bedroom accommodation unit.

Public benefit

The Trustees confirm that they have had due regard to Charity Commission guidance on public benefit.

Thornage Hall Independent Living Limited exists to promote the health and independence of all who live and work in its community. It has a strong emphasis on developing citizenship and a community culture, to enable each individual to develop their skills and interests to maximise their personal potential. This takes place alongside our bio-dynamic approach to managing the land, which is demonstrated to have benefits for environmental protection and improvement of the land.

The community is open to anybody identified as having a need for services following an assessment with their local authority, with Norfolk County Council residents being considered in the first instance. People of any race, religion, gender, culture, disability or orientation may seek to join us, in line with our policies on equality and diversity. Our services all operate on an individual's needs basis in line with public funding criteria.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Achievements and performance

The overarching driver for this reporting period has been managing Covid-19 which has without doubt had a significant impact on all aspects of the Charity and continues to represent an ongoing challenge into 2021/2022. Whilst we had a number of planned maintenance projects these were necessarily put on hold. There was a huge burden placed on the Senior Management Team to react, implement and manage all of our services in response to the government guidance on Covid-19. Business Continuity Management Systems were implemented and the Charity was faced with several dilemmas not least of which included, for a significant period, the forced closure of day service provision to external day service users which resulted in significant financial challenges.

Lockdown

The effort and contribution from each and every member of staff has been outstanding. The flexibility, adaptation and the willingness to go above and beyond to ensure ongoing care and support for all of our tenants during a pandemic should not be forgotten. The Charity is pleased to report that during this period the staffing team remained static. Staff adapted to working with tenants whilst wearing full PPE, donning and doffing became daily routines and our supplies of PPE continue to arrive along with PCR and Lateral flow testing kits. But this was not without challenges especially when we experienced a Covid-19 outbreak across the community and were forced to "Lockdown" each house individually. We must not forget the support and understanding we received from the families of our tenants who were unable to visit or spend time with their relatives during lockdown and the impact this had on the health & wellbeing of our tenants.

Whilst physical fundraising events were halted, innovative and alternative income streams were developed which resulted in the introduction of an on-line shop. This, in conjunction with the committee responsible for arranging the Christmas Fair in aid of Thornage Hall Independent Living, meant that we were able to continue to promote the products which our tenants continued to work hard on producing during lockdown.

Lockdown and bubbles became our new normal, all house staff continued to work full shifts to ensure ongoing support of tenants. Day service staff also continued to offer workshops internally to our tenants' in house bubbles in line with government guidance and in addition we all became familiar with the concept of Teams and Zoom. This was only possible through continued funding arrangements and communication with the local authority which has been excellent throughout this exceptional period.

The Charity's own innovative and creative ways of working meant that we could offer remote services to our day service users using new methods of communication (Teams, Skype, Facetime & Zoom) whilst recognising that some of our day service users were unable to adapt to this revised service. Additionally, we were able to send out activity packs, regular newsletters with contributions from both tenants and external day service users, offer short films of the tenants and staff to ensure the well-established links between our tenants and external day service users remained constant. On the whole families were appreciative of every effort made to keep channels of communication open and live.

We successfully introduced a Service Provision Committee with representatives from our cohort of tenants and their families, day service users and their families. This provided us with the opportunity to continually review and assess our range of services, ensuring our day service and supported living provisions continue to meet not only our strategic objectives, values and principles but also remain compliant with CQC (Supported Living) and Norfolk County Council Quality Assurance (Day Services). We look forward to being able to build on this committee for the benefit of all users of our services.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Achievements and performance *(continued)*

Developments within the Health and Social Care sector

Developments in how adults with learning disabilities and autism should be supported have been introduced at a national level and resulted in Norfolk County Council establishing a link with Positive Behaviour Support (PBS) UK. PBS UK will support providers of supported living and residential care with training. We are pleased to advise that we will be involved with the project group supporting this initiative and ensuring our policies and procedures reflect this important development. Over the next year we will be identifying staff to take the lead on introducing this across the supported living community and developing support systems for our tenants.

The financial investment and commitment we made in regards to Access Care Planning remained a key objective during this period. We have a designated lead for this piece of work who has supported and trained staff throughout and kept us all on track with the integrity of the data, ensuring GDPR Compliance at every step. We have now begun to upload data and information for all tenants within our supported living services with their input and support. This should see us move away from paper records detailing key achievements and activities. There is an additional function available from Access which will enable our ability to carry out audits more easily which we will be looking to implement once the care planning records are active.

Our plans to fill voids in the houses was severely impacted, together with the additional voids which arose during the financial year. However, there was a small window of opportunity where we were able to support and facilitate a successful transition into one of our supported living houses.

Whilst it was not possible to support any further transitions there has been significant progress with commissioning authorities behind the scenes to move forward those people looking to move into the community.

Housing and support

Freebridge Community Housing continue to manage our tenancies and this is an ongoing positive relationship. Norfolk County Council continue to promote their Supported Living Framework across the county but we will only be in a position to apply to join this after all of our tenants have been through a full review with Norfolk County Council. There still remain a significant number of financial concerns around this process which need to be considered. We continue to foster a positive relationship with Norfolk County Council, Covid-19 has further delayed any urgent reviews required by tenants.

The impact of Covid-19 and the demographic of our tenants continues to highlight changes and in some cases, increases in their needs, further highlighting the need to review support packages together with our funding structure and related commissioned hours of support.

Our vision and values promotes the ethos of Live, Learn and Work which further reinforces our supported living provision. As a community we need to ensure that we have an active and participative group of tenants contributing to the community which is both meaningful and of value to further promote their individual skill development and independence.

Staff support and training

Out of necessity we have continued to use Care Skills for our on line training together with Care Certificate training, it has not been possible to reintroduce classroom based training due to Covid-19. Some providers have continued to adapt their techniques for delivering training sessions with many offering Zoom, Skype, Teams or Facetime sessions.

In order to support our staff the Charity agreed to identify a calm and quiet space where staff could take some well-deserved time out, with coffee & tea available to them. We have also identified a Wellbeing Champion within the Charity and all staff have access to the Employee Assistance Programme.

Thornage Hall Independent Living Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Achievements and performance *(continued)*

Plans for the future

A further recruitment drive via the use of various social media platforms and word of mouth has meant that we are now in the fortunate position going into the new financial year with a near full complement of staffing with agency usage at a minimal.

As we move into the new financial year with the continued challenges and uncertainty that Covid-19 present we will focus on the safe re-opening of our day service provision to our external service users. The guaranteed funding made available from NCC to ensure our day service position has continued to employee staff and offer services as described above shall cease during July and return to payment for delivered session only. This will impact on our funding, mainly due to the reduction in the number of sessions delivered over the past 12 months due to tenants and service users leaving the service, some of which are directly as a result of Covid-19 and some moving to other settings. Whilst we have seen some day service users leaving the service, it has not been possible to welcome new service users or tenants into the service due to the necessary government restrictions. Once the initial safe reopening of the day service provision has been successfully completed the focus shall then be on admissions from interested service users and focus on filling the vacancies within the support living accommodation.

Norfolk County Council have shared their plans and dates to carry out the supported living reviews for our tenants. Once these reviews are complete and the assessments are shared we shall be in a better position to discuss the supported living framework whilst reviewing the financial impact based on their assessments and how the Charity can transition onto the framework.

Norfolk County Council are looking to begin the introduction of Life Opportunities model for day services which has three levels, known as Pathways, towards the end of 2021:

- Wellbeing - providing meaningful activity, social support and care for those with the most complex needs
- Promoting Independence - supporting people to develop life skills and access community provision and services
- Skills and Employment - supporting people to obtain paid work

This has triggered the review of the staffing team and the beginning of the consultation period with staff to ensure that we have sufficient resources in place to support the introduction of the Pathways. In addition we shall be looking to review the workshops offered and interest from those attending to ensure we are able to deliver sessions that meet the pathways, continue to develop and monitor skill progression following workshop curriculums and explore the possibilities of gaining accredited qualifications.

As we continue on the government roadmap and the easing of restrictions, the delayed Golf event to be held by the Royal West Norfolk Golf Club to raise funds for the construction of Orchard Lodge, has recommenced and is now due to take place during September 2021. We also hope to be able to hold our annual Garden Fete in September and the Norfolk Christmas Fair in November.

Our planned maintenance programme shall continue into 2021/22. This is possible as a result of the allocated surplus funds which we were unable to utilise during the current financial year. This will ensure we can continue to maintain and upgrade facilities across the Charity and offer high standards of accommodation. The plans this coming year include much needed kitchen upgrades, external repairs to Icen and the extension and reconfiguration of office space.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Financial review

This financial year has presented its challenges with the Day Service provision having been closed by the local authorities during March, the planned reopening to include external service user added further complexities with both our Supported Living and Day Service provision both being on the site. Day Service occupancy has reduced following the deaths of 3 service users of which 2 were tenants, this together with the delay in filling previous vacancies also contributed to the reduced rental income for the period. Without the direct payments received from the local authority for our commissioned Day Services throughout this period the Charity's financial position would have suffered significantly. We recognise and acknowledge the financial pressure on the local authority particularly during these unprecedented times and continue to strive to provide to a high quality care and excellent value for money across our services.

The further financial impact of Covid-19 resulted in our planned donation and fundraising events having to be either cancelled or postponed. Our annual Christmas Fair was held online raising a substantial £10.5k which was very gratefully received and the hard work of the committee very much appreciated.

The movement in the investments by the end of the financial year saw the portfolio return to a similar balance prior to the significant reduction shown in the prior year's financial statements ending 31 March 2020.

During the year the staffing levels remained consistent resulting in a significant reduction in agency expenditure, this being extremely positive during these exceptional circumstances. There were high levels of sickness amongst staff due to Covid-19 positive cases and isolation periods in line with the government guidance. Due to the additional government funding made available to the sector and guaranteed Day Service income, we were delighted to be able to ensure none of our staff were financially penalised for Covid-19 related absence. This has resulted in an over expenditure in salary costs due to the need to increase staffing to cover absence and to continue to provide a safely staffed service. Unfortunately, in order to achieve this many staff were unable to take their full entitlement of annual leave resulting in a higher than usual holiday accrual which also impacted on the over spend in this area.

The planned maintenance programme came to a standstill delaying further the original 5 year programme, the surplus of which shall be carried forward to ensure that all planned works are able to be carried out so to continue to offer accommodation to a high standard. In line with the government guidance and to ensure social distancing measure were in place, the additional PPE requirements and our reviewed infection prevention control protocols this all resulted in higher than planned health and safety expenditure. This was acknowledged and further funding streams for infection prevention control were made available to the local authority and passed on to providers to support the safe delivery of services.

The Board of Trustees would like to thank the whole staff team for their dedication, commitment and professionalism during this difficult period and in particular the Senior Team who have gone above and beyond in ensuring the whole community has remained safe and continued to evolve and thrive.

Unrestricted funds

Total income in unrestricted funds (including designated funds as detailed below) amounted to £1,996,973 (2020: £1,934,457) and after expenditure of £1,796,914 (2020: £2,103,454) and an investment gain of £20,106 (2020: loss of £20,555), the net movement of funds before transfers amounted to a surplus of £220,165 (2020: deficit of £189,552).

Thornage Hall Independent Living Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Financial review *(continued)*

Designated funds

The Contingency Fund was set up to cover the cost of the future needs of individual tenants that are not already met by the community's existing funding. The fund had net income of £4,634 (2020: £1,760) and after an investment gain of £20,106 (2020: loss of £20,555) the net increase in the fund was £24,740 (2020: net reduction of £18,795). However, to reflect the changes in commissioned funding and individual benefit payments the purpose of this fund continues to be under review as tenant's needs are currently met within their own financial circumstances which is far more robust than in previous years when the fund was established.

In addition funds totalling £280,000 have been transferred to supplement the existing funds in relation to Capital Projects (2020: £10,593 in relation to Grange Cottage and Capital Projects). No costs have been expended from designated funds during the current year (2020: £76,703 capitalised in relation to Grange Cottage).

At 31 March 2021 designated funds amounted to £1,529,515 (2020: £1,224,775).

Restricted funds

Total income in restricted funds amounted to £58,953 (2020: £84,928) and after expenditure of £46,443 (2020: £500) and transfers of £5,200 (2020: £122,044) restricted funds carried forward amounted to £27,961 (2020: £20,651).

The Trustees believe the state of the Charity's financial affairs to be satisfactory.

Principal funding sources

Much of the Charity's income is fees for day services, non housing related support and housing benefit received from primarily Norfolk County Council and North Norfolk District Council.

Investment powers

Under the Memorandum and Articles of Association, the Charity has the power to make any investment which the Trustees see fit. The investments are managed by Barratt & Cooke, members of the London Stock Exchange, with prior approval by the Trustees.

Investment policy

The Trustees have given careful consideration to the investment policy, balancing risk and reward. They have concluded that an investment portfolio of medium risk, structured to produce a reasonable level of income, together with the opportunity for capital growth is the most appropriate. The Trustees have a policy of purchasing ethically based investments wherever this is practical.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Financial review *(continued)*

Reserves policy

The Trustees have given careful consideration to the level of free reserves the charity should hold and have established a policy of holding six months normal running costs, which at 31 March 2021 amounted to £922,000.

As at 31 March 2021, the free reserves amounted to £931,624 which is calculated as unrestricted net current assets less designated funds.

The Trustees have planned a number of specific areas of expenditure for which they have designated funds as follows:

Contingency fund - In 1998 the Trustees have identified the need to provide for the future needs of those dependent upon Thornage Hall Independent Living Limited, which has been done by the provision of a designated contingency fund (see note 23), which comprises the following assets: £160,517 is represented by a portfolio of investments, £175,670 by Holly House, a freehold property rented out by the charity, and £79,745 in cash, which represents the accumulated income generated by these assets. However, to reflect the changes in commissioned funding and individual benefit payments the purpose of this fund is under review.

Planned Maintenance fund - Following the completion of a detailed condition survey the charity embarked upon a five year planned maintenance program, which has been fully budgeted and commenced in 2015. In total it is anticipated that over the five year period £650,000 will be spent on planned maintenance, of which £250,000 has been designated towards the completion of the planned maintenance into 2022. This has again been extended for a further year due to more pressing operational priorities. This shall be reviewed during 2021/22. The Trustees plan that the balance will be funded from operating surpluses achieved during the next few years.

Planning permission has been granted for Orchard Lodge to which the Trustees have designated a total £200,000 however due to the current situation around Covid-19 it is unlikely that this project will commence within the coming year as all fundraising activities are unable to be supported.

Furthermore, as we need to ensure that all of our existing facilities and planned maintenance which has been delayed, due to Covid-19, we have to prioritise these works in advance of the new build to ensure our ongoing ability to offer services and accommodation of the highest standard to our existing tenants and to ensure we remain competitive and value for money into the future.

The Covid-19 situation demands a review of priorities particularly as some planned maintenance activities will be delayed, additionally the requirement for further suitable office and staff facilities need to be reviewed to ensure compliance with Government guidance around social distancing, infection prevention control not just now but also in the future.

The trustees review the reserves policy annually in line with recommended practice.

Structure, governance and management

Governing document

Thornage Hall Independent Living Limited is a charitable company limited by guarantee, incorporated on 3 August 1987 and registered as a charity on 12 August 1987. The Charity is governed by its Memorandum and Articles of Association adopted on 3 August 1987 and amended on 17 April 2007, 26 October 2009 and 13 December 2018, these are currently being reviewed to reflect changes in management and to ensure compliance with relevant legislation. In the event of the Charity being wound up, the liability is limited to £1 per member of the Charity.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Structure, governance and management *(continued)*

Recruitment and appointment of Trustees

There shall be at least three Trustees, each Trustee will be expected to bring a level of specialism in their field of expertise.

At every AGM one third of the Trustees shall retire from office. The Trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment.

The Trustees may appoint a person who is willing to act as a Trustee, either to fill a vacancy or as an additional Trustee. A Trustee so appointed shall hold office only until the next following AGM, and shall not be taken into account in determining the Trustees who are to retire by rotation at that AGM. If not reappointed at such AGM he/she will vacate office at the end of the meeting.

Where the Trustee is the CQC nominated individual there is a requirement to familiarise themselves with CQC principals and be fully understanding of the role.

The current appointment of Trustees offers a balanced gender and experienced board.

Trustee induction and training

All new Trustees will be provided with copies of:

- The Memorandum and Articles of Association
- The latest accounts of the Charity

and are encouraged to read Charity Commission guidance notes CC3 - The Essential Trustee "What you need to know, what you need to do".

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Risk management

The Trustees have completed a thorough review of the Community's activities to identify the opportunities available to the Community and the risks to which it is exposed. The review covered the risks in the following areas: strategic, operational, environmental, compliance and financial. The Trustees reconsider each year the requirement for additional safeguards in the form of systems and procedures to supplement those already in place. In addition, the Trustees will ensure there are adequate procedures to minimise any potential impact on the Community should any of those risks materialise.

Thornage Hall Independent Living Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Structure, governance and management *(continued)*

Organisational structure

The Trustees meet on a regular basis, a minimum of four times a year, in order to monitor the progress of the Community, to make key decisions and to see that legal requirements such as those of the Registrar of Companies, the Charity Commissioners, the Social Services Departments and other regulatory bodies are adhered to. Individual Trustees have lead roles in important areas of the organisation.

The Trustees delegate day-to-day running and management of the Community to the Chief Executive Officer in conjunction with the Senior Management Group. The Senior Management Group includes the Director of Independent Living and the Director of Finance and Estates. Further specific groups report to the Senior Management Group and are responsible for specific tasks. These groups include:

- Independent Living Managers/Senior Support Workers, reporting to the Director of Independent Living - responsible for the support of the tenants and running of the houses.
- Director of Finance and Estates - responsible for the financial affairs of the day-to-day running of the Charity as well as management of the Estate.
- Office administration reporting to the Executive Assistant - Business Support - responsible for the administration of the central office and administration support to the Senior Management Group.
- Day Services Operational Managers - responsible for the management of Day Services, Farm and Garden.

This structure has evolved into an effective mechanism for both:

- managing the diverse elements of the Charity's service; and
- ensuring the effective participation and involvement of all members of the Community, should they wish, to be involved in the management and development of the Community.

Key management personnel

The Trustees consider the Board of Directors, who are the Charity's Trustees, and the Senior Management Group to comprise the key management personnel of the Charity, in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give their time freely. Details of Trustees expenses are disclosed in note 15 to the accounts.

The pay of the senior staff is reviewed subject to the results of the local authority contract negotiations, and normally increased in accordance with average earnings. In view of the nature of the Charity the Trustees benchmark against pay levels in other care sector providers. The remunerations bench-mark is the mid-point of the range paid for similar roles.

Related parties

The Charity is a member of the Association of Camphill Communities UK and the Camphill Benevolent Fund.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Structure, governance and management *(continued)*

Fundraising

The Charity has two main fundraising events during the year. An Annual Garden Fete that takes place in September and the Norfolk Christmas Fair in aid of Thornage Hall during November. The Garden Fete is organised by the staff team and the Christmas Fair is organised by a committee of volunteer supporters headed up by a Trustee who reports back to the Senior Management Group. The Charity complies with the Fundraising Regulator's Code of Fundraising Practice in its fundraising activity, and during the year there were no instances of non-compliance noted, and no complaints received by the charity about fundraising. Fundraising events are promoted through local advertising, posters, the Charity's website and social media accounts and the Charity's contacts database for those that have requested to be informed. In addition to fundraising income, the Charity receives donations from its supporters but does not actively seek donors.

The Charity does not work with professional fundraisers or commercial participators, and does not engage directly with vulnerable people or the general public in its fundraising activities.

Trustees' responsibilities statement

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

Company law requires the trustees to prepare financial statements for each financial year. 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 for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Thornage Hall Independent Living Limited

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Trustees' annual report (incorporating the directors' report) *(continued)*

Year ended 31 March 2021

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

T M Fitzalan Howard CBE
Chair

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Independent auditor's report to the members of Thornage Hall Independent Living Limited

Year ended 31 March 2021

Opinion

We have audited the financial statements of Thornage Hall Independent Living Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), balance sheet, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Independent auditor's report to the members of Thornage Hall Independent Living Limited *(continued)*

Year ended 31 March 2021

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Independent auditor's report to the members of Thornage Hall Independent Living Limited *(continued)*

Year ended 31 March 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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.

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:

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliances with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluation the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Independent auditor's report to the members of Thornage Hall Independent Living Limited *(continued)*

Year ended 31 March 2021

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

Use of our report

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

Mark Proctor FCA DChA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Year ended 31 March 2021

| | | Unrestricted funds | 2021 Restricted funds | Total funds | 2020 Total funds |
|---|------|-----------------------|-----------------------------|--------------------|---------------------|
| | Note | £ | £ | £ | £ |
| Income and endowments | | | | | |
| Donations and legacies | 5 | 14,003 | 18,888 | 32,891 | 117,222 |
| Charitable activities | 6 | 1,955,888 | 40,065 | 1,995,953 | 1,837,369 |
| Other trading activities | 7 | 10,525 | – | 10,525 | 41,812 |
| Investment income | 8 | 15,423 | – | 15,423 | 16,825 |
| Other income | 9 | 1,134 | – | 1,134 | 6,157 |
| Total income | | <u>1,996,973</u> | <u>58,953</u> | <u>2,055,926</u> | <u>2,019,385</u> |
| Expenditure | | | | | |
| Raising funds | | | | | |
| Costs of other trading activities | 10 | (274) | – | (274) | (9,617) |
| Charitable activities | 11 | (1,796,640) | (46,443) | (1,843,083) | (2,094,337) |
| Total expenditure | | <u>(1,796,914)</u> | <u>(46,443)</u> | <u>(1,843,357)</u> | <u>(2,103,954)</u> |
| Net income/(expenditure) and net movements in funds before gains and losses on investments | | 200,059 | 12,510 | 212,569 | (84,569) |
| Net gains/(losses) on investments | 12 | 20,106 | – | 20,106 | (20,555) |
| Net income/(expenditure) before transfer of funds | | 220,165 | 12,510 | 232,675 | (105,124) |
| Transfers between funds | | 5,200 | (5,200) | – | – |
| Net movement in funds | | <u>225,365</u> | <u>7,310</u> | <u>232,675</u> | <u>(105,124)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 4,585,608 | 20,651 | 4,606,259 | 4,711,383 |
| Total funds carried forward | | <u>4,810,973</u> | <u>27,961</u> | <u>4,838,934</u> | <u>4,606,259</u> |

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 22 to 36 form part of these financial statements.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Balance sheet

31 March 2021

| | Note | 2021 £ | £ | 2020 £ | £ |
|---|------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 16 | | 2,525,504 | | 2,613,587 |
| Investments | 17 | | 160,517 | | 140,417 |
| | | | <u>2,686,021</u> | | <u>2,754,004</u> |
| Current assets | | | | | |
| Stocks | 18 | 16,176 | | 16,176 | |
| Debtors | 19 | 112,946 | | 150,692 | |
| Cash at bank and in hand | | 2,215,473 | | 1,836,002 | |
| | | <u>2,344,595</u> | | <u>2,002,870</u> | |
| Creditors: Amounts falling due within one year | 20 | <u>191,682</u> | | <u>150,615</u> | |
| Net current assets | | | <u>2,152,913</u> | | <u>1,852,255</u> |
| Total assets less current liabilities | | | <u>4,838,934</u> | | <u>4,606,259</u> |
| Net assets | | | <u>4,838,934</u> | | <u>4,606,259</u> |
| Funds of the charity | | | | | |
| Restricted funds | | | 27,961 | | 20,651 |
| Unrestricted funds | | | <u>4,810,973</u> | | <u>4,585,608</u> |
| Total charity funds | 23 | | <u>4,838,934</u> | | <u>4,606,259</u> |

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

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

T M Fitzalan Howard CBE
Chair

Company registration number: 2152319

The notes on pages 22 to 36 form part of these financial statements.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Statement of cash flows

Year ended 31 March 2021

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Net income/(expenditure) | 232,675 | (105,124) |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible fixed assets | 108,201 | 105,742 |
| Net gains/(losses) on investments | (20,106) | 20,555 |
| Dividends, interest and rents from investments | (13,067) | (11,082) |
| Other interest receivable and similar income | (2,356) | (5,743) |
| <i>Changes in:</i> | | |
| Trade and other debtors | 37,746 | 222,293 |
| Trade and other creditors | 41,067 | (154,570) |
| Cash generated from operations | 384,160 | 72,071 |
| Interest received | 2,356 | 5,743 |
| Net cash from operating activities | <u>386,516</u> | <u>77,814</u> |
| Cash flows from investing activities | | |
| Dividends, interest and rents from investments | 13,067 | 11,082 |
| Purchase of tangible assets | (20,118) | (83,868) |
| Purchases of other investments | – | (130,586) |
| Proceeds from sale of other investments | 6 | 130,645 |
| Net cash used in investing activities | <u>(7,045)</u> | <u>(72,727)</u> |
| Net increase in cash and cash equivalents | 379,471 | 5,087 |
| Cash and cash equivalents at beginning of year | <u>1,836,002</u> | <u>1,830,915</u> |
| Cash and cash equivalents at end of year | <u>2,215,473</u> | <u>1,836,002</u> |

The notes on pages 22 to 36 form part of these financial statements.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Thornage Hall, Thornage, Holt, Norfolk, NR25 7QH.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

3. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity, and rounded to the nearest £.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The Trustees have taken into account the impact of Covid-19 on the charity in making this assessment.

(c) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(d) Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Income *(continued)*

- Income received by way of donations, legacies, grants and gifts is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the Charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

- Investment income is included when receivable.

- Income from charitable trading activity is accounted for when earned.

- Income from grants, where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration by its performance.

(e) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- expenditure on raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

- expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

(f) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against surpluses on a straight line basis over the period of the lease.

(g) Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions costing less than £1,000 are not capitalised.

(h) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|------------------------------|---|--|
| Residential buildings | - | over 40 years |
| Farm buildings | - | over 25 years |
| Motor vehicles and machinery | - | 25% reducing balance |
| Furnishings and equipment | - | 25% reducing balance and straight line |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Depreciation *(continued)*

No depreciation is provided for assets in the course of construction until the assets are brought into their intended use.

(i) Investments

Investments held as fixed assets are revalued at fair value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

(j) Stocks

Stocks have been valued at the lower of cost and net realisable value.

(k) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

(l) Defined contribution plans

The Charity operates two defined contribution pension schemes in respect of employees and co-workers, a contribution stakeholder scheme (People's Pension) in respect of employees and co-workers and a money purchase scheme for co-workers only with Camphill Benevolent Fund, to which the trustees made no contributions during the year. The assets of these schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the schemes.

(m) Redundancy

Where an obligation to make a redundancy or termination payment exists, the costs incurred by the Charity are accounted for on an accruals basis and included within employee benefits.

4. Limited by guarantee

Thornage Hall Independent Living Limited is a registered charity and company limited by guarantee with no share capital. The liability of each member in the event of a winding up is limited to £1.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

5. Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
|------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 14,003 | 18,888 | 32,891 |
| Legacies | | | |
| Legacies | — | — | — |
| | <u>14,003</u> | <u>18,888</u> | <u>32,891</u> |
| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ |
| Donations | | | |
| Donations | 11,457 | 84,928 | 96,385 |
| Legacies | | | |
| Legacies | 20,837 | — | 20,837 |
| | <u>32,294</u> | <u>84,928</u> | <u>117,222</u> |

6. Charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ |
|------------------------|----------------------------|--------------------------|--------------------------|
| Fees and contributions | 1,880,178 | — | 1,880,178 |
| Farm and garden income | 45,057 | — | 45,057 |
| Workshop income | 8,270 | — | 8,270 |
| COVID-19 Support | 22,383 | 40,065 | 62,448 |
| | <u>1,955,888</u> | <u>40,065</u> | <u>1,995,953</u> |
| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ |
| Fees and contributions | 1,782,966 | — | 1,782,966 |
| Farm and garden income | 46,285 | — | 46,285 |
| Workshop income | 8,118 | — | 8,118 |
| COVID-19 Support | — | — | — |
| | <u>1,837,369</u> | <u>—</u> | <u>1,837,369</u> |

7. Other trading activities

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|--------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Fundraising events | <u>10,525</u> | <u>10,525</u> | <u>41,812</u> | <u>41,812</u> |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

8. Investment income

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|-------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from fixed asset investments | 3,527 | 3,527 | 1,542 | 1,542 |
| Rental income | 9,540 | 9,540 | 9,540 | 9,540 |
| Bank interest receivable | 2,356 | 2,356 | 5,743 | 5,743 |
| | <u>15,423</u> | <u>15,423</u> | <u>16,825</u> | <u>16,825</u> |

9. Other income

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|-----------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Insurance claim | 1,134 | 1,134 | 6,157 | 6,157 |

10. Costs of other trading activities

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|--|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Costs of other trading activities - Staging events | 274 | 274 | 9,617 | 9,617 |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

11. Expenditure on charitable activities by activity type

| | Community expenses £ | Land expenses £ | Support costs £ | Total Funds 2021 £ | Total Funds 2020 £ |
|-----------------------------------|----------------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| Community expenses | 11,377 | 75 | – | 11,452 | 14,374 |
| Medical expenses | 202 | 217 | 648 | 1,067 | 586 |
| Food | 59,962 | 1,760 | 881 | 62,603 | 75,061 |
| Household | 21,505 | 14,700 | 8,638 | 44,843 | 51,426 |
| Estate and general maintenance | 40,475 | 28,577 | 1,312 | 70,364 | 258,926 |
| Light, heat and fuel | 31,529 | 4,378 | 2,470 | 38,377 | 36,572 |
| Rent, rates and water | 10,416 | 2,071 | – | 12,487 | 9,989 |
| Insurance | 15,739 | 3,090 | 2,684 | 21,513 | 22,688 |
| Motor and travel expenses | 5,627 | 2,976 | 173 | 8,776 | 8,480 |
| Wages and staff costs | 978,710 | 156,309 | 177,327 | 1,312,346 | 1,339,490 |
| Training and education | 1,979 | 38 | 4,915 | 6,932 | 17,030 |
| Contributions | 325 | 1,227 | 3,322 | 4,874 | 4,508 |
| Advertising | 739 | – | 945 | 1,684 | 8,921 |
| Printing, postage and stationery | 601 | 187 | 8,994 | 9,782 | 7,817 |
| Telephone | 72 | 59 | 7,304 | 7,435 | 7,292 |
| Professional fees | 35,964 | 19,324 | 43,649 | 98,937 | 103,022 |
| Sundries | 388 | 105 | 87 | 580 | 675 |
| Depreciation | 85,043 | 21,937 | 1,221 | 108,201 | 105,748 |
| Bank interest and charges | 81 | – | 1,637 | 1,718 | 2,066 |
| Farm cost of sales | – | 5,674 | – | 5,674 | 7,751 |
| Veterinary fees | – | 2,036 | – | 2,036 | 843 |
| Repairs and renewals | – | 2,784 | – | 2,784 | 2,901 |
| Pest control | – | 950 | – | 950 | 771 |
| Governance costs | – | – | 7,668 | 7,668 | 7,400 |
| | <u>1,300,734</u> | <u>268,474</u> | <u>273,875</u> | <u>1,843,083</u> | <u>2,094,337</u> |

Included in the above is restricted charitable expenditure of £46,443 (2020: £500).

Analysis of governance costs

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ | Total Funds 2019 £ |
|---------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Audit fee | 7,932 | – | 7,932 | 7,668 |
| Audit fee - under accrual | (264) | – | (264) | (268) |
| | <u>7,668</u> | <u>–</u> | <u>7,668</u> | <u>7,400</u> |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

12. Net gains/(losses) on investments

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|--------------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Gains/(losses) on listed investments | <u>20,106</u> | <u>20,106</u> | <u>(20,555)</u> | <u>(20,555)</u> |

13. Net income/(expenditure)

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

| | 2021 £ | 2020 £ |
|---|------------|------------|
| Depreciation of tangible fixed assets | 108,201 | 105,742 |
| Fees payable for the audit of the financial statements | 7,932 | 7,668 |
| Fees payable for the audit of the financial statements - prior year | (264) | (268) |
| Auditors' remuneration - VAT advice | – | 600 |
| Operating lease payments | <u>689</u> | <u>575</u> |

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Wages and salaries | 1,197,370 | 1,255,644 |
| Social security costs | 86,070 | 55,586 |
| Employer contributions to pension plans | <u>49,563</u> | <u>35,220</u> |
| | <u>1,333,003</u> | <u>1,346,450</u> |

Wages and salaries include £Nil (2020: £20,182) of redundancy and non-contractual termination payments.

Key management personnel remuneration amounted to £151,367 (2020: £138,704) in respect of 3 (2020: 3) employees.

The average head count of employees during the year was 54 (2020: 49). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2021 No. | 2020 No. |
|--------------------------------|-------------|-------------|
| Number of administrative staff | 4 | 3 |
| Number of other staff | <u>40</u> | <u>37</u> |
| | <u>44</u> | <u>40</u> |

The number of employees whose remuneration for the year fell within the following bands, were:

| | 2021 No. | 2020 No. |
|--------------------|-------------|-------------|
| £60,000 to £69,999 | <u>1</u> | <u>–</u> |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

15. Trustee remuneration and expenses

No Trustee received any remuneration from the Charity during either the current or previous year.

No Trustee was reimbursed expenditure during the year (2020: One Trustee was reimbursed expenditure of £221).

16. Tangible fixed assets

| | Land and buildings £ | Agricultural machinery £ | Motor vehicles £ | Residential equipment £ | Total £ |
|------------------------|----------------------------|--------------------------------|------------------------|-------------------------------|------------------|
| Cost | | | | | |
| At 1 Apr 2020 | 4,095,079 | 144,727 | 56,114 | 182,682 | 4,478,602 |
| Additions | — | 5,200 | — | 14,918 | 20,118 |
| At 31 Mar 2021 | <u>4,095,079</u> | <u>149,927</u> | <u>56,114</u> | <u>197,600</u> | <u>4,498,720</u> |
| Depreciation | | | | | |
| At 1 Apr 2020 | 1,506,367 | 129,290 | 54,661 | 174,697 | 1,865,015 |
| Charge for the year | 98,681 | 5,159 | 363 | 3,998 | 108,201 |
| At 31 Mar 2021 | <u>1,605,048</u> | <u>134,449</u> | <u>55,024</u> | <u>178,695</u> | <u>1,973,216</u> |
| Carrying amount | | | | | |
| At 31 Mar 2021 | <u>2,490,031</u> | <u>15,478</u> | <u>1,090</u> | <u>18,905</u> | <u>2,525,504</u> |
| At 31 Mar 2020 | <u>2,588,712</u> | <u>15,437</u> | <u>1,453</u> | <u>7,985</u> | <u>2,613,587</u> |

17. Investments

| | Listed investments £ |
|--------------------------------------|----------------------------|
| Cost or valuation | |
| At 1 Apr 2020 | 140,417 |
| Additions | — |
| Disposals | (6) |
| Other movements | 20,106 |
| At 31 Mar 2021 | <u>160,517</u> |
| Impairment | |
| At 1 Apr 2020 and 31 Mar 2021 | |
| Carrying amount | |
| At 31 Mar 2021 | <u>160,517</u> |
| At 31 Mar 2020 | <u>140,417</u> |

All investments shown above are held at valuation.

Financial assets held at fair value

The fair value of listed securities is determined by reference to the quoted price for these assets in an active market at the balance sheet date.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

17. Investments *(continued)*

Investments comprise the following:

| | 2021 £ | 2020 £ |
|-----------------------------|----------------|----------------|
| Listed securities | 160,517 | 140,411 |
| Cash held for re-investment | — | 6 |
| | <u>160,517</u> | <u>140,417</u> |

18. Stocks

| | 2021 £ | 2020 £ |
|-----------|---------------|---------------|
| Livestock | <u>16,176</u> | <u>16,176</u> |

19. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 14,539 | 51,904 |
| Prepayments and accrued income | 96,109 | 88,979 |
| Other debtors | 2,298 | 9,809 |
| | <u>112,946</u> | <u>150,692</u> |

20. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|---------------------------------|----------------|----------------|
| Trade creditors | 50,531 | 54,198 |
| Accruals and deferred income | 112,348 | 71,849 |
| Social security and other taxes | 28,803 | 24,568 |
| | <u>191,682</u> | <u>150,615</u> |

21. Deferred income

| | 2021 £ | 2020 £ |
|---------------------------|---------------|------------|
| At 1 April 2020 | 565 | — |
| Amount released to income | (565) | — |
| Amount deferred in year | <u>51,359</u> | <u>565</u> |
| At 31 March 2021 | <u>51,359</u> | <u>565</u> |

Deferred income comprises the advance receipt of income in respect of charitable activities.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

22. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £49,563 (2020: £35,220).

23. Analysis of charitable funds

Unrestricted funds

| | At 1 Apr 2020 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Mar 2021 £ |
|-----------------------------|-----------------------|------------------|--------------------|----------------|--------------------------|------------------------|
| Unrestricted funds | 3,360,833 | 1,983,846 | (1,788,421) | (274,800) | – | 3,281,458 |
| Contingency Fund | 391,192 | 13,127 | (8,493) | – | 20,106 | 415,932 |
| Maintenance Fund | 250,000 | – | – | – | – | 250,000 |
| Grange Cottage | 5,811 | – | – | – | – | 5,811 |
| Capital Projects | 157,900 | – | – | 280,000 | – | 437,900 |
| Herb Garden | 17,932 | – | – | – | – | 17,932 |
| Day Services | | | | | | |
| Equipment and Facilities | 6,230 | – | – | – | – | 6,230 |
| Activities Room | | | | | | |
| Equipment | 14,710 | – | – | – | – | 14,710 |
| Future Projects | 381,000 | – | – | – | – | 381,000 |
| | <u>4,585,608</u> | <u>1,996,973</u> | <u>(1,796,914)</u> | <u>5,200</u> | <u>20,106</u> | <u>4,810,973</u> |

| | At 1 Apr 2019 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Mar 2020 £ |
|-----------------------------|-----------------------|------------------|--------------------|----------------|--------------------------|------------------------|
| Unrestricted funds | 3,283,110 | 1,923,218 | (1,956,946) | 111,451 | – | 3,360,833 |
| Contingency Fund | 409,987 | 11,239 | (9,479) | – | (20,555) | 391,192 |
| Maintenance Fund | 250,000 | – | – | – | – | 250,000 |
| Grange Cottage | 135,605 | – | (132,487) | 2,693 | – | 5,811 |
| Capital Projects | 150,000 | – | – | 7,900 | – | 157,900 |
| Herb Garden | 17,932 | – | – | – | – | 17,932 |
| Day Services | | | | | | |
| Equipment and Facilities | 6,230 | – | – | – | – | 6,230 |
| Activities Room | | | | | | |
| Equipment | 19,252 | – | (4,542) | – | – | 14,710 |
| Future Projects | 381,000 | – | – | – | – | 381,000 |
| | <u>4,653,116</u> | <u>1,934,457</u> | <u>(2,103,454)</u> | <u>122,044</u> | <u>(20,555)</u> | <u>4,585,608</u> |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

23. Analysis of charitable funds *(continued)*

In 1998 the community set up the Contingency Fund to cover the costs of the future needs of the tenants in the community that are not already met by the commissioned funding of the Charity including capital projects. Investment income is allocated to the fund as agreed by the Trustees.

The maintenance fund was created following the completion of a detailed condition survey which has led to a planned five year maintenance program. Significant maintenance has been carried out over the initial planned period and improvements to tenant facilities to create a high standard of accommodation across the community. The balance of the funds has been designed towards the next period of planned maintenance and to include the reconfiguration of the Hall, grade 2 listed building to upgrade and create en-suite facilities for those existing tenants.

The Grange Cottage fund was set up for the planned works to the cottage, the balance of which is the retention held due to be released in 2022/23.

Capital projects - A further £50,000 has been transferred from the general fund in the current year and designated towards the future build of Orchard Lodge bringing the total designated funds as at 31 March 2021 to £207,900. It has been acknowledged by the Trustees the need for the investment in suitable office space for the expanding central staffing particularly during the pandemic to ensure IPC protocol can be maintained across the community now and into the future. Planning has been approved for the extension of the existing central office and £230,000 transferred from the general fund towards this project which is due to commence during 2022/23.

Donations received have been allocated to the herb garden fund to replace the existing garden with a raised herb garden to allow for greater accessibility. Works are underway but delayed due to Covid.

The Day Services Equipment Fund was set up for the provision of equipment for day service activities. Planned expenditure has been delayed due to Covid.

The Activities Room Equipment fund has been created with the proceeds from the fete in order to equip the newly created activities room "Gregories Barn". Planned expenditure to purchase a projector and media equipment has been delayed due to Covid.

The Future Projects fund was set up following the receipt of a generous legacy towards future new projects. This is to include the conversion of an existing farm building to create additional indoor workshop space. This need was identified as a result of Covid and the need to offer additional indoor workshop capacity.

The General Fund comprises of the surplus/deficit on the income and running costs of the charity's activities, plus donations and bank interest.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

23. Analysis of charitable funds *(continued)*

Restricted funds

| | At 1 Apr 2020 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Mar 2021 £ |
|---------------------------------|-----------------------|---------------|------------------|----------------|--------------------------|------------------------|
| Community | | | | | | |
| Activities Room | 3,323 | – | – | – | – | 3,323 |
| Orchard Lodge | 10,700 | 1,300 | – | – | – | 12,000 |
| Donation for alpacas | 500 | – | (500) | – | – | – |
| Day Services | | | | | | |
| Equipment | 2,034 | – | – | – | – | 2,034 |
| HM Memorial | 125 | – | – | – | – | 125 |
| Herb Garden | 599 | – | – | – | – | 599 |
| Activities Room - | | | | | | |
| Equipment | 3,162 | – | – | – | – | 3,162 |
| Land | 208 | 5,000 | (8) | (5,200) | – | – |
| Tenant / Social Fund | – | 6,693 | (2,744) | – | – | 3,949 |
| IT / Media | | | | | | |
| Equipment | – | 1,000 | (1,000) | – | – | – |
| Staff Fund | – | 4,895 | (2,126) | – | – | 2,769 |
| NCC - Infection Control Fund | – | 40,065 | (40,065) | – | – | – |
| | <u>20,651</u> | <u>58,953</u> | <u>(46,443)</u> | <u>(5,200)</u> | <u>–</u> | <u>27,961</u> |

| | At 1 Apr 2019 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Mar 2020 £ |
|---------------------------------|-----------------------|---------------|------------------|------------------|--------------------------|------------------------|
| Community | | | | | | |
| Activities Room | 49,367 | 76,000 | – | (122,044) | – | 3,323 |
| Orchard Lodge | 5,000 | 5,700 | – | – | – | 10,700 |
| Donation for alpacas | 500 | 500 | (500) | – | – | 500 |
| Day Services | | | | | | |
| Equipment | 2,034 | – | – | – | – | 2,034 |
| HM Memorial | 125 | – | – | – | – | 125 |
| Herb Garden | 599 | – | – | – | – | 599 |
| Activities Room - | | | | | | |
| Equipment | 642 | 2,520 | – | – | – | 3,162 |
| Land | – | 208 | – | – | – | 208 |
| Tenant / Social Fund | – | – | – | – | – | – |
| IT / Media | | | | | | |
| Equipment | – | – | – | – | – | – |
| Staff Fund | – | – | – | – | – | – |
| NCC - Infection Control Fund | – | – | – | – | – | – |
| | <u>58,267</u> | <u>84,928</u> | <u>(500)</u> | <u>(122,044)</u> | <u>–</u> | <u>20,651</u> |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

23. Analysis of charitable funds *(continued)*

The balance of the restricted funds for the Community Activity Room is the remainder of the retention held due to be released in 2022/23.

Donations have been provided towards the planned capital works for Orchard Lodge.

Donation income has been received towards the upkeep of the alpacas.

Donations which were received during the previous financial year towards day service equipment were unable to be expended due to Covid.

Donations were received for a memorial bench for a former tenant. This will be purchased on completion of the herb garden.

Donations received have been allocated to the herb garden fund to replace the existing garden with a raised herb garden to allow for greater accessibility. Works are underway but delayed due to Covid.

Restricted funds have received for the purchase of equipment for the activities room. This has been delayed due to Covid.

Donations have been received and expended for the purchase of a new ride on lawn mower for the land and estate, a fund transfer being made to reflect the capital expenditure.

Donations have been received from tenant families to support the purchase of suitable outdoor equipment to support family visits which out of necessity had to take place outside of the home due to Covid.

Donations have been received and expended to purchase IT and media equipment which has enabled communication and sharing of short films with our Day Service Users during lockdown via various online platforms.

Donations have been received from tenant families to express their gratitude towards our staffing team during Covid. Donations received enabled us to purchase 'Thank You' gifts, including hampers for all staff and equipment for the staff wellbeing hub where staff are able to take time off shift and during lunch to relax.

Funding has been received from the Norfolk County Council Infection Control Fund towards the cost of additional equipment, paying staff their full salary whilst being required to isolate, health and safety and PPE arising as a result of Covid-19.

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

24. Analysis of net assets between funds

Year ended 31 March 2021

| | Tangible fixed assets £ | Investments £ | Net current assets £ | Total £ |
|----------------------------------|-------------------------------|------------------|----------------------------|------------------|
| Restricted Income Funds | | | | |
| Community Activities Room | — | — | 3,323 | 3,323 |
| Orchard Lodge | — | — | 12,000 | 12,000 |
| Day Services Equipment | — | — | 2,034 | 2,034 |
| HM Memorial | — | — | 125 | 125 |
| Herb Garden | — | — | 599 | 599 |
| Activities Room - Equipment | — | — | 3,162 | 3,162 |
| Tenant / Social Fund | — | — | 3,949 | 3,949 |
| Staff Fund | — | — | 2,769 | 2,769 |
| | — | — | 27,961 | 27,961 |
| Unrestricted Income Funds | | | | |
| Designated Funds | 175,670 | 160,517 | 1,193,328 | 1,529,515 |
| General Funds | 2,349,834 | — | 931,624 | 3,281,458 |
| | <u>2,525,504</u> | <u>160,517</u> | <u>2,124,952</u> | <u>4,810,973</u> |
| | <u>2,525,504</u> | <u>160,517</u> | <u>2,152,913</u> | <u>4,838,934</u> |

Year ended 31 March 2020

| | Tangible fixed assets £ | Investments £ | Net current assets £ | Total £ |
|----------------------------------|-------------------------------|------------------|----------------------------|------------------|
| Restricted Income Funds | | | | |
| Community Activities Room | — | — | 3,323 | 3,323 |
| Orchard Lodge | — | — | 10,700 | 10,700 |
| Donation for Alpacas | — | — | 500 | 500 |
| Day Services Equipment | — | — | 2,034 | 2,034 |
| HM Memorial | — | — | 125 | 125 |
| Herb Garden | — | — | 599 | 599 |
| Activities Room - Equipment | — | — | 3,162 | 3,162 |
| Land | — | — | 208 | 208 |
| | — | — | 20,651 | 20,651 |
| Unrestricted Income Funds | | | | |
| Designated Funds | 182,697 | 140,417 | 901,661 | 1,224,775 |
| General Funds | 2,430,890 | — | 929,943 | 3,360,833 |
| | <u>2,613,587</u> | <u>140,417</u> | <u>1,831,604</u> | <u>4,585,608</u> |
| | <u>2,613,587</u> | <u>140,417</u> | <u>1,852,255</u> | <u>4,606,259</u> |

Thornage Hall Independent Living Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2021

25. Analysis of changes in net debt

| | At 1 Apr 2020 | Cash flows | At 31 Mar 2021 |
|--------------------------|------------------|----------------|-------------------|
| | £ | £ | £ |
| Cash at bank and in hand | <u>1,836,002</u> | <u>379,471</u> | <u>2,215,473</u> |

26. Operating lease commitments

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

| | 2021 | 2020 |
|--|------------|--------------|
| | £ | £ |
| Not later than 1 year | 689 | 575 |
| Later than 1 year and not later than 5 years | <u>—</u> | <u>575</u> |
| | <u>689</u> | <u>1,150</u> |

27. Related parties

There were no related party transactions during either the current or previous period.