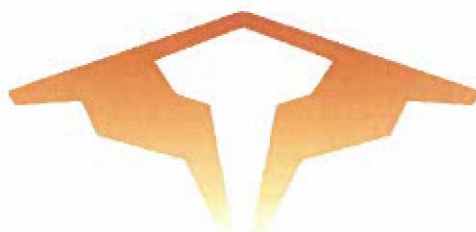


Company Registration Number: 00497029
Charity Number: 307104



THORNLEIGH CAMPHILL COMMUNITIES LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

30 JUNE 2023

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

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THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REFERENCE & ADMINISTRATIVE INFORMATION

YEAR ENDED 30 JUNE 2023

Registered charity name	Thornleigh Camphill Communities Limited
Charity number	307104 – Registered on 15 June 1951, amended 16 March 2007
Company registration number	00497029 – Incorporated on 29 June 1951, amended 7 June 2004
Registered office	Thornbury Park Park Road Thornbury Bristol BS35 1HP
Trustees	A Nowlan - Chair I Bailey P Glover - resigned 1 March 2023 G Snell J Southcombe
Chief Executive Officers	N Sialelli (resigned 29 September 2023) and C Bradshaw
Auditors	Burton Sweet Limited The Clock Tower 5 Farleigh Court Old Weston Road Flax Bourton Bristol BS48 1UR
Bankers	National Westminster Bank plc PO Box 1081 16 The Plain Thornbury Bristol BS35 2NU

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

OBJECTIVES AND ACTIVITIES

The Board of Trustees present their report and the financial statements for the year ended 30 June 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice application to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS102).

Objects

Its Memorandum of Association defines the objects of Thornleigh Camphill Communities Limited ("TCC" or "the charity") as follows:

"The charity's objects are, for the public benefit, to (1) relieve sickness, promote good health, provide care to and advance the education and training of: people with a disability (whether mental or physical), the young, the old, or people otherwise in need, in accordance with the principles of Dr Rudolf Steiner (as summarised in the Appendix to this Memorandum), particularly (without limitation) by the establishment and maintenance of communities in the form of villages, residential houses, day centres, kindergartens, schools, colleges or other types of social and/or educational community, in which beneficiaries live and/or work and/or to which they otherwise resort, in community with persons providing support, and (2) to advance education and promote health, particularly through promoting research (making the useful results publicly available)."

The Appendix referred to articulates the principles formulated by the Austrian philosopher, Dr Rudolf Steiner, about many aspects of daily life including social life, economic life, agriculture, horticulture, art, medicine, finance and religion.

Aims

TCC aims to do this by the establishment and maintenance of communities where the beneficiaries live, learn and work in the community with those providing the support. The charity endeavours to provide a wide range of services to pupils and adults with special needs where the individuality of each person can be fully expressed.

Strategy to achieve objects

TCC's main objectives for the year remained to continue to provide support, care and education to both pupils and residents. The charity continues to plan ahead to ensure that the changing needs of those it supports can be met in the future.

Public Benefit

The Trustees have considered the guidance issued by the Charities Commission regarding Public Benefit and are satisfied that the objects and activities of the charity are for the public benefit, in the areas of relieving sickness, promoting good health, providing care to and advancing the education and training of people with a disability. This can be evidenced by the continued high number of referrals from Local Authorities and families.

Relationships with other charitable and non-charitable organisations

One property at the Hatch and one property at Orchard Leigh are owned by HARC Housing Association Limited ("HARC"). TCC has had a longstanding contractual relationship with HARC whereby the two companies jointly manage these two properties. HARC's activities relate solely to these two properties. Three TCC Trustees (P Glover – to 1 March 2023, A Nowlan and G Snell) are Trustees of HARC; there is one other independent Trustee of HARC.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

Apart from its relationship with HARC, TCC is autonomous with regards to day-to-day operations and all financial matters. However, it benefits from the membership of and/or a close working association with many associations of charitable bodies, regulators, and central and local governmental departments.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

TCC is a company limited by guarantee, not having share capital and is registered as a charity under the Charities Act. In the event of this company being wound up members are required to contribute an amount not exceeding £1. The company is governed by its Memorandum and Articles of Association.

Organisational structure

TCC is a member of the Association of Camphill Communities, sharing its inspiration with the Camphill Movement which has links to over one hundred centres worldwide, all caring for children or adults with additional support or mental health needs. The Movement was founded in 1940 by Dr Karl Konig, an Austrian paediatrician, who with his co-founders developed a mutually-supportive model for community life based on the principles of the late Dr Rudolf Steiner's (1861–1925) philosophy called Anthroposophy.

Based on this philosophy, the charity supports individuals (regardless of their background, identity or circumstances) in all aspects of their life including physical health, spiritual and emotional wellbeing, and education. In providing community life the individual needs are mutually respected within a therapeutic environment.

The charity's communities comprise a residential and day special school (Sheiling School) and two adult communities (The Hatch and Orchard Leigh).

Governance

The Trustees are legally responsible for the governance and control of TCC. The Board of Trustees ("the Board") met four times in the year and the Annual General Meeting ("AGM") was held in December. Two of the Trustee meetings were face-to-face, and two were online. The Trustees also maintained a high level of regular contact with each other and with the charity's CEOs, and attended specific meetings as mandated by the Board in order to represent trustee interests in appropriate forums.

There are two permanent sub-groups which report into the Board.

- The School Governors, who have certain delegated powers for the governance of the School.
- The Life Communities Group, which has certain delegated powers for the governance of both The Hatch and Orchard Leigh.

Appropriate terms of reference for both groups are in place. Other temporary working groups are set up from time to time.

The day-to-day management of the activities of the charity are delegated to the Life Communities Chief Executive Officer and the School's Principal, who are assisted by specialised management teams. These two individuals are the charity's key management personnel. Their remuneration is set by reference to the remuneration of chief executive officers working in comparable roles within other specialist schools/other life communities.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

Trustees are drawn from members of the local community, past and present parents, professionals with specialist knowledge, and people working in anthroposophical and other establishments with similar aims and objectives to TCC. They are selected on the basis of their range of skills and experiences, appointed by a vote of the Board, but their appointment must subsequently be ratified at the AGM. One third of the Board put themselves forward for re-election at each AGM in rotation. All Trustees are members of the charity. No Trustee has any beneficial interest in the charity.

The former CEO of the School was a Governor. Other Governors are recruited in the same way as Trustees. Some Governors are appointed by the Trustees, and others by the Governors, as set out in the Governors' Terms of Reference.

The CEO for the Life Communities is a member of the Life Communities Group. The Group also includes senior members of staff and representative beneficiaries. Other members are recruited in the same way as Trustees. Some members are appointed by the Trustees, and others by the Group, as set out in the Life Communities Group Terms of Reference. The Group's decision-making powers are held by the members appointed by the Trustees.

An induction pack, including a role description, is given to each Trustee, Governor or member of the Life Communities Group on appointment for the purposes of induction and training. Because there were no new Trustees, Governors or members of the Life Communities Group during the year there were only a limited number of online training sessions for Trustees and Governors on specific topics related to the work of the charity.

Fundraising

In the year ended 30 June 2023 the charity continued its policy of not soliciting funds from members of the general public. The charity's normal fundraising was limited to small-scale events for families, friends and the local communities held at the Sheiling School, the Hatch and Orchard Leigh. The School has recently appointed a Head of Fundraising to commence limited additional fundraising activity. The charity has received no complaints about its fundraising activities.

Risk Review

The Trustees have overall responsibility for assessing the risks faced by the charity and its residents, pupils, staff and volunteers and they have assessed the major risks to which these parties are exposed. The Trustees are satisfied that systems are in place to mitigate exposure to these risks. They maintain a Risk Register identifying various risks set against control and mitigation procedures.

The main risks for the charity continue to relate to the levels of public funding available from local authorities for residents and pupils, and the risk of a deterioration in rating received from the Care Quality Commission ("CQC") or the Office for Standards in Education ("Ofsted") inspections, notwithstanding the charity's aim to continue to provide high quality care and education services.

Related to the first of these major risks, the Trustees also consider that the risk associated with the recruitment and retention of staff for both the School and the Life Communities remains high. There is a serious mismatch between the pay levels required for successful recruitment and retention and the pay levels inherent in the public funding available.

These, and other risks, are managed by the charity using a variety of controls. The key controls include but are not limited to:

- Annual reviews of support plans for all residents and pupils;
- Careful assessments of possible new residents and pupils;

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

- Maintenance of an appropriate balance between the numbers of residents and pupils and staffing levels;
- The supervision and motivation of all staff;
- Management accounting and reporting against agreed budgets;
- Organisational structure, with terms of reference for all sub-groups, and job roles defined;
- Formal agendas and minutes for all Board, sub-group, and management meetings;
- Formal detailed policies and procedures;
- Vetting procedures as required by law for the protection of vulnerable people;
- Regular monitoring visits made by Trustees and Governors.

ACHIEVEMENTS AND PERFORMANCE

A heartfelt thank you is extended to those who have helped us to sustain the charity. We thank all residents, pupils, staff, volunteers, families and friends, together with the therapists, activity providers, training providers and local businesses who have helped us. We also thank two long serving individuals for their invaluable contributions – Paul Glover, who retired from his roles as a Trustee and as Chair of Governors on 1 March 2023, and Nico Sialelli, who has resigned as CEO of the School with effect from 29 September 2023 in order to relocate to France with his family.

Sheiling School

The School provides a therapeutic learning environment in which children and young people with moderate to severe learning difficulties make progress, are helped to overcome their particular difficulties, and experience the joy of achievement. Situated in a beautiful and peaceful estate in Thornbury near Bristol, the School and residential setting offer opportunities for children to achieve positive outcomes in an environment designed to meet their educational, emotional, social and spiritual needs. The School is registered with the Department for Education ("DFE") and is inspected by Ofsted. The residential provision of the School is also registered with Ofsted as a Children's Home.

The School's main achievement has been the continued development of all pupils, even those who first came to the School exhibiting the most challenging behaviours. This progress is measured using a whole school assessment framework which is applied to each pupil, to monitor individual progress in education, social skills, independence and staying safe.

Other achievements against short-term objectives include:

- the continuation of the structured teacher training program (the Sheiling School Teaching Diploma Course), enabling teachers to obtain a teaching qualification of direct relevance to their roles at Sheiling School;
- an overall rating of "good", including for the experiences and progress of children and young people, following Ofsted's most recent inspection of the children's home in August 2022.

An Ofsted inspection of the School was completed in November 2023. On the date of the signing of this report the results of that inspection were not yet published.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

It has not been possible to increase the number of pupils in the School towards its capacity of 50, due to the continuing high number of staff vacancies, especially teachers.

The Life Communities – The Hatch and Orchard Leigh

The Hatch and Orchard Leigh provide supported living services and day placement opportunities to adults with additional support needs. The Hatch and Orchard Leigh are registered with and inspected by the CQC as Supported Living Services providing the regulated activity of personal care. The Hatch is situated in the town of Thornbury and Orchard Leigh in Eastington, Stroud. Due to their locations both communities are able to offer the convenience of town life along with a tranquil, therapeutic, rural environment where people can interact independently within a supportive community setting.

The Life Communities main achievement has been the continued provision of homes, supported living, and day placement activities for residents, all within the supportive and enabling environment provided by the two Camphill Communities.

Other achievements against short term objectives include:

- during and since the pandemic CQC has limited its inspections to providers it considers to be at risk. Their inspections have not included the Hatch or Orchard Leigh. In the meantime the Hatch retains its rating of "good" following CQC's inspection in July 2019 and Orchard Leigh retains its rating of "good" following CQC's inspection in September 2018 (both with extremely complimentary reports);
- maintaining the continued high quality of support, cultural life, and spiritual life for our residents, commensurate with our target of achieving ratings of "good" or "outstanding" when CQC inspections resume;
- maintaining a high quality of accommodation for residents by continuing our full programme of property maintenance and renovation;
- maintaining the governance of the Life Communities in such a way that the two communities' residents continue to be directly involved.

During 2021/22 a major building at Orchard Leigh was closed due to subsidence, with the residents and staff affected being successfully relocated to other buildings in the community. The Life Communities Group and the Trustees have concluded that, even if it were repaired, this building would be inappropriate for residents in the future. Accordingly, as noted below, this building is being sold.

FINANCIAL REVIEW AND RESERVES POLICY

The charity made a deficit of £576,959 in 2022/23, compared with a surplus of £170,356 in 2021/22.

The charity's unrestricted funds are almost entirely represented by its fixed assets being the premises, fixtures, fittings, equipment and motor vehicles which it requires in order to operate. Included within unrestricted funds of £4,354,455 are designated reserves of £2,639,999 relating to the net book value of these premises and other fixed assets.

The unrestricted, free reserves of the charity were £1,714,456 at the year-end. This represented 25.7% of the charity's annual expenditure. The Trustees aim is to continue to maintain a low level of financial risk. In particular it is the charity's aim to maintain its free reserves at between 25% and 50% of operating expenditure, which amounts to between £1,669,941 and £3,339,882.

In setting this target for free reserves the Trustees considered in particular the nature of the Charity's responsibilities to its beneficiaries. For example, the charity provides homes and support to 41 highly vulnerable individuals – and this is in principle lifelong. In addition the social care sector nationally is facing

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

unprecedented challenges. Similar pressures and risks are present in the education sector. The Trustees concluded that the charity must be able to sustain operations for at least three to six months in the event of a major disruption in income or expenses.

The charity's principal sources of funds are fees paid by Local Authorities in respect of School pupils and Life Communities residents, and rent received from Life Communities residents which is mostly met from their Housing Benefit. The other principal financial risk for the charity is the possibility of further reductions in the rates of Local Authorities' financial support for School pupils and/or Life Communities residents. The Trustees recognise this risk and are working with the Life Communities Chief Executive Officer and the School's Principal to manage and, if possible, reduce this risk over time.

In the light of the COVID-19 pandemic the Trustees continue to monitor and re-assess the charity's financial risks. The Trustees believe that neither the emergence of the COVID-19 pandemic nor its subsequent management by the UK Government materially changed the charity's financial risks in the short to medium term. Instead, as noted above, the most significant financial risk is the serious mis-match between the pay levels required for successful recruitment and retention and the pay levels inherent in the public funding available. This risk was increasing well before the pandemic, and continues to increase.

Restricted Funds

The Trevethick Family very kindly raised funds for the Hatch. Although this was originally intended to part-fund new games facilities, the family has now agreed that these funds should be spent to part-fund the new bakery, which is being built in 2023/24.

Camphill Benevolent Fund

The Camphill Benevolent Fund ("CBF") is a charity whose core purpose is to offer discretionary grants to those who have served in its member charities and are suffering financial hardship. As a member charity of the CBF, TCC makes donations to the CBF from time to time. The Trustees review the level of TCC's financial support annually.

PLANS FOR FUTURE PERIODS

The charity's main objective for the coming year is to continue to fulfill its responsibilities as set out in its Memorandum of Association. The provision will continue to be delivered in a similar manner as previously.

However we welcome the challenge of continually reviewing and improving the housing, care, education and other services provided for our beneficiaries. In the past year the Trustees have continued to carry out our long-term strategy review, to help the charity plan service provision over the next 3-10 years. This review is being carried out in partnership with residents, families, Local Authorities and other stakeholders.

We are carrying out our strategic review separately for the School and the Life Communities, considering the results for the overall charity after the completion of these separate strategy reviews.

The Life Communities Group and the Trustees have completed the first stage of the review for the Life Communities. They have concluded that the needs of all the residents can best be met by selling Orchard Leigh House (the building that is closed due to subsidence) and the adjacent bakery building, and re-investing the proceeds of sale into the communities. They have also decided to provide a wider range of Workshops but from only one site (the Hatch).

For the School, following the resignation of the CEO, the Governors and the Trustees have recruited a new Principal for the School. They are working with him over the current year to address the strategic risks facing the School, including the School's inability to recruit sufficient teachers.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

REPORT OF THE BOARD OF TRUSTEES

YEAR ENDED 30 JUNE 2023

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the directors of Thornleigh Camphill Communities for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure 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
- make judgements and accounting 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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.

In so far as the Trustees are aware:

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

AUDITOR

The Trustees will submit a resolution to the next AGM that Burton Sweet be re-appointed under section 487(2) of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed by order of the Trustees

A Nowlan
Chair of Trustees

Dated:  13.12.2023



G Snell
Trustee and Treasurer

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 30 JUNE 2023

Independent auditor's report to the members of Thornleigh Camphill Communities Limited

Opinion

We have audited the financial statements of Thornleigh Camphill Communities Limited (the "Charity") for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 30 June 2023 and of 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 in 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 directors' 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 directors 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.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 30 JUNE 2023

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 the 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 30 JUNE 2023

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with those charged with governance and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, pensions, environmental and health and safety legislation; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, inspecting legal correspondence and remaining alert during the audit for any indications of non-compliance.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of those charged with governance and other management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- discussing amongst the engagement team the risks of fraud;
- gaining an understanding of the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- testing journal entries to identify unusual transactions;
- assessing whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigating the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit. This description forms part of our auditor's report.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 30 JUNE 2023

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 in 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's members as a body, for our audit work, for this report, or for the opinions we have formed.



Joshua Kingston ACA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited

Statutory Auditor

The Clock Tower

5 Farleigh Court

Old Weston Road

Flax Bourton

Bristol BS48 1UR

Date: 13/12/2023

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 30 JUNE 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations	2	11,173	-	11,173	15,917
Charitable activities	3	6,066,516	-	6,066,516	6,723,777
Other trading activities	4	6,845	-	6,845	4,108
Investments	5	15,650	-	15,650	835
Other income		2,621	-	2,621	-
Total income		6,102,805	-	6,102,805	6,744,637
Expenditure on:					
Raising funds	6	21,410	-	21,410	15,651
Charitable activities	7	6,658,354	-	6,658,354	6,558,630
Total expenditure		6,679,764	-	6,679,764	6,574,281
Net income/(expenditure) for the year and net movement in funds	10	(576,959)	-	(576,959)	170,356
Reconciliation of funds					
Total funds brought forward	21	4,931,414	8,925	4,940,339	4,769,983
Total funds carried forward	21	4,354,455	8,925	4,363,380	4,940,339

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

See note 13 for the fund-accounting comparative figures
The notes on pages 16 to 26 form part of these financial statements

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

BALANCE SHEET

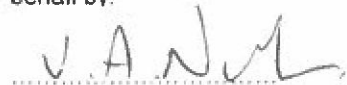
AS AT 30 JUNE 2023

Company registration number: 00497029

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	14	2,639,999	2,654,749
Current assets			
Stock	15	1,000	1,000
Debtors	16	726,324	541,750
Cash at bank and in hand		1,962,616	2,893,924
		<u>2,689,940</u>	<u>3,436,674</u>
Creditors : amounts falling due within one year	17	<u>(966,559)</u>	<u>(1,151,084)</u>
Net current assets		1,723,381	2,285,590
Total asset less current liabilities		4,363,380	4,940,339
Net assets		<u>4,363,380</u>	<u>4,940,339</u>
FUNDS			
Unrestricted funds			
General funds	22	1,714,456	2,276,665
Fixed asset designated fund	22	2,639,999	2,654,749
Restricted funds	22	8,925	8,925
Total funds		<u>4,363,380</u>	<u>4,940,339</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 (FRS102).

These financial statements were approved by the Trustees on 13.12.2023 and are signed on their behalf by:



Anthony Nowlan
Chair of Trustees

The notes on pages 16 to 26 form part of these financial statements

THORNLEIGH CAMPHILL COMMUNITIES LIMITED**STATEMENT OF CASH FLOWS****YEAR ENDED 30 JUNE 2023**

	Note	2023 £	2022 £
Net cash inflow from operating activities	19	(762,104)	131,782
Non-operational cash flows:			
Investing activities			
Proceeds from the sale of tangible fixed assets		950	-
Payments for tangible fixed assets		(185,804)	(168,562)
Investment income		15,650	835
		<u>(169,204)</u>	<u>(167,727)</u>
Net cash outflow for the year		<u><u>(931,308)</u></u>	<u><u>(35,945)</u></u>

Cash flow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice this restriction has not had any effect on group cash flows for the year.

The notes on pages 16 to 26 form part of these financial statements

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

1 Accounting policies

Accounting convention

The financial statements have been prepared in accordance with the historical cost convention (except where otherwise stated in the accounting policy note) and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

The charity is a public benefit entity as defined by FRS102.

The Trustees consider that the charity is a going concern and that there are no material uncertainties related to events or conditions that cast significant doubt on the Charity's ability to continue as a going concern. The Trustees have come to this conclusion by considering:

- The reserves and cash reserves that the charity has at the signing date;
- The budgets and forecasts for both Life Communities and for Sheiling School sites after the signing date;
- The skill and experience of staff and Trustees to operate effectively for our beneficiaries.

Income

Income from donations is included in income when these are receivable, except as follows:

- I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;
- II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Local authority funding received in the form of a service level agreement is recognised as charitable activity income as the terms of service are met.

Legacies are included on a receivable basis where the exact amount and certainty of receipt are known.

Investment income is included on a receivable basis.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Raising funds

Raising funds are those costs incurred in seeking donations and raising awareness of the charity's activities.

Charitable activities

Charitable expenditure 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.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. Governance costs are included within charitable activity costs.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

1 Accounting policies (*continued*)

Tangible fixed assets and depreciation

Fixed assets are stated at cost and capital purchases of £1,000 or greater are capitalised. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Freehold Property - Over 50 years
Fixtures & Fittings - Over 10 years
Fixtures & Fittings; Electrical wiring - Over 25 years
Computer equipment - Over 3 - 10 years
Vehicles, plant & machinery - Over 4 years

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.

Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the Trustees.

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

Designated funds form part of unrestricted funds and have been identified as being for particular purposes by the Trustees. They are not restricted and can be undesignated at any time at the discretion of the Trustees.

Further explanation of the nature and purpose of each fund is included in note 21 of the financial statements.

Pension costs and other post-retirement benefits

The charity operates defined contribution stakeholder schemes in respect of employees and co-workers. 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 fund.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

2 Income from: donations

Current year	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
Donations and grants	11,173	-	11,173	15,917
	<u>11,173</u>	<u>-</u>	<u>11,173</u>	<u>15,917</u>

All income from donations in the 2022 year was unrestricted in nature.

3 Income from: charitable activities

Current year	Unrestricted funds	Restricted funds	Total funds 2023
	£	£	£
Life Communities	2,922,876	-	2,922,876
School	3,143,640	-	3,143,640
	<u>6,066,516</u>	<u>-</u>	<u>6,066,516</u>
Prior year	Unrestricted funds	Restricted funds	Total funds 2022
	£	£	£
Life Communities	2,907,934	48,718	2,956,652
School	3,765,141	1,984	3,767,125
	<u>6,673,075</u>	<u>50,702</u>	<u>6,723,777</u>

4 Income from: other trading activities

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
Fundraising events	6,845	-	6,845	4,108
	<u>6,845</u>	<u>-</u>	<u>6,845</u>	<u>4,108</u>

All income from other trading activities in the 2022 year was unrestricted in nature.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

5 Income from: investments

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
Bank interest receivable	15,650	-	15,650	835
	<u>15,650</u>	<u>-</u>	<u>15,650</u>	<u>835</u>

All investment income in the 2022 year was unrestricted in nature.

6 Expenditure on raising funds

Current year	Activity costs	Admin and management costs Note 8	Total funds 2023
	£	£	£
Advertising and publicity	16,591	4,819	21,410
	<u>16,591</u>	<u>4,819</u>	<u>21,410</u>

Prior year	Activity costs	Admin and management costs Note 8	Total funds 2022
	£	£	£
Advertising and publicity	12,480	3,171	15,651
	<u>12,480</u>	<u>3,171</u>	<u>15,651</u>

7 Expenditure on charitable activities

Current year	Grant funded activities	Direct activity costs	Admin and management costs Note 8	Total funds 2023
	£	£	£	£
Life Communities	-	2,319,566	855,099	3,174,665
School	-	2,515,657	908,032	3,423,689
Camphill Benevolent Fund	60,000	-	-	60,000
	<u>60,000</u>	<u>4,835,223</u>	<u>1,763,131</u>	<u>6,658,354</u>

The Camphill Benevolent Fund is a registered charity, please see the Trustees' Report for more details.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

7 Expenditure on charitable activities (continued)

Prior year	Grant funded activities £	Direct activity costs £	Admin and management costs Note 8 £	Total funds 2022 £
Life Communities	-	2,243,774	780,822	3,024,596
School	-	2,716,465	757,569	3,474,034
Camphill Benevolent Fund	60,000	-	-	60,000
	60,000	4,960,239	1,538,391	6,558,630

8 Costs of administration and management

Administration and management costs are incurred in support of the activities undertaken. Such costs have been allocated directly to the activity to which they relate. A proportion of staff costs and office costs have been allocated to the cost of raising funds in proportion to direct costs. Governance costs have been allocated on a percentage basis between the charitable activities.

Administration and management costs, included in the above, are as follows:

Current year		Charitable activities			
	Note	Life Communities £	School £	Raising funds £	Total funds £
Staff costs		558,960	454,833	3,479	1,017,272
Motor expenses		34,222	15,040	-	49,262
Premises costs		90,188	194,485	-	284,673
Office costs		156,912	233,796	1,340	392,048
Governance	9	14,817	9,878	-	24,695
Total 2023		855,099	908,032	4,819	1,767,950

Prior year		Charitable activities			
	Note	Life Communities £	School £	Raising funds £	Total funds £
Staff costs		495,154	422,414	2,309	919,877
Motor expenses		32,558	15,921	-	48,479
Premises costs		65,437	141,410	-	206,847
Office costs		173,952	168,677	862	343,491
Governance	9	13,721	9,147	-	22,868
Total 2022		780,822	757,569	3,171	1,541,562

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

9 Governance costs

	Total funds 2023 £	Total funds 2022 £
Audit fees	15,704	13,556
Accountancy and other fees	4,049	4,204
Trustee indemnity insurance	2,520	2,520
Trustees travel and meeting costs	2,422	2,588
	<u>24,695</u>	<u>22,868</u>

10 Net income/(expenditure) for the year

This is stated after charging:	2023 £	2022 £
Depreciation	200,554	193,687
Auditor's remuneration - for audit services	15,704	13,556
- for accounts preparation and other services	4,049	4,204
Reimbursement of Trustees' travel expenses and meeting costs	3,261	-

One trustee (2022: nil) was reimbursed expenses as above during the year.

11 Staff costs and numbers

The aggregate payroll costs were:	2023 £	2022 £
Wages & salaries	4,190,362	4,259,922
Social security costs	363,376	349,290
Pension contributions	97,681	94,680
	<u>4,651,419</u>	<u>4,703,892</u>

Particulars of employees:

Two employees received benefits (excluding employer's national insurance contributions and employer pension costs) of between £60,000 and £70,000 (2022: two).

One employee received benefits (excluding employer's national insurance contributions and employer pension costs) of between £70,000 and £80,000 (2022: nil).

Employment benefits (inclusive of employer's national insurance contributions and employer pension costs) received by key management personnel and the spouses of key management personnel in the year totalled £225,406 (2022: £210,424).

The average number of employees during the year, calculated on the basis of average head count, was as follows:

	2023 No.	2022 No.
Life Communities	123	112
School	97	112
	<u>220</u>	<u>224</u>

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

12 Taxation

No provision is made for corporation tax, as the charity is able to claim full statutory exemption subject to the proper application of all its charitable resources.

13 Comparative Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Income from:			
Donations	15,917	-	15,917
Charitable activities	6,673,075	50,702	6,723,777
Other trading activities	4,108	-	4,108
Investments	835	-	835
Total income	6,693,935	50,702	6,744,637
Expenditure on:			
Raising funds	15,651	-	15,651
Charitable activities	6,507,928	50,702	6,558,630
Total expenditure	6,523,579	50,702	6,574,281
Net income/(expenditure) and net movement in funds	170,356	-	170,356
Reconciliation of funds			
Total funds brought forward	4,761,058	8,925	4,769,983
Total funds carried forward	4,931,414	8,925	4,940,339

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

14 Tangible fixed assets

	Land and buildings £	Fixtures & fittings £	Computer equipment £	Vehicles, plant & machinery £	Total £
Cost					
At 1 July 2022	5,071,629	840,444	102,411	231,613	6,246,097
Additions	-	147,307	22,622	15,875	185,804
Disposals	-	-	-	(18,400)	(18,400)
At 30 June 2023	5,071,629	987,751	125,033	229,088	6,413,501
Depreciation					
At 1 July 2022	2,956,396	390,045	50,032	194,875	3,591,348
Charge for the year	83,276	86,447	13,881	16,950	200,554
Disposals	-	-	-	(18,400)	(18,400)
At 30 June 2023	3,039,672	476,492	63,913	193,425	3,773,502
Net book value					
At 30 June 2023	2,031,957	511,259	61,120	35,663	2,639,999
At 30 June 2022	2,115,233	450,399	52,379	36,738	2,654,749

15 Stock

	2023 £	2022 £
Stock	1,000	1,000
	1,000	1,000

16 Debtors

	2023 £	2022 £
Trade debtors	550,029	327,584
Other debtors	4,570	5,820
Prepayments and accrued income	171,725	208,346
	726,324	541,750

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	160,993	196,379
PAYE and social security	50,281	91,390
Other creditors	56,250	83,156
Accruals and deferred income	699,035	780,159
	<u>966,559</u>	<u>1,151,084</u>

Income related to future periods is deferred until the service is provided.

Deferred income from local authority funding, relating to the charity's core charitable activities, is represented as follows:

	2023	2022
	£	£
Deferred income balance at start of period	600,053	605,067
Amount released to income earned from charitable activities	(600,053)	(605,067)
Amount deferred in the period	538,071	600,053
	<u>538,071</u>	<u>600,053</u>

18 Operating lease commitments

At 30 June the charitable company had total minimum lease commitments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Due in:		
Less than 1 year	8,437	7,964
Between 2 and 5 years	23,357	12,330

19 Reconciliation of net movement in funds to net cash inflow from operating activities

	2023	2022
	£	£
Statement of Financial Activities: Net movement in funds	(576,959)	170,356
Profit on the disposal of tangible fixed assets	(950)	-
Investment income	(15,650)	(835)
Depreciation	200,554	193,687
(Decrease)/increase in creditors: current liabilities	(184,525)	(22,442)
Decrease/ (increase) in debtors	(184,574)	(208,984)
Net cash inflow from operating activities	<u>(762,104)</u>	<u>131,782</u>

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

20 Analysis of changes in cash during the year

	2023 £	2022 £	Change £
Cash at bank and in hand	1,962,616	2,893,924	(931,308)
	2022 £	2021 £	Change £
Cash at bank and in hand	2,893,924	2,929,869	(35,945)

21 Movement in funds

For the year to 30 June 2023

	At 1 Jul 2022 £	Income £	Expenditure £	Transfers £	At 30 Jun 2023 £
Restricted funds					
Bakery fund	8,925	-	-	-	8,925
	8,925	-	-	-	8,925
Unrestricted funds					
Fixed asset designated fund	2,654,749	-	(200,554)	185,804	2,639,999
General funds	2,276,665	6,102,805	(6,479,210)	(185,804)	1,714,456
	4,931,414	6,102,805	(6,679,764)	-	4,354,455
Total funds	4,940,339	6,102,805	(6,679,764)	-	4,363,380

For the year to 30 June 2022

	At 1 Jul 2021 £	Income £	Expenditure £	Transfers £	At 30 Jun 2022 £
Restricted funds					
Games room	8,925	-	-	-	8,925
COVID -19 control fund	-	25,890	(25,890)	-	-
Workforce recruitment and retention fund	-	24,812	(24,812)	-	-
	8,925	50,702	(50,702)	-	8,925
Unrestricted funds					
Fixed asset designated fund	2,679,874	-	(193,687)	168,562	2,654,749
General funds	2,081,184	6,693,935	(6,329,892)	(168,562)	2,276,665
	4,761,058	6,693,935	(6,523,579)	-	4,931,414
Total funds	4,769,983	6,744,637	(6,574,281)	-	4,940,339

COVID -19 control fund - The purpose of the grant was to provide support to social care providers with additional funding to reduce the rate of Covid-19 transmissions within care settings.

Workforce recruitment and retention fund - The purpose of the grant was to provide support to social care providers with additional funding to aid with adult social care workforce capacity pressures.

THORNLEIGH CAMPHILL COMMUNITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2023

21 Movement in funds (*continued*)

Bakery Fund (formerly known as 'Games room') - Historically in response to the "Planning the Future" consultation with The Hatch residents, the Trevethick Family very kindly raised funds for the development of a "games room" at The Hatch. The Trustees planned to utilise these restricted funds at a point when the Main Hall is extended by incorporating new games facilities. During the financial year Trevethick Family agreed that the funds originally donated towards the "games room" can be spent towards building costs of The Hatch bakery.

The net book value of fixed assets is shown in a separate designated fund. Transfers between this and general funds represent fixed asset additions and disposals.

22 Analysis of net assets between funds

As at 30 June 2023	Tangible fixed assets £	Net current assets £	Total 2023 £
Restricted funds	-	8,925	8,925
Unrestricted funds			
Fixed asset designated fund	2,639,999	-	2,639,999
General funds	-	1,714,456	1,714,456
	<u>2,639,999</u>	<u>1,723,381</u>	<u>4,363,380</u>
 As at 30 June 2022	 Tangible fixed assets £	 Net current assets £	 Total 2022 £
Restricted funds	-	8,925	8,925
Unrestricted funds			
Fixed asset designated fund	2,654,749	-	2,654,749
General funds	-	2,276,665	2,276,665
	<u>2,654,749</u>	<u>2,285,590</u>	<u>4,940,339</u>

23 Related party disclosures

HARC Housing Association Limited is a related party of the charity as the board of HARC has a majority of individuals that are also Trustees of Thornleigh Camphill Communities Limited.

In the year, invoices were raised by HARC charging Thornleigh Camphill Communities Limited totalling £47,785 (2022: £44,712) and recharges received from HARC totalling £5,096 (2022: £Nil). Of this notes amounts, Nil (2022: £11,178) was still payable at the year end and £1,482 (2022: £Nil) was still in receivables at the year end.

During the year the charity had a service occupancy agreement with each of C Bradshaw and N Sialelli, the Chief Executive Officers who comprise part of the key management personnel of the charity. The total rent charged in the year was £15,200 (2022: £15,200) and £Nil (2022: £Nil) was outstanding at the year-end.

24 Company limited by guarantee

The company is limited by guarantee. Members guarantee to contribute up to £1 each in the event of the winding up of the company.