

Charity number: 527552
Company Number: 00413810

Sunfield Childrens Homes Limited
(Private Limited Company)

Trustees' report and financial statements
For the year ended 31 August 2021

SUNFIELD CHILDRENS HOMES LIMITED

REPORT OF THE TRUSTEES

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REPORT OF THE TRUSTEES

LEGAL AND ADMINISTRATIVE INFORMATION

Registered office

Ruskin Mill
Millbottom
Nailsworth
Stroud
Gloucestershire
GL6 0LA

Principle office

Clent Grove,
Clent, Stourbridge
West Midlands
DY9 9PB

Trustees

H M Kippax
A C H Gordon
Dr T Zundel
V F B Griffiths
T A Gratton
C Court

Company secretary

E Johnson

Key management personnel

Aonghus Gordon – Founder & Executive Chair
Tara Gratton – Director of Schools and Rise
Chris Lore – Head Teacher
Shazuli Iqbal – Chief Financial Officer
Lindsay Wilkinson – Trust Head of Human Resources

Auditors

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
17th Floor
102 Colmore Row
Birmingham
B3 3AG

Bankers

Lloyds Bank Plc	Barclays Bank PLC
12 Rowcroft	15 Colemore Row
Stroud	Birmingham
Gloucestershire	B3 2EP
GL5 3BD	

Solicitors

Royds Withy King LLP
69 Carter Lane
London
EC4V 5EQ

REPORT OF THE TRUSTEES

The Trustees', who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year to 31 August 2021.

- **Governing document**

Sunfield Children's Homes Limited, also known as 'Sunfield', is registered with the Department for Education under sections 347(I) and (3) of the 1996 Education Act as an independent residential school suitable for pupils with severe learning difficulties. It is registered as a Children's Home under the Care Standards Act 2000, and is governed by the regulations of this Act.

It is a registered charity in England and Wales (registered number: 527552) and is constituted as a company in England and Wales (registered number: 00413810), limited by shares. Its objectives, powers and other constitutional matters are set out in its Memorandum & Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

- **Group Structure**

Sunfield Children's Homes Limited is part of the Ruskin Mill Trust Group.

The whole of the issued share capital of 100 £1 ordinary shares is owned by Ruskin Mill Trust Limited. As Trustees of the Charity and Directors of the Company, members of the Governing Body are legally responsible for the overall management and control of the charity. The main Trustee body meets at least four times a year.

- **Recruitment and appointment of new Trustees**

Trustees are appointed in accordance with the Memorandum and Articles of Association. The charity's practice regarding recruitment has been for members of the Board to make recommendations for suitably skilled and experienced people who are then appraised by Ruskin Mill Trust's Board of Trustees.

Induction and training are carried out during the meeting cycle, and members are also invited to training within Ruskin Mill Trust's other provisions. During the year, individual Trustees undertook a range of appropriate training.

- **Organisational Management**

The Trustees delegate the day to day running to a Senior Leadership Team who oversee operations. The key management personnel are listed on page 1. The Trustees did not receive any remuneration in the current or previous period.

- **Directors and Trustees**

The Trustees during the period are listed on page 1.

- **Risk Management**

A description of the principal risks and uncertainties facing Sunfield, as identified by Trustees, together with a summary of the plans and strategies for mitigating those risks, are reviewed regularly by the Trustee body, and plans are put in place to mitigate these risks. The risks and uncertainties facing Sunfield are set out in the Strategic Report on page 5.

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- **Employment Policy**

Sunfield is an equal opportunity organisation and is fully committed to its Equal Opportunities Policy. It aims to ensure there is no discrimination on the grounds of disability and that access to work and promotion is based on ability, qualification and suitability for the work. Sunfield is committed to creating a working environment that is free from any form of discrimination.

Sunfield employs salaried staff with the appropriate qualifications to provide education and care for pupils and does not rely on volunteers.

The remuneration of the key management personnel, deemed to be the Senior Leadership Team listed on page 1, is reviewed annually by Trustees based on national criteria and affordability.

- **Trustees' Indemnity Insurance**

Trustee indemnity insurance is paid for under the Ruskin Mill Trust Group policy.

OBJECTS AND AIMS

- **Charitable Objects**

Sunfield's objects, as set out in the Memorandum of Association, are:

- to help, support and educate young people with severe and complex learning needs including those with autistic spectrum disorder;
- to provide support, assistance, education and training to the families and carers of people of any age with severe and complex learning needs including autistic spectrum disorder;
- to advance the education of the public and promote greater understanding of all matters concerning severe and complex learning needs including autistic spectrum disorder; and
- to conduct research into the causes, prevention, alleviation and management of severe and complex learning difficulties including autism and to disseminate the useful results of such research.

- **Background and Aims**

Sunfield has over 80 years of experience in supporting individuals, aged 6-19, with complex learning needs, including Autistic Spectrum Conditions; it caters for day and residential placements of up to 52 weeks, as well as respite. Set within 58 acres of idyllic parkland, Sunfield is nestled on the slopes of the Clent Hills overlooking beautiful Worcestershire countryside. The grounds include a farm and walled garden with nature trails for exploration and adventure, as well as play areas and sensory areas with calm outdoor spaces, all designed to enable Sunfield's young people to learn, exercise, enjoy and engage with their surroundings practically and safely.

As the first residential special school based on principles Rudolf Steiner established in the UK in the 1930s, Sunfield has a long history of being a therapeutic centre and international beacon of education. Its highly skilled teaching and residential staff team work alongside an integrated therapy team with particular skills in sensory education. Therapies available include speech & language, music, movement, drama and colour.

- **Public Benefit**

The Trustees have given due consideration to the published Charity Commission guidance on the operation of the Public Benefit requirement of the Charities Act 2006.

REPORT OF THE TRUSTEES

As places at Sunfield are assessed on the needs of the pupils and the fees are largely paid by local authorities, the trustees consider that the Public Benefit test has been met. Where possible, Sunfield also makes its facilities available for community use. For example, Sunfield's main hall is a popular venue for local drama and performance groups, and the school now operates a farm shop for the local community.

STRATEGIC REPORT

- **Achievements & Performance**

During the 2020/21 academic year, the school focused on creating outdoor learning environments and spaces for the children. This has included establishing two outdoor teaching spaces as well as developing paths and walkways that guide the children around the site. Land tutors focus on different areas of the site, enabling the children to access the gardens and farms at a level appropriate to them. The kitchen and craft gardens have been very successful and the children help to operate a box scheme, delivering produce from the farms and gardens to the households.

There has also been significant investments in the homes, and many of the homes have received new kitchens and bathrooms as well as ensuring the children's rooms are clean and decorated. The children have been involved in choosing the colours and decorations for their home. Staff have continued their training, with a focus on Holistic care and Support. There are plans to develop one of the buildings on the site into a bespoke residential staff training facility to provide additional opportunities for staff to train.

There has also been a strong focus on developing a 21st Century Steiner curriculum that is appropriate for the pupils, and threads together the requirements of the national curriculum with the Ruskin mill trust method of Practical Skills Therapeutic Education. This work has been undertaken with the heads of all the Trust schools to ensure consistency.

- **Financial Review**

Trustees value the surplus of £4,205,480 made during the year (2020: £713,683).

Investment

Sunfield's investment objective is to seek to maximise total return within its chosen investment criteria by a combination of income and capital growth and within an acceptable level of risk. Trustees utilise the discretionary managed service of Brewin Dolphin Limited whose delegated manager makes the day to day decisions regarding investments in the portfolio. Trustees set the structure and parameters of the portfolio as set out in the Investment Policy and the Board of Trustees reviews the policy annually and monitors the investment performance termly.

Reserves

The Trustees review the charity's financial plans and results regularly throughout the year. This is done through monitoring income and expenditure against budget forecasts and monitoring cash flow forecasts. The trustees follow the Ruskin Mill Trust Reserves Policy and, therefore, feel it prudent to build the level of reserves on an annual basis with the purpose of ensuring that the charity has sufficient reserves to act as a buffer against unexpected drops in income or increases in expenditure. The reserves held at

REPORT OF THE TRUSTEES

year-end were £6,154,741 unrestricted (2020: £2,409,990) and £1,470 restricted (2020: -£459,260).

Fundraising

Fundraising at Sunfield is overseen by Ruskin Mill Trust's Director of Fundraising. No use is made of any external, professional fundraiser nor any commercial participator, so no fundraising activities were carried out on its behalf during the year nor were any approaches made to vulnerable individuals in pursuit of the raising of funds for the charity.

Sunfield has signed up to the Fundraising Regulator's Code of Fundraising Practice. During the year there was no failure to comply with a scheme or standard cited nor were any complaints received about the fundraising activities conducted by the Trust.

Money raised through fundraising activities are used by Sunfield as agreed with the donor and comply with any conditions attached by the donor.

• Risks & Uncertainties

The Trustees review the risks to which the charity is exposed such as the health and safety of children, visitors, volunteers and staff on an on-going basis and are satisfied that systems are in place to manage exposure to the major risks. They maintain appropriate levels of insurance cover for all foreseeable risks.

The Covid-19 pandemic has had a limited impact on Sunfield Children's Home. The school has been able to continue operating during this time due to the nature of the service that is provided.

Specific areas of risk and uncertainty are:

- **Recruiting and Retaining Staff:** Sunfield has successfully recruited a significant number of staff, however, there are still vacancies, in particular in the support staff roles, both day and residentially. This is reflective of the national shortage of care and support staff. Induction training for staff is strong and staff are better prepared to start in role. Staff retention continues to be good, providing greater consistency for the children. Ruskin Mill Trust has appointed specialist Recruiters to help mitigate the risk across all provisions.
- **Poor Inspection result:** The risk of Sunfield not receiving an improved grade following an inspection by OFSTED. The Director of Schools has put in significant effort with the senior leaders of the school to develop curriculum, reporting and data collection. There is also a rigorous system of internal Quality Assurance, including use of a specialist external consultant, and an ongoing investment in staff training, which helps to mitigate the risk.
- **Regulatory non-compliance:** The risk of regulatory non-compliance requires constant review and the upskilling of staff and trustees to meet an ever changing regulatory landscape and student profile. Specifically:
 - **Keeping children safe:** The potential risks associated with keeping service users across the whole of the Ruskin Mill Trust Group safe has required continued vigilance and mitigation by robust risk assessment and action plans, assessments, appropriate training, the appointment of safeguarding managers at each of the main centres and improved internal meeting and reporting arrangements. This has been further augmented by the appointment of Directors who are members of Ruskin Mill Trust's Executive Team and to whom local Safeguarding Managers and Ruskin Mill Trust's Head of Safeguarding and

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the Trust's Head of Health & Safety report. In addition, a Ruskin Mill Trust Trustee holds lead responsibility for maintaining oversight of Safeguarding and Health & Safety across the Group.

- **GDPR:** A rigorous programme of cross-Trust training continues to be implemented to ensure compliance, all overseen by Ruskin Mill Trust's Head of Legal Services. An external agency has been contracted to deliver training and site audits across the Trust.
- **Charity Law:** To assist compliance with Charity Law, Ruskin Mill Trust's Head of Legal Services provides Trustees with regular Charity Law Updates which are supplemented by advice on further provisions as they come in to force. As an example, in order to comply with statutory changes made to the automatic disqualification rules for charity trustees, a new Trustee Eligibility Declaration procedure is being introduced.
- **IT disaster:** The Trust continues to monitor and improve IT cyber security arrangements to ensure a robustness and preparedness for any future attacks.
- **Reputational Risk:** The risk of reputational harm is being mitigated through the vigilance of the Trust including implementing a Code of Conduct and ensuring staff are suitably supported and trained.
- **Risks to Ruskin Mill Trust Group's Method (PSTE):** Vigilance continues to be required to ensure that the Trust's Method is not compromised.

• Future Plans

Sunfield is planning on several significant developments over the next few years to increase school capacity and learning opportunities for the pupils. There are plans to open a lower school in a new purpose built structure, which will sit between the main buildings and the farm. The lower school will provide appropriate learning spaces for the younger children and increase the schools capacity. There is also investment in the farm area, including new barns and teaching spaces as well as a café, open to the public, library, and community classroom, to be used by visiting school groups. Care has been taken to ensure that the public can come onto the site in a way that keeps the Sunfield pupils safe, but increases community interaction.

Finally, there are plans to remove some of the redundant buildings around the main site and increase the gardens and workshop spaces.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of Sunfield Children's Home Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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;
- observe the methods and principles in the Charities SORP and FRS 102;

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- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. 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.

- **Provision of information to Auditor**

Each of the persons who are trustees at the time when this Report of the Trustees is approved has confirmed that:

- so far as that trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

- **Qualifying third party indemnity provisions**

Trustees' indemnity insurance, indemnifying each director against liability to third parties, has been in place throughout the year ended 31 August 2021 and up to the date of approval of this report.

- **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment at the Annual General Meeting.

Approved by the Trustees on 25 May 2022 and signed on their behalf by:



.....
Aonghus Gordon

Trustee

SUNFIELD CHILDRENS HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Sunfield Childrens Homes Limited (the 'charitable company') for the year ended 31 August 2021, which comprise the Statement of Financial Activities (Incorporating an Income & Expenditure Account), 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 charitable company's affairs as at 31 August 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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 charitable company'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.

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. The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

SUNFIELD CHILDRENS HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

In the light of the 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 Strategic Report or the Directors' Report included in the Trustees' Report.

Matters on which we are required to report by exception

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

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 6 and 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company 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,

SUNFIELD CHILDRENS HOMES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

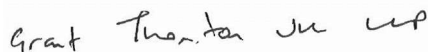
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Companies Act 2006 and Charities Act 2011;
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board and other minutes and through our legal and professional expenses review;
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - Challenging assumptions and judgements made by management in its significant accounting policies
 - Identifying and testing journal entries, with a focus on manual postings, journals that directly impacted on the surplus reported in the statement of financial activities and journal entries posted in the closing and accounts preparation period
 - Identifying and testing related party transactions
 - Inspecting the board and other committee minutes
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the charity, education and care sector

**SUNFIELD CHILDRENS HOMES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

- understanding of the legal and regulatory requirements specific to the charitable company including:
 - the provisions of the applicable legislation
 - guidance issued by the Charities Commission.
- The team communications in respect of potential non-compliance with relevant laws and regulations included the potential for fraud in revenue through manipulation of income and management override of controls; and
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the charitable company's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the charitable company's control environment, including:
 - the policies and procedures implemented by the charitable company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
 - the adequacy of procedures for authorisation of transactions and review of management accounts
 - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



William Devitt FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

Date: 30 May 2022

SUNFIELD CHILDRENS HOMES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income & Expenditure Account) for the year ended 31 August 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds Period to 31.8.21 £	Total Funds Period to 31.8.20 £
INCOME FROM:					
Donations and legacies		2,975	1,369	4,344	20,589
Charitable activities		9,103,271	-	9,103,271	7,108,124
Other trading activities		10,141	-	10,141	15,731
Investments		9,507	-	9,507	10,852
Other		1,330,166	2,558,831	3,888,997	-
TOTAL INCOME	3	10,456,060	2,560,200	13,016,260	7,155,296
EXPENDITURE ON:					
Raising funds		-	-	-	-
Charitable activities		8,869,638	-	8,869,638	7,060,151
Grant commitment		-	-	-	(626,019)
Other		-	19,755	19,755	-
TOTAL EXPENDITURE	5	8,869,638	19,755	8,889,393	6,434,132
NET INCOME FOR THE YEAR BEFORE GAIN ON INVESTMENTS		1,586,423	2,540,445	4,126,868	721,165
Gain on investments	8	78,613	-	78,613	(7,482)
NET INCOME		1,665,035	2,540,445	4,205,480	713,683
Transfers between funds		2,079,716	(2,079,716)	-	-
NET MOVEMENT IN FUNDS		3,744,751	460,729	4,205,480	713,683
RECONCILIATION OF FUNDS					
Total funds brought forward	12	2,409,990	(459,259)	1,950,731	1,237,049
Total funds carried forward	12	6,154,741	1,470	6,156,211	1,950,731

The notes on pages 15 to 30 form part of these financial statements.

SUNFIELD CHILDRENS HOMES LIMITED

(Company registration number
00413810)

BALANCE SHEET
As at 31 August 2021

	Notes	31 August 2021 £	31 August 2020 £
FIXED ASSETS:			
Tangible assets	7	138,150	2,558,362
Investments	8	530,448	442,539
		<u>668,598</u>	<u>3,000,901</u>
CURRENT ASSETS:			
Debtors	9	4,982,757	1,825,656
Cash at bank and in hand		956,016	165,520
		<u>5,938,773</u>	<u>1,991,176</u>
LIABILITIES:			
Creditors falling due within one year	10	(451,161)	(3,041,345)
NET CURRENT ASSETS / (LIABILITIES)		5,487,612	(1,050,169)
Creditors falling due in over one year		-	-
NET ASSETS		<u>6,156,210</u>	<u>1,950,732</u>
FUNDS			
Unrestricted funds		6,154,741	2,409,990
Restricted funds		1,470	(459,259)
	11	<u>6,156,211</u>	<u>1,950,731</u>

The financial statements have been prepared in accordance with the Companies Act 2006.

Approved and authorised for issue by the Trustees on 25 May 2022 and signed on their behalf by:



Aonghus Gordon
Trustee

The notes on pages 15 to 30 form part of these financial statements.

SUNFIELD CHILDRENS HOMES LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Period to 31 August 2021 £	Period to 31 August 2020 £
Cash flows from operating activities:			
<i>Net cash provided used in operating activities</i>	14	<u>(1,384,760)</u>	<u>(1,157,542)</u>
Cash flows from investing activities			
Investment income		88,120	10,852
Purchase of tangible fixed assets		(104,293)	(103,815)
Disposal of tangible fixed assets		2,200,727	0
Payments to acquire fixed asset investments		(92,219)	(87,797)
Receipts from sale of fixed asset investments		82,921	84,326
<i>Net cash provided by investing activities</i>		<u>2,175,256</u>	<u>(96,434)</u>
<i>Change in cash and cash equivalents in the reporting period</i>		790,496	(1,253,976)
<i>Cash and cash equivalents at the beginning of the reporting period</i>		<u>165,520</u>	<u>1,419,496</u>
<i>Cash and cash equivalents at the end of the reporting period</i>		<u><u>956,016</u></u>	<u><u>165,520</u></u>

The notes on pages 15 to 30 form part of these financial statements.

SUNFIELD CHILDRENS HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS **For the period ended 31 August 2021**

1 ACCOUNTING POLICIES

Legal status of the charity

Sunfield Children's Homes Limited (Sunfield) was incorporated in England and Wales as a company limited by shares (registered no. 00413810).

Sunfield is also registered with the Charity Commission in England and Wales (registered no. 527552).

The registered office of Sunfield is Ruskin Mill Trust, Millbottom, Nailsworth, GL6 0LA and principal office of Sunfield is Clent Grove, Clent, Stourbridge, West Midlands DY9 9PB.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Sunfield meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling (£) which is the functional currency of the charity.

Going concern

For the foreseeable future the Trustees consider Sunfield a going concern based on recurring funding receivable from the local authorities to enable us to provide a level of care for our students and cover overheads. The Trustees also believe that reserves are maintained at an appropriate level to provide the sufficient level of cover necessary should it be required.

During the Covid-19 pandemic the Trust has continued to support its students and pupils, either through home learning or on-site; this resulted in there being a very limited impact on the Trust during this period. During this time, cash flow has been regularly monitored to make sure the Trust was able to meet all its commitments. During the year as a whole, the Trust saw a small increase in the number of student and pupil assessments and this led on to an increase in the numbers on roll.

The Trust ensures that robust budgets are set, and that actual spend against these budgets is analysed on a monthly basis by both the Executive Team and the Board of Trustees' Finance Sub-Committee; the full Board also receives these monthly management accounts and reviews them on a two-monthly cycle.

The group, headed by Ruskin Mill Trust Limited, has substantial net assets. Furthermore, Ruskin Mill Trust Limited has provided assurances that group financial support will be provided to Sunfield as required. There are therefore no material uncertainties surrounding the going concern status of Sunfield.

Income

Income derived from fees is accounted for on an accruals basis.

Donations and legacies are credited to revenue when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from dividends is recognised when receivable.

All income is attributable to the one principal activity of the company which arose wholly within the United Kingdom.

SUNFIELD CHILDRENS HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2021

1 ACCOUNTING POLICIES (CONTINUED)

Expenditure

Resources are included in the Statement of Financial Activities on an accruals basis. Overheads are allocated over the charitable and fundraising activities in proportion to the direct costs by those activities. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Included in Governance costs are the annual audit fee, professional fees related to maintain the constitutional framework and Trustee expenses.

Termination payments are accounted for as soon as the charitable company is aware of the obligation to make the payment.

Investments

Investments are stated at market value at the balance sheet date. The SOFA included the net gains and losses arising on revaluation and disposal throughout the year.

Fixed assets

Items of a capital nature, capable of lasting more than one year and costing more than £5,000 are normally capitalised.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, over the useful economic life of that asset as follows:

Freehold buildings	1% - 10% pa	- straight line
Plant & machinery	10% - 20% pa	- straight line
Motor vehicles	25% pa	- straight line
Fittings & equipment	10% - 25% pa	- straight line
Tractor and farm implements	10% - 25% pa	- straight line

A full year's depreciation is charged in the year of acquisition and no depreciation is charged in the year of disposal.

Depreciation is not charged on assets under construction.

Operating lease agreements

Rentals paid under operating leases are charged to income on a straight-line basis over the period of the lease.

Consumables

It is not the company's policy to include consumables as a current asset in these financial statements. The consumables store area maintains medical and domestic supplies for daily use, not thought to be worth in excess of £15,000 at any one time.

**SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

1 ACCOUNTING POLICIES (CONTINUED)

Pension costs

Teachers are eligible for membership of the Teachers' Pension Scheme which is a defined benefit scheme. It is a multi-employer scheme and the charity's share of any deficit cannot be identified. Therefore, it is accounted for as a defined contribution scheme in accordance with the provisions of FRS 102.

All other staff are eligible to join our stakeholder scheme with an employer's contribution of varying rates. Contributions payable are charged to the SOFA in the year in which they are due. All pension costs are allocated to unrestricted funds.

Fund accounting

Unrestricted Funds are available for use at the discretion of the Trustees to fulfil the charity's general charitable objectives.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor and / or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in note 11.

Debtors

Short term debtors are initially measured at transaction price, less any impairment. Prepayments are measured at the amount prepaid.

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand and held with banks and other short-term deposits.

Financial instruments

Sunfield only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value. Financial investments are initially measured at their transaction cost and subsequently measure at their fair value at the balance sheet date. Please see note 13.

Taxation

The company is a registered charity and as such is entitled to tax exemption on all its income and gains, properly applied for its charitable purposes.

**SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

1 ACCOUNTING POLICIES (CONTINUED)

Significant estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these estimates and judgements have been made include the following:

Grant commitment

An outstanding grant commitment of £2,558,831 was de-recognised in the period. A commitment was previously recognised as a result of the deed of covenant signed by Sunfield and its parent, Ruskin Mill Trust Limited, on 31 August 2017 which committed Sunfield to the transfer of all freehold land and buildings to Ruskin Mill Land Trust (RMLT). Following the transfer of freehold land and buildings during the year to Ruskin Mill Land Trust, the company discharged the associated grant liability.

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

2 STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD 31.8.19 TO 31.8.20

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31.8.20 £
INCOME FROM:				
Donations and legacies		19,589	1,000	20,589
Charitable activities		7,108,124	-	7,108,124
Other trading activities		15,731	-	15,731
Investments		10,582	-	10,582
TOTAL INCOME	3	<u>7,154,296</u>	<u>1,000</u>	<u>7,155,296</u>
EXPENDITURE ON:				
Charitable activities		7,060,151	-	7,060,151
Grant Commitment		-	(626,019)	(626,019)
TOTAL EXPENDITURE	5	<u>7,060,151</u>	<u>(626,019)</u>	<u>6,434,132</u>
NET EXPENDITURE FOR THE YEAR BEFORE GAIN ON INVESTMENTS				
		94,146	627,019	721,165
Gain on investments	8	<u>(7,482)</u>	<u>-</u>	<u>(7,482)</u>
NET INCOME/(EXPENDITURE)		86,664	627,019	713,683
NET MOVEMENT IN FUNDS		<u>86,664</u>	<u>627,019</u>	<u>713,683</u>
RECONCILIATION OF FUNDS				
Total funds brought forward	11	<u>2,323,326</u>	<u>(1,086,278)</u>	<u>1,237,047</u>
Total funds carried forward	11	<u>2,409,991</u>	<u>(459,259)</u>	<u>1,950,731</u>

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

3 INCOME

	Period to 31 August 2021 £	Period to 31 August 2020 £
Donations and legacies	4,344	20,589
Charitable activities		
Care and education of children	9,103,271	7,108,124
Training and research	-	-
	<u>9,103,271</u>	<u>7,108,124</u>
Other trading activities		
Sale of goods	3,891	731
Rent	6,250	15,000
	<u>10,141</u>	<u>15,731</u>
Investments		
Listed investments	9,506	10,852
Bank interest	1	-
	<u>9,507</u>	<u>10,852</u>
Other		
Fixed asset sale & associated grant release	3,887,637	-
Other	1,360	-
TOTAL INCOME	<u><u>13,016,260</u></u>	<u><u>7,155,296</u></u>

4 NET INCOME

Net income is stated after charging:

	Year to 31 August 2021 £	Year to 31 August 2020 £
Auditor's remuneration - audit	12,000	9,600
Auditor's remuneration - other services	700	680
Trustee indemnity insurance	-	-
Operating lease payments in year	2,485	2,170
Depreciation - owned assets	<u>323,777</u>	<u>328,369</u>

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the period ended 31 August 2021

5 ANALYSIS OF EXPENDITURE

	Staff costs (see note 6) £	Depreciation (see note 7) £	Insurance £	Repairs & Renewals £	Grant £	Support £	Period to 31 August 2021 £	Period to 31 August 2020 £
Grant commitment	-	-	-	-	-	-	-	- (626,019)
Charitable activities								
Care of children	3,984,062	218,123	-	-	-	1,517,676	5,719,862	4,473,080
Education of children	1,774,153	97,133	-	-	-	1,134,098	3,005,384	2,448,683
Therapies and healthcare for children	124,502	6,816	-	-	-	-	131,318	110,708
Training, research and awareness	31,125	1,704	-	-	-	-	32,830	27,677
	5,913,842	323,777	-	-	-	2,651,775	8,889,393	7,060,151
Total	5,913,842	323,777	-	-	-	2,658,192	8,889,393	6,434,132

A grant commitment was derecognised during the period. This relates to a deed of covenant which was entered into by the charitable company and its parent, Ruskin Mill Trust Limited, on 31 August 2017. The deed of covenant committed Sunfield to transfer all title, right and interest of its freehold land and buildings to Ruskin Mill Land Trust; the company fulfilled the transaction during the period.

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the per ended 31 August 2021

6 STAFF COSTS

	Year to 31 August 2021 £	Year to 31 August 2020 £
Wages and salaries	5,434,900	4,575,989
Social Security Costs	389,042	289,677
Other pension costs	89,900	93,882
	<u>5,913,842</u>	<u>4,959,548</u>

The monthly average headcount number of employees during the period was as follows:

Headcount	Year to 31 August 2021 No.	Year to 31 August 2020 No.
Psychology and therapies	4	4
Support services	26	23
Education	57	50
Care	128	114
	<u>215</u>	<u>191</u>

One employee received in excess of £60,000 for the year (prior year:1)

No trustee expenses were reimbursed during the financial year (*period ended 31 August 2020: £Nil was reimbursed during the financial year*).

No Trustees were remunerated in the current period (*period ended 31 August 2020: £Nil was paid*).

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

7 TANGIBLE FIXED ASSETS

	Freehold land & buildings	Plant & machinery	Motor vehicles	Fittings & equipment	Assets Under Construction	Totals
	£	£	£	£	£	£
Cost						
At 31 August 2020	6,609,589	69,011	200,522	676,744	11,387	7,567,253
Additions	36,736	870	20,000	46,687	-	104,293
	-	-	-	-	-	-
Disposals	(6,609,589)	-	-	(29,527)	-	(6,639,116)
At 31 August 2021	36,736	69,881	220,522	693,904	11,387	1,032,429
Depreciation						
At 31 August 2020	4,140,768	51,745	196,589	619,789	-	5,008,891
Charge for the year	288,865	5,210	5,499	24,203	-	323,777
	-	-	-	-	-	-
Disposals	(4,429,633)	-	-	(8,756)	-	(4,438,389)
At 31 August 2021	0	54,178	202,088	635,236	-	894,279
NBV						
At 31 August 2021	36,736	15,703	18,434	58,668	11,387	138,150
At 31 August 2020	2,468,821	20,043	3,933	54,178	11,387	2,558,362

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

8 INVESTMENTS

	31 August 2021	<i>31 August 2020</i>
	£	£
Listed investments:		
Market value at 31 August 2020	442,539	446,550
Acquisitions at cost	92,219	87,797
Proceeds on disposal	(82,921)	(84,626)
Gain in the period	78,613	(7,482)
Market value at 31 August 2021	530,450	442,539

	31 August 2021	<i>31 August 2020</i>
	£	£
Investments at market value comprised:		
UK Bonds	17,946	50,784
Overseas Bonds	50,518	116,778
UK Equities	142,203	16,437
North American Equities	145,590	205,178
European Equities	53,194	16,731
Japanese Equities	19,441	14,512
Asia Pacific Equities	36,391	22,119
Emerging Market Equities	8,070	-
Global Investments	-	-
Absolute Return	18,294	-
Property	16,045	-
Other Investments	22,758	-
	530,450	442,539
Historical cost	397,089	378,352

The following investments represent more than 5% of the total market value:

	31 August 2021
	£
JUPITER UT MANAGERS	33,307
JPMORGAN LTD US EQUITY	-
VANGUARD INV UK	69,127
BLACKROCK FM EUR DYNAMIC	29,794

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

9 DEBTORS: AMOUNTS DUE WITHIN ONE YEAR

	31 August 2021	<i>31 August 2020</i>
	£	£
Trade debtors	440,078	1,263,604
Intercompany debtors	1,016,860	550,00
Prepayments and accrued income	722	5,820
Other debtors	3,525,098	<u>6,232</u>
	<u>4,982,757</u>	<u>1,825,656</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 August 2021	<i>31 August 2020</i>
	£	£
Trade creditors	195,240	193,331
Intercompany Creditors	5,886	5,886
Grant commitment	-	2,558,831
Other creditors	63,075	119,421
Social security and other taxes	144,861	124,402
Accruals	14,160	39,473
Fees in advance	34,357	-
	<u>457,579</u>	<u>3,041,345</u>

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

11 RECONCILIATION OF MOVEMENT IN FUNDS

	<i>At 31 August 2020</i>	Income	Expenditure	Gains	Transfers	At 31 August 2021
	<i>£</i>	£	£	£	£	£
Unrestricted funds						
General fund	2,409,990	10,447,299	(8,876,056)	78,613	2,079,716	6,154,741
Restricted funds						
Grant commitment	(2,558,831)	2,558,831	-	-	-	-
Share capital	100	-	-	-	-	100
Capital fund	1,768,835	-	-	-	(1,768,835)	-
Sensory rooms	3,073	-	-	-	(3,073)	-
Bike Project		1,369				1,369
Other funds	327,563	-	(19,755)	-	(307,808)	-
	(459,259)	2,560,200	(19,755)	-	(2,079,716)	1,469
TOTAL	<u>1,950,731</u>	<u>13,007,499</u>	<u>(8,895,811)</u>	<u>78,613</u>	<u>-</u>	<u>6,156,211</u>

Funds have been received from Baron Davenports to be spent on the bike project.

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

The Capital Fund represents assets purchased with restricted funds.

	31 August 2021 £	<i>31 August 2020 £</i>
Authorised		
100 Ordinary shares of £1 each	100	<i>100</i>
Allotted and fully paid		
100 Ordinary shares of £1 each	100	<i>100</i>

As at 31 August 2021	Fixed assets £	Investments £	Other net assets £	Total £
Share capital	-	-	100	100
Other reserves	-	1,369	1	1,370
Restricted funds	-	1,369	101	1,470
Unrestricted funds	138,150	529,080	5,487,511	6,154,741
	138,150	530,449	5,487,612	6,156,211

As at 31 August 2020	Fixed assets £	Investments £	Other net assets £	Total £
Share capital	-	-	100	100
Other reserves	1,768,835	-	(2,228,194)	(459,359)
Restricted funds	1,768,835	-	(2,228,094)	(459,259)
Unrestricted funds	789,526	442,539	1,177,925	2,409,991
	2,558,362	442,539	(1,050,169)	1,950,732

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

13 FINANCIAL INSTRUMENTS

	31 August 2021 £	31 August 2020 £
Financial assets measured at settlement value	5,938,052	1,435,356
Financial assets measured at fair value	530,449	442,539
Financial liabilities measured at settlement value	<u>278,361</u>	<u>352,225</u>

Financial assets measured at settlement value comprise cash, trade debtors and other debtors.

Financial assets measured at fair value comprise listed investments which is the market value at the balance sheet date

Financial liabilities measured at settlement value comprise trade creditors, other creditors and accruals.

An impairment of £nil was recognised in respect of financial assets held at settlement value (*period ended 31 August 2020: £nil*).

14 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	31 August 2021 £	31 August 2020 £
Net movement in funds	4,205,480	(6,441,614)
Gains on investments	(78,612)	7,482
Investment income	(88,120)	0
Depreciation	323,777	0
Increase in debtors	(3,157,102)	1,825,656
(Decrease) / increase in creditors	(2,590,183)	(3,041,345)
Net cash provided by operating activities	<u>(1,384,760)</u>	<u>(7,649,821)</u>

15 PENSIONS

Teachers' Pension scheme

The charity participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £41,504 and at the year-end £3,577.

The TPS is a statutory, defined benefit scheme, governed by the Teacher's Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and the employer makes contributions, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TTPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed notional rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

A copy of the valuation report and supporting documentation is on the Teachers' Pension website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charitable Company has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Charitable Company has set out above the information available on the scheme.

16 OPERATING LEASE COMMITMENTS

At the period end the charitable company has total commitments due under non-cancellable operating leases, for items of equipment only, as set out below:

	31 August 2021	<i>31 August 2020</i>
	£	£
Operating lease commitments due:		
Within 1 year	-	2,485
Within 2 - 5 year	-	-
	<hr/> -	<hr/> 2,485

17 CONTINGENCIES

There are no contingent liabilities known or anticipated by the Trustees at the current or previous period end.

18 CAPITAL COMMITMENTS

There are no capital commitments at the current or previous period end.

19 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

Ruskin Mill Trust Limited (registered in England and Wales; company number: 07252866 and charity number: 1137167) is the sole member and controlling party of Sunfield Children's Homes Limited. The objects of Ruskin Mill Trust Limited include the advancement of the education of young people with learning difficulties and/ or behavioural problems or special educational needs; the promotion of research into the practice and development of those areas of education; and the promotion of Rudolf Steiner education establishments. The charitable company runs six special educational needs schools/colleges. A copy of their financial statements can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 August 2021

20 RELATED PARTY TRANSACTIONS

During the year A Gordon was the director and sole corporate Trustee of Ruskin Mill Land Trust (RMLT). A grant commitment of £2,558,831 (provisioned year ending 31 August 2020) was discharged/ released to the income statement during the financial year. The company transferred/ sold the associated freehold land and buildings to RMLT for £3,500,000. At the year end, RMLT owes Sunfield £3,500,000 for the purchase of the freehold land and buildings.