

Company registration number 413810
Charity number 527552
www.sunfield.org.uk

SUNFIELD CHILDREN'S HOMES LIMITED

Financial Statements

Year ended 31 March 2010

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SUNFIELD CHILDREN'S HOMES LIMITED

INDEX

Company Information	1
Report of Trustees	2
Report of the Auditors	7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11

SUNFIELD CHILDREN'S HOMES LIMITED

COMPANY INFORMATION

{tc "Company Information" \f Contents}

TRUSTEES

Guy Brocklebank
David Clement
Ivor James
Adrian Parsons
Roger Pauli
Sally Ward
Martin Wood

SENIOR LEADERSHIP TEAM

Principal	Amanda Jones
Director of Services	Catriona O'Malley
Director of Finance & Administration	Robert Barker FCA
Head of Psychology, Therapies & Outreach	Nick Logan
Head of Care	Mark Brocklebank
Head of Education	Caroline Bell
Head of Family Services	Sally Conway
Appeals Director	Ian Jones

COMPANY SECRETARY

Robert Barker FCA

REGISTERED OFFICE

Clent
Worcestershire
DY9 9PB

REGISTERED NUMBER

413810

CHARITY NUMBER

527552

AUDITORS

Mazars LLP
45 Church Street
Birmingham
B3 2RT

BANKERS

Barclays Bank Plc
15 Colmore Row
Birmingham
B3 2EP

INVESTMENT CONSULTANTS

Brewin Dolphin Securities
12-22 Newhall Street
Birmingham
B3 3DB

SUNFIELD CHILDREN'S HOMES LIMITED

REPORT OF THE TRUSTEES

{TC "Report of Trustees" \F CONTENTS}The Trustees present their report and the financial statements of the charity for the year ended 31 March 2010

LEGAL STATUS & ORGANISATION

Sunfield Children's Homes Limited is registered with the Department for Children, Schools and Families under sections 347(1) 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 and is constituted as a company, limited by shares. Its objectives, powers and other constitutional matters are set out in its Memorandum and Articles of Association.

OBJECTIVES & ACTIVITIES

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The objectives of the charity are focussed on children with severe and complex learning needs,

- to help, support and educate young people with severe and complex learning needs
- to provide support, assistance, education and training to the families and carers of people with severe and complex learning needs of any age
- to advance the education of the public and promote greater understanding
- to conduct research into the causes, prevention, alleviation and management of severe and complex learning difficulties

Based at its residential school in Clent, Sunfield's students originate from all over the country. Students are referred to Sunfield by experts in the field of Learning Disabilities and funding for their costs at Sunfield is provided by the individual student's local authority. Sunfield welcomes and caters for students from all backgrounds and faiths. We are an equal opportunity organisation and we are committed to creating a working environment that is free from any form of discrimination.

The charity is active regionally, nationally and increasingly internationally in its provision of Outreach, Training and Research services and facilities. Sunfield's strategic aims and operational plans reflect the aspiration to make the organisation's expertise more widely available to our targeted beneficiary groups.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Trustees who served the charity during the year were as follows:

Roger Paul (Chair)
Adrian Parsons
Guy Brocklebank
Sally Ward
Martin Wood
David Clement
Ivor James

The Trustees of the Charity are also Directors of the Company. The whole of the issued share capital of 100 £1 ordinary shares is held in trust by all the trustees equally. Trustee Indemnity Insurance of £5m is held by the charity.

The overall policy and direction of the charity is the responsibility of the Trustees who meet regularly throughout the year. Trustees are appointed in accordance with the Memorandum and Articles. The main Trustee body is supported by a number of sub-committees. At least two Trustees with appropriate skills and expertise sit on each committee and direct the development of the charity within their delegated authority and / or make recommendations to the main Trustee body for consideration.

Amanda Jones took up the post of Principal in September 2010. Amanda was previously the Head Teacher at Hazel Oak School in Birmingham and has enjoyed a distinguished career in Special Needs education. Also joining us is Caroline Bell as the new Head of Education. The Trustees wish them every success in their new roles.

Throughout the year the day-to-day management of the charity has been delegated to the Strategic Leadership Team, comprising the Director of Services, the Director of Finance & Administration and the Head of Education, who in turn were supported by the other members of the Senior Leadership Team.

SUNFIELD CHILDREN'S HOMES LIMITED

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE & MANAGEMENT (Continued)

Lesley Gaukroger, Sunfield's Head of Education, retired at the end of July. Lesley's mother worked at Sunfield in the 1950's, and Lesley first came to work at Sunfield as a Rudolf Steiner Student in 1967. She leaves us after 20 years continuous service, during which she has contributed immeasurably to the progress and development of Sunfield and its students. The Trustees wish her a long, happy and rewarding retirement.

An Advisory Council with representatives from the Education, Business and Health sectors, plus the local community, parents and siblings, meets regularly to advise and assist the Trustees and executive staff in the fulfillment of their responsibilities.

The Senior Leadership Team maintain a Risk Register which sets out the major risks, the impact of such risks and the systems and procedures which are established to mitigate such risks. Significant issues identified are raised with the Trustees immediately, and the Trustees formally review the whole Register annually.

POLICIES ADOPTED

Educational policy is governed by the requirements of the National Curriculum and the Education Act 1996. Care policy is governed by a range of statutory instruments and standards. All of this is monitored by Ofsted. The Trustees also have in place an internal continual monitoring and improvement process.

The majority of Sunfield's income is generated by charging placing authorities fees for the cost of providing education and care for children. The charity utilises its charitable status to raise funds for new developments and capital projects.

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

Sunfield 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.

During the year Sunfield retained its Investors in People status and is committed to developing its staff to achieve its aims and objectives. There are regular meetings between managers and staff to promote effective communication.

Trustees annually review the potential fluctuations in income compared to the high level of fixed costs by carrying out a risk analysis. Consequent upon the increasingly uncertain financial climate, the Trustees have decided to increase the charity's Free Reserves (the unrestricted reserves that are not represented by the charity's fixed assets, currently totalling £4.2m) to £6m to equate to gross expenditure cover for six months. This figure is regarded as a target that may take several years to attain through investment growth, legacies and other general donations alone.

In addition Trustees have an Investment Policy, reviewed annually to ensure effective management of funds. The objective of the policy is to seek to maximise total return within our chosen investment criteria by a combination of income and capital growth.

Land and buildings at Clent have not been valued, there being no current reason to do so and the cost of any valuation exercise being significant.

REVIEW OF THE YEAR 2009 / 10

In September 2009 we opened our brand new school buildings following a major fundraising appeal. The new buildings are light and spacious and include many features to facilitate effective learning in our pupil group. Some classrooms have breakout rooms for students who cannot tolerate group activity for long periods and some have observation rooms so that teachers can research the effectiveness of new teaching methods or equipment. Many of the classrooms also have their own toilet facilities.

During the construction of the new facilities the class groups were located in temporary classrooms around the site. This made for a difficult year logistically but, despite this, an Ofsted inspection in June 2009 found the quality of teaching and learning to be 'Good' with some outstanding features.

The new school has been specially designed to cater for the specific needs of the students who are referred to Sunfield. Teachers worked with a company called 'Tough Furniture' who specialise in manufacturing very robust furniture for use in schools and other challenging environments. The school is now furnished with bespoke work stations and tables made in a grey non-reflective laminate, which has been found to be less distracting than the normal shiny wood effect laminates. Tough Furniture also designed computer workstations with mechanisms to put the computer right out of sight when not in use. This is essential for some of our students who become obsessed with computers and cannot concentrate on anything else if they can see the computer. Similarly, a roller shutter hides away the sink that is in every classroom as this helps us to manage children who are obsessive about water.

SUNFIELD CHILDREN'S HOMES LIMITED

REPORT OF THE TRUSTEES

REVIEW OF THE YEAR 2009 / 10 (Continued)

The residential care function continues to achieve high standards through regular quality assurance checks, monitoring of student progress and independent checking by our Care Standards Monitor. Our most recent Ofsted inspection of residential services took place on in February. The inspection was unannounced and focused on the Every Child Matters Outcome of 'Staying Safe'. The inspection highlighted that student safety continues to be effectively promoted because staff listen and take appropriate action to ensure the student welfare. Our provision was judged as "good", with privacy respected by well trained and sensitive staff. The inspector also focused on our complaints procedures and noted that there had been no formal complaints, that parents and children were all aware of procedures and that special efforts had been made to enable students with severe and complex learning needs (including many who are non-verbal) to communicate any worries or concerns.

All procedures and policies meet local and national guidelines for safeguarding children and our recruitment procedures are robust. Many managers are now also trained in new 'safer recruitment' procedures, which is nationally recommended training for all schools.

In addition, Sunfield also uses an independent visiting advocacy service (Voice), who visit our students fortnightly, befriending them and acting on any concerns they receive or note during their visits. They can also act independently to advocate for children's rights. This range of initiatives and procedures is part of a comprehensive range of safeguards and quality assurance.

Referrals and admissions remained steady, although over recent years there has been a trend away from the traditional academic intake in September. Referrals and admissions can take place at any time of year. In the last year students were admitted in July, September, October, December and February. However most students still leave in July, at the end of the academic year in which they are 19.

Recruitment and retention of staff remains strong, with turnover of staff at a low of 14%. We have a staff team that exemplify good practice, but we must always be mindful of their needs to learn and develop, and training remains a key feature of our work. Our internal courses continue to address topics specific to staff needs and statutory direction. We have seen a significant improvement in the number of day care staff holding the Children's Home National Minimum Standard requirement of NVQ3 - Caring for Children and Young People. To date, we have achieved 73% towards a target of 80% of care staff holding the qualification, with the remaining staff currently undertaking the qualification. This improvement reflects the growing success of our own NVQ Centre and we are now able to train staff at NVQ4 for managers and training for our Assessors, as well as NVQ level 3. We continue to deliver a full training programme for non Sunfield staff through courses at our Professional Development Centre and increasingly we are delivering bespoke training to groups in their own workplace.

We continue to be challenged by the ever increasing complexity of the children that are placed at Sunfield and our three main student based departments of Education, Care and Psychology/Therapies continue to work closely together to support them through individual Student Development Plans. These incorporate joint targets that are carefully set and agreed with the student's families and placing authorities.

Due to the growing complexities and problem behaviours displayed by our students, both the composition and role of our Behaviour Management Team has been extended this year. For example, each member of the team is allocated to residential Houses and classes around site. This means that they can provide a consultancy role to colleagues who are dealing with students in crisis and furthermore can monitor the quality of our recording systems.

We continue to rely on the theory and practice specified by CALM Training Services and, in so doing, we are externally audited by them in terms of quality of our practice.

Sensory Integration Therapy is being implemented by our Occupational Therapy department for an increasing number of students, as is reflected in their Statement of Special Educational Needs, and a fundraising appeal is currently underway to facilitate the creation of a dedicated Sensory Integration Studio, which will be fully equipped to meet our students' sensory integration needs.

We now have two full time accredited PTUK Play Therapists and our staff and students are becoming more familiar with the play therapy approach and its benefits. We have seen an increase in the number of referrals and it is proving to be a very effective tool for supporting the children emotionally in expressing and exploring their needs. We are now offering group play therapy to our students as well as continuing with individual one to one sessions.

This year the counselling service has looked at ways of providing counselling support for our older students, particularly those who are about to move to their adult placement, and how this can be co-ordinated with preparation and support put in place by Education and Care.

SUNFIELD CHILDREN'S HOMES LIMITED

REPORT OF THE TRUSTEES

REVIEW OF THE YEAR 2009 / 10 (Continued)

The Family Centres continue to be valued and extensively used by families. These self contained flats offer our families a secure place of privacy to spend time with their child. The new family visiting room has also proved to be very popular with families who are visiting for the day and who don't need overnight accommodation. All facilities provide parents, siblings, grandparents and other family members with an appropriate, safe environment for them to spend quality time with the child whilst having the back up of staff support should they need it.

Our sibling support programme has now been running for over ten years and continues to be very popular with the brothers and sisters of our students. The programme offers events where siblings can get together, share experiences and offer support to each other whilst having fun.

A group of our older siblings have been working on a DVD to accompany our Adult Sibling Information Booklet which was produced last year as a result of a year long project which examined the support needs of siblings aged 15 - 25. The DVD aims to inform young adult siblings about their brother or sister's transition into adult services and to highlight the support available.

During the last year the Sunfield Assessment and Outreach Service has gone through a restructuring. The work has been focused on providing support to other special and mainstream schools, featuring tailored packages for individual students and consultations for school staff. In addition a new initiative has led to support for students in making the transition from other schools into Sunfield.

As an independent organisation, Sunfield does not receive government grants for its services or developments. This means that capital and developmental projects have to be funded through fundraising, donations or legacies. Despite the harsh national / global economic climate, fundraising income was very good during the year. This helped us to complete the funding required for the construction and fitting out of the new school buildings.

Our fundraising focus has now turned to other supporting developments including new vehicles, refurbishments to residential accommodation and a range of new sensory resources including a sensory integration therapy room, snoezelen/sensory room, sensory garden and an outdoor sensory play area, which will continue throughout the next financial year.

We are very grateful to everyone who made donations, organised an event or supported us in another way - thank you!

Sunfield's overall financial position remains stable, although the state of the public sector finances will undoubtedly remain a concern to us for some years to come.

RESPONSIBILITIES OF TRUSTEES

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 charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described in the notes to the financial statements, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the Trustees is aware, there is no relevant audit information of which the company's auditors are unaware, and each of the trustees has taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

SUNFIELD CHILDREN'S HOMES LIMITED

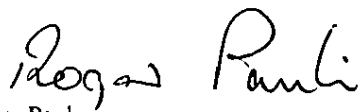
REPORT OF THE TRUSTEES

AUDITORS

Mazars LLP have signified their willingness to continue in office and a resolution to reappoint Mazars LLP as auditors will be proposed at the forthcoming annual meeting

BY ORDER OF THE BOARD

Approved by the board on 28th September 2010



Roger Pauli
Chair of Trustees

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SUNFIELD CHILDREN'S HOMES LIMITED**

{TC "Report of the Auditors" \F CONTENTS} We have audited the financial statements of Sunfield Children's Homes Limited for the year ended 31 March 2010 which comprise the statement of financial activities, the balance sheet, the cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities on page 5

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including our opinion, has been prepared for and only for the company's members as a body in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

31st March 2010

- the financial statements give a true and fair view of the state of the charity's affairs as at and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

Mazars LLP

MAZARS LLP - CHARTERED ACCOUNTANTS (Statutory Auditor)
Glen Jones (Senior Statutory Auditor)
45 Church Street
Birmingham
B3 2RT

10 October 2010

SUNFIELD CHILDREN'S HOMES LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income & Expenditure Account)
For the year ended 31 March 2010**

{to "Statement of Financial
Activities" \of Contents}

	Note	Unrestricted funds £	Restricted funds £	Total funds 2010 £	Total funds 2009 £
INCOMING RESOURCES					
INCOMING RESOURCES FROM GENERATED FUNDS					
Voluntary income		32,319	282,911	315,230	587,005
Activities for generating funds		71,242	0	71,242	80,709
Investment income		82,898	0	82,898	183,184
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES					
Care and education of children		11,153,336	0	11,153,336	10,365,387
External training		100,926	0	100,926	114,024
Outreach services		118,117	0	118,117	131,108
Research		1,177	4,500	5,677	29,139
TOTAL INCOMING RESOURCES		11,560,015	287,411	11,847,426	11,490,556
RESOURCES EXPENDED					
COSTS OF GENERATING FUNDS					
Costs of generating voluntary income		79,281	1,135	80,416	134,223
Investment management costs		9,203	0	9,203	9,252
CHARITABLE ACTIVITIES					
Care of children		6,675,160	100,240	6,775,400	6,465,061
Education of children		2,841,053	213,042	3,054,095	2,901,634
Therapies and healthcare for children		654,775	10,305	665,080	654,840
External training		125,774	1,801	127,575	143,558
Outreach services		227,240	3,254	230,494	228,947
Research		47,991	1,379	49,370	170,141
GOVERNANCE COSTS		18,375	0	18,375	18,125
TOTAL RESOURCES EXPENDED	2	10,678,852	331,156	11,010,008	10,725,781
NET INCOMING RESOURCES FOR THE YEAR					
		881,163	(43,745)	837,418	764,775
Gains/(losses) on investments	5	407,236	0	407,236	(394,859)
Gains/(losses) on fixed assets		4,000	0	4,000	750
Net movement in funds		1,292,399	(43,745)	1,248,654	370,666
Balances brought forward		5,107,694	2,397,172	7,504,866	7,134,200
Balances carried forward		6,400,093	2,353,427	8,753,520	7,504,866

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

All of the activities of the company are classed as continuing

The surplus for the year for Companies Act purposes was £891,551 (2009 £677,615)

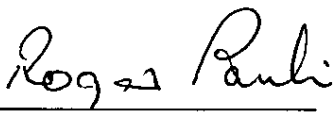
SUNFIELD CHILDREN'S HOMES LIMITED

BALANCE SHEET
As at 31 March 2010

{tc "Balance Sheet" of Contents}

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	4	4,466,632	3,724,721
Investments	5	2,427,587	1,941,289
		<u>6,894,219</u>	<u>5,666,010</u>
CURRENT ASSETS			
Debtors	6	476,530	253,507
Cash at bank and in hand		2,115,473	2,343,484
		<u>2,592,003</u>	<u>2,596,991</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	7	<u>(732,702)</u>	<u>(758,135)</u>
NET CURRENT ASSETS			
		<u>1,859,301</u>	<u>1,838,856</u>
NET ASSETS			
		<u>8,753,520</u>	<u>7,504,866</u>
FUNDS			
Unrestricted		6,400,093	5,107,694
Restricted	10	2,353,427	2,397,172
		<u>8,753,520</u>	<u>7,504,866</u>

Approved and authorised for issue by the Trustees on 28th September 2010 and signed on their behalf by:


Roger Pauli
Roger Pauli
Chair of Trustees

SUNFIELD CHILDREN'S HOMES LIMITED

CASH FLOW STATEMENT
For the year ended 31 March 2010

{tc "Cash Flow Statement" \f Contents}

	Note	2010		2009	
		£	£	£	£
NET CASH FLOW FROM OPERATING ACTIVITIES	8(a)		758,217		873,766
RETURNS ON INVESTMENTS					
Investment income			82,898		183,184
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Purchase of tangible fixed assets	4	(994,064)		(1,656,650)	
Payments to acquire fixed asset investments	5	(552,585)		(975,985)	
Receipts from sale of tangible fixed assets		4,000		750	
Receipts from sale of fixed asset investments	5	473,523		1,477,996	
			(1,077,126)		(1,155,389)
DECREASE IN CASH	8(b)		(228,011)		(96,939)

STATEMENT OF CHANGES IN RESOURCES APPLIED FOR FIXED ASSETS FOR CHARITY USE
For the year ended 31 March 2010

	Unrestricted funds £	Restricted funds £	Total funds 2010 £	Total funds 2009 £
Net movement in funds for the year	1,292,398	(43,745)	1,248,653	370,666
Resources used for net acquisitions of tangible fixed assets	(783,021)	(211,043)	(994,064)	(1,656,650)
Net movement in funds available for future activities	509,377	(254,788)	254,589	(1,285,984)

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

1 ACCOUNTING POLICIES{tc "Notes to the Financial Statements" \f Contents}

Basis of accounting

The financial statements have been prepared under the historical cost convention (modified to include the revaluation of investments) and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 2006. The principal policies adopted in the preparation of the financial statements are as follows

Income

Income derived from fees is accounted for on an accruals basis. Income from donations, legacies, bequests and dividends is also included when receivable. All income is attributable to the one principal activity of the company which arose wholly within the United Kingdom.

Resources expended

Resources expended 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 borne by those activities.

Investments

Investments are stated at market value at the balance sheet date. The SOFA includes 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

Motor vehicles	25% pa	- straight line
Freehold premises and new buildings	1% - 10% pa	- straight line
Plant	10% - 20% pa	- straight line
Furniture and 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.

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. It is noted though that the consumable store area contains a constant supply of medical and domestic supplies for daily use not thought to be in excess of £15,000 at any one time.

Pension costs

Teachers are eligible for membership of the Teachers' Pension Scheme. All other staff are eligible to join the stakeholder scheme with an employer's contribution of varying rates.

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010

1 ACCOUNTING POLICIES (Continued)

Fund accounting

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

Designated funds are unrestricted funds which have been earmarked by the Trustees to be set aside for a particular purpose

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

Gifts in kind

Gifts in kind are included in the accounts at an estimate of the value to the charity at the date of the gift

SUNFIELD CHILDREN'S HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010

2 ANALYSIS OF RESOURCES EXPENDED

	Staff costs	Depreciation	Insurance	Repairs & renewals	Other	Total
	£	£	£	£	£	£
Costs of generating voluntary income	69,902	1,877	1,027	2,338	5,272	80,416
Investment management costs	0	0	0	0	9,203	9,203
Care of children	5,687,168	158,024	86,438	196,813	646,957	6,775,400
Education of children	2,247,765	67,257	36,789	83,767	618,517	3,054,095
Therapies & healthcare for children	540,530	15,501	8,479	19,306	81,264	665,080
External training	68,636	2,978	1,629	3,708	50,624	127,575
Outreach services	156,550	5,380	2,943	6,700	58,921	230,494
Research	38,824	1,136	621	1,415	7,374	49,370
Governance	0	0	0	0	18,375	18,375
Total	8,809,375	252,153	137,926	314,047	1,496,507	11,010,008

Amounts paid to auditors of £10,500 for audit services and £16,211 for other services (2009 £10,500 and £20,458 respectively)

Operating lease costs of £46,386 (2009 £38,075) were paid during the year

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

3 STAFF COSTS

	2010	2009
	£	£
The aggregate payroll costs were		
Wages and salaries (including supply)	7,925,961	7,771,697
Social security costs	618,028	613,942
Other pension costs	265,386	284,177
	<u>8,809,375</u>	<u>8,669,816</u>

Particulars of employees

The average number of staff employed (fte's) by the company during the financial year amounted to

	2010	2009
	Number	Number
Therapies and health	13	14
Support services	65	66
Teaching	70	72
Care	195	209
Training, outreach services and research	12	15
	<u>355</u>	<u>376</u>

Employees who received in excess of £60,000 per annum are listed below

£		£	2010	2009
60,000	to	70,000	1	2
70,000	to	80,000	1	-
80,000	to	90,000	-	1

The two employees are members of a defined contribution pension scheme Pension contributions of £19,769 (2009 £26,333, three employees) were made by the company on behalf of these employees

Directly incurred expenses of the Trustees borne by the charity in the financial year, paid to one trustee (2009 - one), were £1,091 (2009 - £358) No trustees have interests in any company with whom Sunfield Children's Homes Limited has traded during the year

Trustee indemnity insurance of £5 million was purchased during the year for £7,875

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

4 FIXED ASSETS

	Freehold land & buildings £	Plant & machinery £	Motor vehicles £	Fittings & equipment £	Assets in the course of construction £	Total £
COST						
At 1 April 2009	3,198,120	38,283	162,372	649,030	1,729,214	5,777,019
Additions	963,506	0	19,718	10,840	0	994,064
Disposals	0	0	(14,735)	(7,990)	0	(22,725)
Transfer of category	1,729,214	0	0	0	(1,729,214)	0
At 31 March 2010	5,890,840	38,283	167,355	651,880	0	6,748,358
ACCUMULATED DEPRECIATION						
At 1 April 2009	1,313,707	4,698	126,281	607,612	0	2,052,298
Charge for year	215,320	3,828	22,587	10,418	0	252,153
Disposals	0	0	(14,735)	(7,990)	0	(22,725)
At 31 March 2010	1,529,027	8,526	134,133	610,040	0	2,281,726
NET BOOK VALUE						
At 31 March 2010	4,361,813	29,757	33,222	41,840	0	4,466,632
At 31 March 2009	1,884,413	33,585	36,091	41,418	1,729,214	3,724,721

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010

5 INVESTMENTS

	2010 £	2009 £
Listed investments		
Market value at 1 April 2009	1,941,289	2,838,155
Acquisitions at cost	552,585	975,985
Proceeds on disposal	(473,523)	(1,477,996)
Gain/(loss) in the year	407,236	(394,855)
	<u>2,427,587</u>	<u>1,941,289</u>
Market value at 31 March 2010	<u>2,427,587</u>	<u>1,941,289</u>
Investments at market value comprised		
UK equities	1,084,247	646,120
UK fixed interest securities	1,077,707	1,095,889
Overseas equities	265,633	199,280
	<u>2,427,587</u>	<u>1,941,289</u>
Historical cost at 31 March 2010	<u>2,298,374</u>	<u>2,224,674</u>

There are two investments greater than 5% of the market value

Treasury 4% stock 2016 - 10.8% of market value

Treasury 2.5% stock 2013 - 18.2% of market value

6 DEBTORS

	2010 £	2009 £
Trade debtors	295,808	224,944
Prepayments	177,323	18,493
Accrued income	3,286	8,549
Other debtors	113	1,521
	<u>476,530</u>	<u>253,507</u>

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Trade creditors	380,425	175,205
PAYE and social security	172,293	166,280
Other creditors	45,243	34,843
Accruals	134,741	381,807
	<u>732,702</u>	<u>758,135</u>

SUNFIELD CHILDREN'S HOMES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010**

8 NOTES TO CASH FLOW STATEMENT

	2010 £	2009 £
(a) Reconciliation of net incoming resources to net cash inflow from operating activities		
Net incoming resources	837,418	764,775
Investment income	(82,898)	(183,184)
Depreciation	252,153	163,461
(Increase)/decrease in debtors	(223,023)	(176,337)
Increase/(decrease) in creditors	(25,433)	305,051
Net cash inflow from operating activities	<u>758,217</u>	<u>873,766</u>
(b) Decrease in cash		
Cash at bank and in hand		
31 March 2010	2,115,473	2,343,484
1 April 2009	<u>2,343,484</u>	<u>2,440,423</u>
Movement in funds	<u>(228,011)</u>	<u>(96,939)</u>
	At 1 April 2009 £	At 31 March 2010 £
(c) Analysis of change in net funds		
Cash in hand and at bank	<u>2,343,484</u>	<u>(228,011)</u> <u>2,115,473</u>

9 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2010 the charitable company had annual commitments under non-cancellable operating leases as set out below

	Assets other than land and buildings	
	2010 £	2009 £
Operating leases which expire		
Within 1 year	30,751	16,227
Within 2 to 5 years	5,551	24,114
	<u>36,302</u>	<u>40,341</u>

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010

10 RESTRICTED FUNDS

	Balance at 1 April 2009 £	Movement in resources & transfers £	Balance at 31 March 2010 £
Share capital	100	-	100
Capital fund	2,375,488	(96,389)	2,279,099
Transitions solutions advisor	581	(581)	0
Play equipment	-	8,938	8,938
Whiteboard funds	93	(93)	0
Other funds	20,910	44,380	65,290
	<u>2,397,172</u>	<u>(43,745)</u>	<u>2,353,427</u>

11 CALLED UP SHARE CAPITAL

	2010 £	2009 £
Authorised 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

12 ANALYSIS OF NET ASSETS BETWEEN RESTRICTED AND UNRESTRICTED FUNDS

	Tangible fixed assets £	Investments £	Other net assets £	Total £
Share capital	-	-	100	100
Other reserves	2,279,099	-	74,228	2,353,327
Restricted funds	<u>2,279,099</u>	-	<u>74,328</u>	<u>2,353,427</u>
Unrestricted funds	<u>2,187,533</u>	<u>2,427,587</u>	<u>1,784,970</u>	<u>6,400,093</u>
	<u>4,466,632</u>	<u>2,427,587</u>	<u>1,859,298</u>	<u>8,753,520</u>

13 CONTINGENCIES

There were no contingent liabilities known to or anticipated by the directors at 31 March 2010 (2009 £Nil)

SUNFIELD CHILDREN'S HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2010

14 CAPITAL COMMITMENTS

	2010	2009
	£	£
Authorised but not contracted for and not provided in the financial statements	<u>0</u>	<u>974,478</u>

15 EX-GRATIA PAYMENTS

Ex-gratia payments totalling £nil (2009 £1,772) were made to individuals in respect of past services to Sunfield Children's Homes Limited