

Company registration number 413810  
Charity number 527552  
[www.sunfield.org.uk](http://www.sunfield.org.uk)

**SUNFIELD CHILDREN'S HOMES LIMITED**

**Financial Statements**

**Year ended 31 March 2011**



**SUNFIELD CHILDREN'S HOMES LIMITED**

**COMPANY INFORMATION**

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# SUNFIELD CHILDREN'S HOMES LIMITED

## COMPANY INFORMATION

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### TRUSTEES

Guy Brocklebank (Chair - from 28 September 2010)  
David Clement  
Ivor James  
Adrian Parsons  
Roger Pauli (Chair - retired 28 September 2010)  
Sally Ward  
Martin Wood

### SENIOR LEADERSHIP TEAM

Principal	Amanda Jones
Director of Finance & Administration	Robert Barker FCA
Head of Psychology & Therapies	Nick Logan
Head of Care	Mark Brocklebank
Head of Education	Caroline Bell
Head of Family Services	Sally Conway
Director of Appeals and Development	Ian Jones MInstF (Dip)

### 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**

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The Trustees present their report and the financial statements of the charity for the year ended 31 March 2011

#### **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 Pauli  
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.

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. All trustees upon election are provided with the necessary training and support in order for them to fulfill their duties.

## **SUNFIELD CHILDREN'S HOMES LIMITED**

### **REPORT OF THE TRUSTEES**

Following involvement with Sunfield for many years, including the last ten years as a Trustee, Roger Pauli retired as Chair at the AGM in September 2010. The Trustees recorded their warm thanks to Roger for his contributions to Sunfield over the years and in his term of office as Chair, particularly in respect of the commissioning, building and completion of the new school building. Guy Brocklebank was elected as the new Chair.

Since September 2010 strategic planning and the day-to-day management of the charity has been delegated to the Principal, Amanda Jones, supported by a Senior Leadership Team.

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 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.

Sunfield holds 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 review the potential fluctuations in income compared to the high level of fixed costs as part of the annual budgeting process. The Trustees are seeking to increase the charity's Free Reserves (the unrestricted reserves that are not represented by the charity's fixed assets, currently totalling £3.8m) 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.

# SUNFIELD CHILDREN'S HOMES LIMITED

## REPORT OF THE TRUSTEES

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### REVIEW OF THE YEAR 2010 / 11

In September 2010, Sunfield's new Principal, Amanda Jones, and our new Head of Education, Caroline Bell, both took up post, marking a new stage in Sunfield's development

Sunfield continues to deliver high quality services and we are delighted to report that, following an unannounced two day Ofsted inspection in May 2011 (under the revised National Minimum Standards for Children's Homes), the team of inspectors graded Sunfield's services as 'Outstanding'

The very positive Ofsted report reflects not only the outstanding practice, but also the high levels of parental and local authority satisfaction that have been achieved in regards to the outcomes for the children who are placed here, and our strategic plans and vision for the future development of our services Key to the outstanding grade was our strengths in Training, Health Care and Family Support Services

Sunfield is continuing its programme of development and, in addition to the new educational facilities that were completed in 2009, there have been some notable additions to the facilities and resources in 2010 Sunfield recognised the growing need for sensory resources and the impact that good sensory integration programmes can have on the development of the child In response to this Sunfield planned the extension and development of resources to include a new sensory integration therapy room, an outdoor sensory play area, a Snoezelen/sensory room and a sensory garden These outstanding resources and staffing provide detailed sensory integration plans which make Sunfield one of the leading service providers in the sector

Throughout the year, our Education Department, in partnership with colleagues from Care and Occupational Therapy, has increased the emphasis on work-related learning and social enterprise, which enables students to develop their communication and numeracy skills in meaningful and highly motivating ways Students with complex needs often struggle to generalise and apply learning across contexts, so we need to provide specific support to ensure that the progress they make in the classroom equips them for adult life Students are taking increasing responsibility for the care of animals on Sunfield's farm and using the walled kitchen garden to grow fruit, vegetables and flowers, their confidence and independence is growing and it is great to see them applying their communication, reading and numeracy skills outside of the classroom

2011 is the 'Year of Communication' and, given that communication is a significant barrier to learning for all of our students at Sunfield, this year we are focusing on increasing the opportunities that our students have for expressing choices and reflecting on their learning Staff have benefited from opportunities to build on their knowledge of existing approaches e.g. Intensive Interaction and Picture Exchange Communication System (PECS), and to explore ways of harnessing new technologies, such as i-pads, to enhance communication, enabling us to respond more creatively to the challenges that our students face in expressing their views

The staffing composition of the Psychology and Therapies Department has been extended this year to accommodate the growing complexities of our students We now offer a comprehensive range of therapies and support services for our students including Occupational Therapy, Sensory Integration Therapy, Speech & Language Therapy, Music Therapy, Play Therapy and specialised Counselling and Psychology support

Key developments this year such as the addition of a new range of sensory facilities have helped us to develop our Sensory Integration work through our Occupational Therapy department

An advanced web-based system for recording and monitoring incidents has been jointly developed by an interdisciplinary team made up of a Teacher, Care Manager, Behaviour Development Coordinator and Assistant Psychologist The system reduces the need for paper-based recording and allows and encourages proactive analysis of incidents and patterns of difficulties This program has been tailored to the needs of Sunfield and, after a pilot study, will be used across site

A joint research project has also been carried out by our Psychology and Speech & Language teams to explore the benefits of innovative Behaviour Management approaches

Over the last year, students have also continued to benefit from sessions of music therapy Music is universal as it does not rely on language, this makes it particularly apt for young people with a learning difficulty Students can share meaningful communication by improvising and vocalising with the therapist At the same time, music therapy is also a means for processing feelings that may have no other positive outlet and it can promote levels of social and personal awareness that are generally inaccessible as a result of a learning difficulty or other disorder

One of the key developments this year has been to explore how Counselling may aid our Students in their move to an adult placement The build-up to the student's move is an anxious and challenging time for everybody concerned the young person, their family members, Sunfield staff, and the next placement staff We are therefore developing a 'Moving On' programme for our students where counselling can make a positive contribution to the transition process to their new home as an adult

## SUNFIELD CHILDREN'S HOMES LIMITED

### REPORT OF THE TRUSTEES

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The children have also enjoyed a wide range of activities throughout the year during their leisure time including, for many, short holidays, day trips, and an ever expanding range of leisure and learning opportunities such as swimming, clubs, adventure/theme parks and the use of specialist sensory facilities. This is made possible through the use of a small fleet of vehicles, most of which have been funded through donations, and our 4x4 seven seat vehicle proved invaluable during the severe winter, when many local roads were snowbound.

A highlight for seven of our students this year was a week's adventure holiday at an outdoor pursuits centre supported by a multi-disciplinary group of staff. Activities included caving, rock climbing, abseiling, canoeing, zip wire and archery.

Our work with families is also very important to us and the Family Centres continue to be valued and extensively used. These self contained flats offer our families a secure place of privacy to spend time with their child. We also have a family visiting room which has proved to be very popular with families who are visiting for the day and who don't need overnight accommodation. Based on the success and demand for these family facilities, we are now also developing a suite of rooms that will offer more daytime accommodation to our many families. All facilities provide parents, siblings, grandparents and other family members with an appropriate, safe environment for them to spend quality time with their child whilst having the back up of staff support should they need it.

We value the importance of the whole family and working with brothers and sisters is an extremely important part of our work. By involving siblings from the beginning, we are able to make sure they still feel involved and an important part of their brother's/sister's life. During their association with Sunfield we help them develop an understanding of the overall needs of their sibling and how they can understand and support them as they progress together into adulthood. We also help siblings to have fun by offering activity days and weekends via our sibling support programme. The aim is to give siblings an opportunity to meet and interact with others in a similar situation to themselves and we have found that this has facilitated friendships where siblings keep in touch with each other beyond the boundaries of the group.

Sunfield Assessment and Outreach Service is currently going through a further restructuring process, now being line managed by Education. This ensures that skills are kept to the highest level and that we staff according to need. SAOS continues to focus on providing support to other special and mainstream schools, featuring tailored packages for individual students and consultations for school staff. Last year SAOS successfully supported several students in making the transition from other schools into Sunfield.

In acknowledgment of the additional need for day places, which we do not have, and the complex needs of some students which cannot be met in other schools and which do not currently fit within our cohort, Sunfield is in the process of making available additional accommodation. This will accommodate up to four young people and may be used as an interim placement towards full time education and/or care at Sunfield.

Whilst we continue to admit a similar number of young people each year, we have two significant leaving groups this year and next which we have anticipated and planned for. This has required Sunfield to engage in a redundancy process to adjust staffing according to student numbers. Happily the required cuts have been entirely achieved by way of voluntary redundancy applications.

Sunfield continues to be committed to and looking for new ways to improve practice, ensuring that the child's needs are paramount. Accordingly new services and facilities are being constantly developed to meet the needs of children with a wider range of learning disabilities.

We are also taking the opportunity to undertake a planned programme of refurbishment and alterations to the site and in particular to student residential accommodation, we have further plans for redeveloping and reconfiguring another residential house in 2011 in order to respond to the changing complexity of referrals and admissions and to improve our residential flexibility. This will ensure that we offer the best possible living environment for current children and future referrals, backed up by the 'Outstanding' services which were highlighted by the recent Ofsted inspection.

Whilst Sunfield's overall financial position remained stable, the state of the public sector finances will undoubtedly remain a concern to us for some years to come (Sunfield is largely dependent on the fees to local authorities in respect of each individual child's placement). As an independent organisation, Sunfield does not receive government grants for developments, so we utilise our charitable status to fund projects of a capital or developmental nature such as building work, equipment, vehicles, etc, through fundraising, grants, donations and legacies.

Despite the adverse global economic climate, Sunfield has continued to be successful in its fundraising thanks to the generosity of our many supporters. Following the successful appeal that enabled Sunfield to build new educational facilities in 2009, we have continued to improve our resources through donated income.

## SUNFIELD CHILDREN'S HOMES LIMITED

### REPORT OF THE TRUSTEES

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This year, the main focus of our fundraising has been on raising funds for the new range of sensory resources (as described earlier in this report) These appeals have been successful and the new resources now offer existing students and future referrals valuable resources to help them to develop to their full potential Other items funded through charitable sources this year included another minibus, refurbishments to residential accommodation, and improvements to the outdoor learning opportunities on our farm

It would be unfair to single out particular funders in this report, as every donation is valuable to us, so we would like to thank everyone who made a donation or grant, organised an event, or supported us in another way, your support enables Sunfield to continue to offer the children and their families the best possible range of services and facilities and to maintain its position as one of the UK's leading providers of services for children with severe and complex learning needs

#### 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

#### 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 20<sup>th</sup> September 2011



Guy Brocklebank  
Chair of Trustees



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

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We have audited the financial statements of Sunfield Children's Homes Limited for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow 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 trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 March 2011 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.


**Opinion on the other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, 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.



Glen Jones (Senior Statutory Auditor)  
for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor  
45 Church Street  
Birmingham  
B3 2RT

12 October 2011

**SUNFIELD CHILDREN'S HOMES LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income & Expenditure Account)  
For the year ended 31 March 2011**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2011 £	Total funds 2010 £
<b>INCOMING RESOURCES</b>					
<b>INCOMING RESOURCES FROM GENERATED FUNDS</b>					
Voluntary income		49,661	226,578	276,239	315,230
Activities for generating funds		37,405	-	37,405	71,242
Investment income		86,580	-	86,580	82,898
<b>INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>					
Care and education of children		10,844,902	-	10,844,902	11,153,336
External training		67,957	-	67,957	100,926
Outreach services		131,877	-	131,877	118,117
Research		1,211	-	1,211	5,677
<b>TOTAL INCOMING RESOURCES</b>		<b>11,219,593</b>	<b>226,578</b>	<b>11,446,171</b>	<b>11,847,426</b>
<b>RESOURCES EXPENDED</b>					
<b>COSTS OF GENERATING FUNDS</b>					
Costs of generating voluntary income		66,137	883	67,020	80,416
Investment management costs		9,401	-	9,401	9,203
<b>CHARITABLE ACTIVITIES</b>					
Care of children		7,177,822	110,845	7,288,667	6,783,775
Education of children		3,339,483	48,075	3,387,558	3,054,095
Therapies and healthcare for children		794,642	190,026	984,668	665,080
External training		129,113	1,724	130,837	127,575
Outreach services		234,832	3,135	237,967	230,494
Research		64,132	856	64,988	49,370
<b>GOVERNANCE COSTS</b>		<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>
<b>TOTAL RESOURCES EXPENDED</b>	2	<b>11,825,562</b>	<b>355,544</b>	<b>12,181,106</b>	<b>11,010,008</b>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>					
		<b>(605,969)</b>	<b>(128,966)</b>	<b>(734,935)</b>	<b>837,418</b>
Gains/(losses) on investments	5	158,199	-	158,199	407,236
Gains/(losses) on fixed assets		4,000	-	4,000	4,000
Net movement in funds		<b>(443,770)</b>	<b>(128,966)</b>	<b>(572,736)</b>	<b>1,248,654</b>
Balances brought forward		<b>6,400,093</b>	<b>2,353,427</b>	<b>8,753,520</b>	<b>7,504,866</b>
Balances carried forward		<b>5,956,323</b>	<b>2,224,461</b>	<b>8,180,784</b>	<b>8,753,520</b>

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

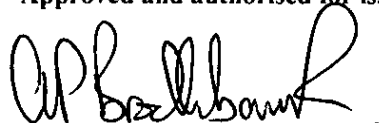
All of the activities of the company are classed as continuing

The (loss) / surplus for the year for Companies Act purposes was (£728,809) (2010 £891,551)

**SUNFIELD CHILDREN'S HOMES LIMITED****BALANCE SHEET**

As at 31 March 2011

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	4	4,268,840	4,466,632
Investments	5	3,653,085	2,427,587
		<u>7,921,925</u>	<u>6,894,219</u>
<b>CURRENT ASSETS</b>			
Debtors	6	239,087	476,530
Cash at bank and in hand		1,222,132	2,115,473
		<u>1,461,219</u>	<u>2,592,003</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	<u>(1,202,360)</u>	<u>(732,702)</u>
<b>NET CURRENT ASSETS</b>		<u>258,859</u>	<u>1,859,301</u>
<b>NET ASSETS</b>		<u>8,180,784</u>	<u>8,753,520</u>
<b>FUNDS</b>			
Unrestricted	12	5,956,323	6,400,093
Restricted	10	2,224,461	2,353,427
		<u>8,180,784</u>	<u>8,753,520</u>

Approved and authorised for issue by the Trustees on 20<sup>th</sup> September 2011 and signed on their behalf byGuy Brocklebank  
Chair of Trustees

**SUNFIELD CHILDREN'S HOMES LIMITED**

**CASH FLOW STATEMENT**

For the year ended 31 March 2011

	Note	2011		2010	
		£	£	£	£
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	8(a)		<b>151,552</b>		<b>758,217</b>
<b>RETURNS ON INVESTMENTS</b>					
Investment income			86,580		82,898
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>					
Purchase of tangible fixed assets	4	(68,171)		(994,064)	
Payments to acquire fixed asset investments	5	(2,000,389)		(552,585)	
Receipts from sale of tangible fixed assets		3,997		4,000	
Receipts from sale of fixed asset investments	5	933,090		473,523	
			<u>(1,131,473)</u>		<u>(1,069,126)</u>
<b>DECREASE IN CASH</b>	8(b)		<u><b>(893,341)</b></u>		<u><b>(228,011)</b></u>

**STATEMENT OF CHANGES IN RESOURCES APPLIED FOR FIXED ASSETS FOR CHARITY USE**

For the year ended 31 March 2011

	Unrestricted funds	Restricted funds	Total funds 2011	Total funds 2010
	£	£	£	£
Net movement in funds for the year	(443,770)	(128,966)	(572,736)	1,248,653
Resources used for net acquisitions of tangible fixed assets	(23,371)	(44,800)	(68,171)	(994,064)
Net movement in funds available for future activities	<u>(467,141)</u>	<u>(173,766)</u>	<u>(640,907)</u>	<u>254,589</u>

# SUNFIELD CHILDREN'S HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

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### 1 ACCOUNTING POLICIES

#### 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:

#### Going concern

For the foreseeable future the Trustees consider Sunfield Children's Homes Limited a Going Concern based on recurring funding received from the local authority to enable them to provide a level of care for its pupils and cover overheads. The Trustees also believe that reserves are maintained at an appropriate level to provide a sufficient level of cover necessary should it be required.

#### 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 2011**

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**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

**Recognition of liabilities**

A liability exists where a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits

**Pension**

Sunfield operates two money purchase pension schemes, contributions payable are charged to the SOFA in the year in which they are due

**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

**2 ANALYSIS OF RESOURCES EXPENDED**

	Staff costs £	Depreciation £	Insurance £	Repairs & renewals £	Other £	Total £
Costs of generating voluntary income	61,203	1,490	803	2,323	1,201	67,020
Investment management costs	-	-	-	-	9,401	9,401
Care of children	6,064,857	161,698	87,116	252,162	722,834	7,288,667
Education of children	2,540,561	75,230	40,531	117,318	613,918	3,387,558
Therapies & healthcare for children	602,940	17,901	9,644	27,916	326,267	984,668
External training	81,621	2,909	1,567	4,536	40,204	130,837
Outreach services	207,456	5,290	2,850	8,250	14,121	237,967
Research	42,930	1,445	778	2,253	17,582	64,988
Governance	-	-	-	-	10,000	10,000
<b>Total</b>	<b>9,601,568</b>	<b>265,963</b>	<b>143,289</b>	<b>414,758</b>	<b>1,755,528</b>	<b>12,181,106</b>

Amounts paid to auditors of £10,000 for audit services and £12,132 for other services (2010 £10,000 and £16,211 respectively)

Operating lease costs of £32,852 (2010 £46,386) were paid during the year

**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2011**

**3 STAFF COSTS**

	2011	2010
	£	£
The aggregate payroll costs were		
Wages and salaries (including supply)	8,068,400	7,925,961
Social security costs	656,204	618,028
Other pension costs	344,089	265,386
Redundancy costs	532,875	-
	<u>9,601,568</u>	<u>8,809,375</u>

Particulars of employees

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

	2011	2010
	Number	Number
Therapies and health	14	13
Support services	62	65
Teaching	74	70
Care	194	195
Traning, outreach services and research	11	12
	<u>355</u>	<u>355</u>

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

£		£	2011	2010
60,000	to	70,000	1	1
70,000	to	80,000	1	1

The two employees are members of a defined contribution pension scheme Pension contributions of £19,129 (2010 £19,769, two 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 (2010 - one), were £1,587 (2010 - £1,091) No trustees have interests in any company with whom Sunfield Children's Homes Limited has traded during the year

Other than directly incurred expenses no Trustees received any other form of remuneration



**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

**4 FIXED ASSETS**

	Freehold land & buildings £	Plant & machinery £	Motor vehicles £	Fittings & equipment £	Total £
<b>COST</b>					
At 1 April 2010	5,890,840	38,283	167,355	651,880	6,748,358
Additions	7,803	-	60,368	-	68,171
Disposals	-	-	(49,007)	-	(49,007)
At 31 March 2011	<u>5,898,643</u>	<u>38,283</u>	<u>178,716</u>	<u>651,880</u>	<u>6,767,522</u>
<b>ACCUMULATED DEPRECIATION</b>					
At 1 April 2010	1,529,027	8,526	134,133	610,040	2,281,726
Charge for year	214,020	3,828	37,679	10,436	265,963
Disposals	-	-	(49,007)	-	(49,007)
At 31 March 2011	<u>1,743,047</u>	<u>12,354</u>	<u>122,805</u>	<u>620,476</u>	<u>2,498,682</u>
<b>NET BOOK VALUE</b>					
At 31 March 2011	<u>4,155,596</u>	<u>25,929</u>	<u>55,911</u>	<u>31,404</u>	<u>4,268,840</u>
At 31 March 2010	<u>4,361,813</u>	<u>29,757</u>	<u>33,222</u>	<u>41,840</u>	<u>4,466,632</u>

**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

**5 INVESTMENTS**

	2011 £	2010 £
Listed investments		
Market value at 1 April 2010	2,427,587	1,941,289
Acquisitions at cost	2,000,389	552,585
Proceeds on disposal	(933,090)	(473,523)
Gain/(loss) in the year	158,199	407,236
	<u>3,653,085</u>	<u>2,427,587</u>
Market value at 31 March 2011	<u>3,653,085</u>	<u>2,427,587</u>
Investments at market value comprised		
UK equities	2,172,953	1,084,247
UK fixed interest securities	773,570	1,077,707
Overseas equities	706,562	265,633
	<u>3,653,085</u>	<u>2,427,587</u>
Historical cost at 31 March 2011	<u>3,427,354</u>	<u>2,298,374</u>

There are no investments greater than 5% of the market value

**6 DEBTORS**

	2011 £	2010 £
Trade debtors	196,456	295,808
Prepayments	30,114	177,323
Accrued income	7,036	3,286
Other debtors	5,481	113
	<u>239,087</u>	<u>476,530</u>

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Trade creditors	287,522	380,425
PAYE and social security	184,064	172,293
Other creditors	51,081	45,243
Accruals	679,693	134,741
	<u>1,202,360</u>	<u>732,702</u>

**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2011**

**8 NOTES TO CASH FLOW STATEMENT**

	<b>2011</b>	2010	
	<b>£</b>	£	
(a) Reconciliation of net incoming resources to net cash inflow from operating activities			
Net incoming resources	<b>(734,935)</b>	837,418	
Investment income	<b>(86,580)</b>	(82,898)	
Depreciation	<b>265,963</b>	252,153	
Decrease/(increase) in debtors	<b>237,443</b>	(223,023)	
Increase/(decrease) in creditors	<b>469,661</b>	(25,433)	
	<u><b>151,552</b></u>	<u>758,217</u>	
(b) Decrease in cash			
Cash at bank and in hand			
31 March 2011	<b>1,222,132</b>	2,115,473	
1 April 2010	<b>2,115,473</b>	2,343,484	
	<u><b>(893,341)</b></u>	<u>(228,011)</u>	
	At	At	
	1 April	31 March	
	2010	2011	
	£	£	
(c) Analysis of change in net funds			
Cash in hand and at bank	<u>2,115,473</u>	<u><b>(893,341)</b></u>	<u><b>1,222,132</b></u>

**9 COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2011 the charitable company had annual commitments under non-cancellable operating leases as set out below

	<b>Assets other than land and buildings</b>	
	<b>2011</b>	2010
	<b>£</b>	£
Operating leases which expire		
Within 1 year	<b>21,224</b>	30,751
Within 2 to 5 years	<b>4,801</b>	5,551
	<u><b>26,025</b></u>	<u>36,302</u>

**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2011

**10 RESTRICTED FUNDS**

	Balance at 1 April 2010 £	Movement in resources & transfers £	Balance at 31 March 2011 £
Share capital	100	-	100
Capital fund	2,279,099	(112,508)	2,166,591
Play equipment	8,938	(8,478)	460
Sensory Rooms	-	31,874	31,874
Other funds	65,290	(39,854)	25,436
	<u>2,353,427</u>	<u>(128,966)</u>	<u>2,224,461</u>

**11 CALLED UP SHARE CAPITAL**

	2011 £	2010 £
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	2,166,592	-	57,769	2,224,361
Restricted funds	<u>2,166,592</u>	<u>-</u>	<u>57,869</u>	<u>2,224,461</u>
Unrestricted funds	<u>2,102,248</u>	<u>3,653,085</u>	<u>200,990</u>	<u>5,956,323</u>
	<u>4,268,840</u>	<u>3,653,085</u>	<u>258,859</u>	<u>8,180,784</u>

**13 CONTINGENCIES**

There were no contingent liabilities known to or anticipated by the directors at 31 March 2011 (2010 £Nil)

**SUNFIELD CHILDREN'S HOMES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2011**

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**14 CAPITAL COMMITMENTS**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Authorised but not contracted for and not provided in the financial statements	-	-
	<u>          </u>	<u>          </u>