

**Charity number: 527552**  
**Company Number: 00413810**

**Sunfield Children's Homes Limited**  
**(Private Limited Company)**

**Trustees' report and financial statements**  
**For the year ended 31 August 2019**

SUNFIELD CHILDREN'S HOME LIMITED

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REPORT OF THE TRUSTEES

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SUNFIELD CHILDREN'S HOME LIMITED

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REPORT OF THE TRUSTEES

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LEGAL AND ADMINISTRATIVE INFORMATION

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

Company secretary

I K Clements

Key management personnel

Aonghus Gordon – Founder & Executive Chair  
Tara Gratton – Regional Director (South)  
David Lyons – Head Teacher  
Shazuli Iqbal – Trust Head of Finance  
Lindsay Wilkinson – Trust Head of Human Resources

Auditors

Grant Thornton UK LLP  
The Colmore Building  
20 Colmore Circus  
Birmingham  
B4 6AT

Bankers

Lloyds Bank Plc  
12 Rowcroft  
Stroud  
Gloucestershire  
GL5 3BD

Barclays Bank PLC  
15 Colmore Row  
Birmingham  
B3 2EP

Solicitors

Royds Withy King LLP  
69 Carter Lane  
London  
EC4V 5EQ

**REPORT OF THE TRUSTEES**

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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 2019.

- **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.

- **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



## REPORT OF THE TRUSTEES

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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. 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.

## REPORT OF THE TRUSTEES

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### STRATEGIC REPORT

#### • **Achievements & Performance**

Over the past year, there has been a significant focus on improving the quality of the education and the management of student behaviour.

A robust quality assurance cycle is now in place and support is being given to teaching and support staff to ensure consistently Good teaching and learning across the school. Support has been given with planning, assessment, curriculum, and quality first teaching. This has been achieved through the identification of high quality and targeted CPD, peer observations as well as coaching and mentoring by senior staff. There has been an improvement in the quality of teaching and learning as a result of this work and teachers are engaging with their mentors to improve.

Three new land tutors have been appointed and they are currently in the induction period. They have been timetabled to work with the children on the land and with the animals and the intention is that all children will spend more time outside on the farm and further embed the PSTE curriculum at Sunfield. There are plans to build outdoor classrooms in January 2020.

New progress and tracking systems have been implemented and are being used across the school. The school has also reviewed the curriculum and have moved away from using TEACHH and introducing PSTE. There has been a decrease in the number of incidents in the school since this change and an increase in student engagement.

Therapists are also working alongside teaching staff and are supporting teachers to develop strategies to meet the therapeutic needs of the students.

There has also been a decrease in the number of safeguarding incidents and the roll out of Databridge (MIS) has helped improve reporting and recording of incidents.

#### **Student Achievement**

Achievement in a Further Education provision can be generally divided into two categories: progress in provision and achievement of planned destination. Progress in provision is largely measured by internal metrics, such as the Three Stage Process, living skills assessments and termly targets, whereas destination data uses metrics external to the college, such as the destination categories designated by the Education and Skills Funding Agency's destination codes.

##### ○ Internal progress

A large majority of students within provision made good or excellent progress in relation to their independence skills, in the areas of Work Readiness, Community Inclusion, Managing Health & Wellbeing and overall independence. Student progress overall is determined by time spent within the provision.

##### ○ Destination data

The achievement of student destination is the most externally valid metric of provision performance. The Trust's ability to enable students to achieve meaningful destinations of any sort aligns with the motivations of the government to continue funding students at the colleges. The majority of Ruskin Mill Trust leavers transition to meaningful destinations

## SUNFIELD CHILDREN'S HOME LIMITED

## REPORT OF THE TRUSTEES

- **Financial Review**

**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 year-end were £2,323,326 unrestricted (2018: £1,958,223) and (£1,086,279) restricted (2018: £1,290,112). The negative restricted reserve is due to Grant Commitment made to Ruskin Mill Land Trust.

**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.

Specific areas of risk and uncertainty are:

- **Recruiting and Retaining Staff:** Sunfield is experiencing a high turnover of staff especially in the residential homes. This leads to inconsistency for the children as well as having a financial impact on Sunfield. Training is being developed to help staff better understand the curriculum and method as well as increased support and supervision to try and improve staff retention. Recruitment drives and a review of the recruitment process are proving successful and staff recruitment and retention has improved. Staff recruitment is improving but continues to be a challenge. New intake of children is reliant on the recruitment of staff, therefore there is a limit on the number of new children Sunfield can accept until additional staff are in post.

## SUNFIELD CHILDREN'S HOME LIMITED

## REPORT OF THE TRUSTEES

- **Poor Inspection result:** The risk of Sunfield not receiving an improved grade following an inspection by OFSTED. This is being mitigated through a rigorous system of internal Quality Assurance, including use of a specialist external consultant, and investment in staff training.
- **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 Regional 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 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 undergoing a full review of the site and a revised farm curriculum as part of a five year Development Plan. The land manager has worked with teaching, residential and therapy staff to identify ways to support children to access the farm, including proposing the development of school gardens, orchards and a greater range of animals to meet the children's needs and interests. In addition, on the edge of the site, there are plans to develop a café and visitor centre which will provide valuable work experience opportunities as well as a way for the public to meet Sunfield and for the children to be part of their local community.

In addition, there will be continued investment into the residential properties including new kitchens and bathrooms. Edith Cottage, on site, will be redeveloped as an assessment house to facilitate student assessments and new student intake.

## SUNFIELD CHILDREN'S HOME LIMITED

## REPORT OF THE TRUSTEES

## 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;
- 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.

• **Auditor**

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

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by Section 415A of the Companies Act 2006.

Approved by the Trustees on 17 February 2020 and signed on their behalf by:

  
A C N Gordon Trustee



# **SUNFIELD CHILDREN'S HOMES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

Independent auditor's report to the members of Sunfield Children's Home Limited

### **Opinion**

We have audited the financial statements of Sunfield Children's Home Limited (the 'charitable company') for the year ended 31 August 2019, which comprise the Statement of Financial Activities (incorporating an Income & Expenditure Account), the Balance Sheet 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 2019 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, set out on pages 1 to 26 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.

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

**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 Report of the Trustees 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 Report of the Trustees 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 Report of the Trustees.

**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; or

**Responsibilities of trustees for the financial statements**

As explained more fully in the Trustees' Responsibilities Statement set out on page 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, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

**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.

*Grant Thornton UK LLP*

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

Date: 2 March 2020



**SUNFIELD CHILDREN'S HOMES LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating an Income & Expenditure Account) for the year ended 31 August 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31.8.19 £	Total Funds Year to 31.8.18 £
<b>INCOME FROM:</b>					
Donations and legacies		12,341	203,833	216,174	14,594
Charitable activities		6,646,655	-	6,646,655	5,098,818
Other trading activities		15,000	-	15,000	18,329
Investments		13,250	-	13,250	30,748
Other		70,714	-	70,714	5,362
<b>TOTAL INCOME</b>	<b>3</b>	<b>6,767,959</b>	<b>203,833</b>	<b>6,961,793</b>	<b>5,167,851</b>
<b>EXPENDITURE ON:</b>					
Charitable activities		6,404,382	-	6,404,382	6,057,625
<b>TOTAL EXPENDITURE</b>	<b>5</b>	<b>6,404,382</b>	<b>-</b>	<b>6,404,382</b>	<b>6,057,625</b>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE GAIN ON INVESTMENTS</b>					
		353,577	203,833	557,411	(889,774)
Gain on investments	8	11,525		11,525	2,603
<b>NET INCOME/(EXPENDITURE)</b>		<b>365,102</b>	<b>203,833</b>	<b>568,936</b>	<b>(887,171)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>365,102</b>	<b>203,833</b>	<b>568,936</b>	<b>(887,171)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	12	1,958,223	(1,290,112)	668,111	1,555,281
Total funds carried forward	12	2,323,325	(1,086,279)	1,237,047	668,110

The notes on pages 13 to 26 form part of these financial statements.

**SUNFIELD CHILDREN'S HOMES LIMITED**(Company registration number  
00413810)**BALANCE SHEET**  
**As at 31 August 2019**

	Notes	31 August 2019 £	31 August 2018 £
<b>FIXED ASSETS:</b>			
Tangible assets	7	2,782,915	3,023,312
Investments	8	459,266	437,016
		<u>3,242,181</u>	<u>3,460,328</u>
<b>CURRENT ASSETS:</b>			
Debtors	9	73,451	72,822
Cash at bank and in hand		1,406,779	1,193,35
		<u>1,480,230</u>	<u>1,266,180</u>
<b>LIABILITIES:</b>			
Creditors falling due within one year	10	<u>(3,485,364)</u>	<u>(4,058,397)</u>
<b>NET CURRENT (LIABILITIES)</b>		<b>(2,005,134)</b>	<b>(2,792,218)</b>
<b>NET ASSETS</b>		<u><b>1,237,047</b></u>	<u>668,111</u>
<b>FUNDS</b>			
Unrestricted funds		2,323,326	1,958,223
Restricted funds		<u>(1,086,279)</u>	<u>(1,290,112)</u>
	12	<u><b>1,237,047</b></u>	<u>668,111</u>

The financial statements have been prepared in accordance with provisions applicable to small companies within Part 15 of the Companies Act 2006.

Approved and authorised for issue by the Trustees on 17 February 2020 and signed on their behalf by:



Aonghus Gordon  
Trustee

The notes on pages 13 to 26 form part of these financial statements.

# **SUNFIELD CHILDREN'S HOMES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the period ended 31 August 2019**

### **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 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 2015) - (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.

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 CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**For the period ended 31 August 2019**

**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.

**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 12.

**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. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value; or market value in the case of investments.

**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*

A grant commitment of £3,184,850 was recognised in the prior period and remains outstanding at 31 August 2019. A commitment has been recognised as a result of the deed of covenant signed by Sunfield and its parent, Ruskin Mill Trust Limited, on 31 August 2017 which commits Sunfield to the transfer of all freehold land and buildings to Ruskin Mill Land Trust (RMLT). This commitment is valued based on the net book value of the freehold land and buildings held by Sunfield as at 31 August 2017. The liability is shown as due within one year as the transfer could take place at any point on or before 31 August 2019.

*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.

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

**2 STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD 31.8.17 TO 31.8.18**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31.8.18 £
<b>INCOME FROM:</b>				
Donations and legacies		23,819	(9,225)11	14,594
Charitable activities		5,098,8188	-	5,098,818
Other trading activities		18,329	-	18,329
Investments		30,748	-	30,748
Other		5,362	-	5,362
<b>TOTAL INCOME</b>	<b>3</b>	<b>5,177,076</b>	<b>(9,225)</b>	<b>5,167,851</b>
<b>EXPENDITURE ON:</b>				
Raising funds		-	-	-
Charitable activities		6,057,625	-	6,057,625
Grant commitment		-	-	-
<b>TOTAL EXPENDITURE</b>	<b>5</b>	<b>6,057,625</b>	<b>-</b>	<b>6,057,625</b>
<b>NET EXPENDITURE FOR THE YEAR BEFORE GAIN ON INVESTMENTS</b>		<b>(880,549)</b>	<b>(9,225)</b>	<b>(889,774)</b>
Gain on investments	<b>8</b>	<b>2,603</b>	<b>-</b>	<b>2,603</b>
<b>NET EXPENDITURE</b>		<b>(877,946)</b>	<b>(9,225)</b>	<b>(887,171)</b>
Transfers between funds		-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(877,946)</b>	<b>(9,225)</b>	<b>(887,171)</b>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<b>11</b>	<b>2,836,168</b>	<b>(1,280,887)</b>	<b>1,555,281</b>
Total funds carried forward	<b>11</b>	<b>1,958,222</b>	<b>(1,290,112)</b>	<b>668,111</b>

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 August 2019

**3 INCOME**

	Year to 31 August 2019 £	Year to 31 August 2018 £
<b>Donations and legacies</b>	<b>216,174</b>	<b>14,594</b>
<b>Charitable activities</b>		
Care and education of children	6,646,655	5,098,818
Training and research	-	-
	<u>6,646,655</u>	<u>5,098,818</u>
<b>Other trading activities</b>		
Sale of goods	-	5,829
Rent	15,000	12,500
	<u>15,000</u>	<u>18,329</u>
<b>Investments</b>		
Listed investments	13,250	30,748
	<u>13,250</u>	<u>30,748</u>
<b>Other</b>	<b>70,714</b>	<b>5,362</b>
<b>TOTAL INCOME</b>	<u><b>6,961,793</b></u>	<u><b>5,167,851</b></u>

**4 NET INCOME**

Net income is stated after charging:

	Year to 31 August 2019 £	Year to 31 August 2018 £
Auditor's remuneration - audit	7,000	8,000
Auditor's remuneration - other services	-	-
Trustee indemnity insurance	-	-
Operating lease payments in year	3,997	2,188
Depreciation - owned assets	<u>321,703</u>	<u>327,925</u>



**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the period ended 31 August 2019

**5 ANALYSIS OF EXPENDITURE**

	Staff costs (see note 6) £	Depreciation (see note 7) £	Insurance £	Repairs & Renewals £	Grant £	Support £	Year to 31 August 2019 £	Year to 31 August 2018 £
<b>Charitable activities</b>								
Care of children	2,978,431	208,956	2,742	34,100	-	964,205	4,188,434	2,251,640
Education of children	1,544,196	107,220	5,483	68,200	-	368,173	2,093,273	2,827,832
Therapies and healthcare for children	107,220	5,483	-	-	-	-	112,703	
Training, research and awareness	2,742	-	-	-	-	-	2,742	954,230
Governance	-	-	-	-	-	7,230	7,230	21,319
	<u>4,632,589</u>	<u>321,659</u>	<u>8,225</u>	<u>102,300</u>	<u>-</u>	<u>1,339,608</u>	<u>6,404,381</u>	<u>6,055,021</u>
<b>Total</b>	<u>4,632,589</u>	<u>321,659</u>	<u>8,225</u>	<u>102,300</u>	<u>-</u>	<u>1,339,608</u>	<u>6,404,381</u>	<u>6,055,021</u>

A grant commitment has been recognised in respect of 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 commits Sunfield to transfer all title, right and interest of its freehold land and buildings to Ruskin Mill Land Trust on 31 August 2019 (or such earlier date as the parties may agree in writing).

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the per ended 31 August 2019

**6 STAFF COSTS**

	Year to 31 August 2019 £	Year to 31 August 2018 £
Wages and salaries	4,267,427	4,280,848
Social Security Costs	277,437	310,994
Other pension costs	87,724	133,075
	<u>4,632,589</u>	<u>4,724,917</u>

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

Headcount	Year to 31 August 2019 No.	Year to 31 August 2018 No.
Psychology and therapies	6	3
Support services	29	7
Education	42	33
Care	90	93
	<u>167</u>	<u>136</u>

No employees received in excess of £60,000 for the year (prior year £nil)

No trustee expenses were reimbursed during the financial year (period ended 31 August 2018: £0 was reimbursed to one trustee for travel expenses).

No Trustees were remunerated in the current period (period ended 31 August 2018: £0 was paid).

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 August 2019

**7 TANGIBLE FIXED ASSETS**

	Freehold land & buildings £	Plant & machinery £	Motor vehicles £	Fittings & equipment £	Totals £
<b>Cost</b>					
<i>At 1 September 2018</i>	6,475,522	66,011	213,432	649,683	7,404,648
Additions	60,712	3,000	12,995	18,152	94,859
Disposals	-	-	(25,905)	(7,098)	(33,003)
<b>At 31 August 2019</b>	<b>6,536,234</b>	<b>69,011</b>	<b>220,522</b>	<b>660,738</b>	<b>7,466,505</b>
<b>Depreciation</b>					
<i>At 1 September 2018</i>	3,574,289	44,842	199,166	563,038	4,381,338
Charge for the year	277,569	4,126	11,146	28,862	321,703
Disposals	-	-	(18,561)	(887)	(19,448)
<b>At 31 August 2019</b>	<b>3,851,858</b>	<b>48,968</b>	<b>191,751</b>	<b>591,013</b>	<b>4,683,590</b>
<b>NBV</b>					
<b>At 31 August 2019</b>	<b>2,684,376</b>	<b>20,043</b>	<b>8,771</b>	<b>69,725</b>	<b>2,782,915</b>
<i>At 31 August 2018</i>	<i>2,901,233</i>	<i>21,169</i>	<i>14,266</i>	<i>86,645</i>	<i>3,023,313</i>

**8 INVESTMENTS**

	31 August 2019 £	31 August 2018 £
<b>Listed investments:</b>		
Market value at 31 August 2018	431,172	1,620,266
Acquisitions at cost	60,981	93,757
Proceeds on disposal	(57,128)	(1,285,455)
Gain in the period	11,525	2,603
Market value at 31 August 2019	446,550	431,172
Cash held by investment managers	12,717	5,844
Market value at 31 August 2019	459,266	437,016
	31 August 2019 £	31 August 2018 £
<b>Investments at market value comprised:</b>		
UK bonds	51,327	64,462
UK equities	131,495	164,468
Overseas bonds	15,881	-
Overseas equities	184,810	148,559
Alternative investments	44,815	44,001
Properties	18,223	9,671
Other	-	-
Cash	12,717	5,844
	459,266	437,016
Historical cost	342,372	342,372

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 August 2019

**8 INVESTMENTS (CONTINUED)**

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

	31 August 2019 £
JUPITER UT MANAGERS	33,297
JPMORGAN LTD US EQUITY	44,743
VANGUARD INV UK	<u>49,976</u>

**9 DEBTORS: AMOUNTS DUE WITHIN ONE YEAR**

	31 August 2019 £	31 August 2018 £
Trade debtors	33,485	72,529
Prepayments and accrued income	9,011	-
Other debtors	<u>30,956</u>	<u>293</u>
	<u>73,451</u>	<u>78,822</u>

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

	31 August 2019 £	31 August 2018 £
Trade creditors	100,332	79,896
Grant commitment	3,184,850	3,184,850
Social security and other taxes	82,062	87,788
Other creditors	81,453	48,349
Accruals	36,666	57,723
Fees in advance	-	599,791
	<u>3,485,364</u>	<u>4,058,397</u>

The fees in advance balance represents amounts paid by the ESFA in advance of the autumn term and is the result of a timing difference only. All amounts will be fully utilised in the next financial year.

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 August 2019

**11 RECONCILIATION OF MOVEMENT IN FUNDS**

	At 31 August 2018 £	Income £	Expenditure £	Gains £	Transfers £	At 31 August 2019 £
<b>Unrestricted funds</b>						
General fund	1,958,223	6,769,485	(6,404,382)	-	-	2,323,326
<b>Restricted funds</b>						
Grant commitment	(3,184,850)	-	-	-	-	(3,184,850)
Share capital	100	-	-	-	-	100
Capital fund	1,768,835	-	-	-	-	1,768,835
Sensory rooms	3,073	-	-	-	-	3,073
Other funds	122,730	203,833	-	-	-	326,563
	(1,290,112)	203,833	-	-	-	(1,086,279)
<b>TOTAL</b>	<b>668,111</b>	<b>6,973,318</b>	<b>(6,404,382)</b>	<b>-</b>	<b>-</b>	<b>1,237,047</b>

	At 31 August 2017 £	Income £	Expenditure £	Gains £	Transfers £	At 31 August 2018 £
<b>Unrestricted funds</b>						
General fund	2,836,168	5,177,076	(6,057,625)	2,603	-	1,958,223
<b>Restricted funds</b>						
Grant commitment	(3,184,850)	-	-	-	-	(3,184,850)
Share capital	100	-	-	-	-	100
Capital fund	1,768,835	-	-	-	-	1,768,835
Sensory rooms	3,073	-	-	-	-	3,073
Other funds	131,955	(9,225)	-	-	-	122,730
	(1,280,887)	(9,225)	-	-	-	(1,290,112)
<b>TOTAL</b>	<b>1,555,281</b>	<b>5,167,851</b>	<b>(6,057,625)</b>	<b>2,603</b>	<b>-</b>	<b>668,111</b>

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 August 2019

**12 RECONCILIATION OF MOVEMENT IN FUNDS (CONTINUED)**

The Capital Fund represents assets purchased with restricted funds.

	31 August 2019 £	31 August 2018 £
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
<b>Alloted and fully paid</b>		
100 Ordinary shares of £1 each	100	100

**RECONCILIATION OF MOVEMENT IN FUNDS (CONTINUED)**

As at 31 August 2019	Fixed assets £	Investments £	Other net assets £	Total £
Share capital	-	-	100	100
Other reserves	1,768,835	-	(2,855,214)	(1,086,379)
Restricted funds	1,768,835	-	(2,855,114)	(1,086,279)
Unrestricted funds	1,014,080	459,266	849,979	2,323,326
	2,782,915	459,266	(2,005,134)	1,237,047

As at 31 August 2018	Fixed assets £	Investments £	Other net assets £	Total £
Share capital	-	-	100	100
Other reserves	1,767,835	-	(3,059,046)	(1,290,211)
Restricted funds	1,768,835	-	(3,058,946)	(1,290,111)
Unrestricted funds	1,254,477	437,016	(266,729)	1,958,222
	3,023,312	437,016	(2,792,217)	668,111

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the period ended 31 August 2019

**14 FINANCIAL INSTRUMENTS**

	31 August 2019 £	31 August 2018 £
Financial assets measured at settlement value	1,471,221	1,266,179
Financial assets measured at fair value	459,266	437,016
Financial liabilities measured at settlement value	<u>218,451</u>	<u>185,969</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 2018: £0*).

**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 £45,847 and at the year-end £2,549.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016 and completed in 2018, with any resulting changes to the employer rate expected to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

**SUNFIELD CHILDREN'S HOMES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the period ended 31 August 2019

**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 2019 £	31 August 2018 £
<b>Operating lease commitments due:</b>		
Within 1 year	3,997	8,134
Within 2 - 5 year	504	4,501
	<u>4,501</u>	<u>12,635</u>

**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 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.

**20 RELATED PARTY TRANSACTIONS**

During the year A Gordon was the director and sole corporate Trustee of Ruskin Mill Land Trust (RMLT). At the year-end there is a grant commitment of £3,184,850 in place for transfer of the freehold land and buildings to RMLT on or before 31 August 2019. The full balance is outstanding as at 31 August 2018 (period ended 14 May 2017: no transactions with RMLT).