

REGISTERED COMPANY NUMBER: 00541304 (England and Wales)

REGISTERED CHARITY NUMBER: 228037

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
SOLDEN HILL HOUSE LIMITED**



SOLDEN HILL HOUSE LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 9
Report of the Independent Auditors	10 to 12
Statement of Financial Activities	13
Statement of Financial Position	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 37
Detailed Statement of Financial Activities	38 to 39

SOLDEN HILL HOUSE LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES	J Batchelor (resigned 22/4/21) S E Bown (Finance Director) W Coleman T R Espley (Chair) E Horton E C Wardlaw (Vice Chair)
COMPANY SECRETARY	M Z Lewis
REGISTERED OFFICE	Banbury Road Byfield Daventry Northamptonshire NN11 6UA
REGISTERED COMPANY NUMBER	00541304 (England and Wales)
REGISTERED CHARITY NUMBER	228037
AUDITORS	DNG Dove Naish LLP, Statutory Auditor Eagle House 28 Billing Road Northampton Northamptonshire NN1 5AJ
BANKERS	Lloyds Bank 12 High Street Banbury Oxfordshire OX16 5EF
GENERAL MANAGER	Richard Smith

SOLDEN HILL HOUSE LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

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 ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

SOLDEN HILL HOUSE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives as set out in its Mission Statement are:

- To provide a supportive, stimulating and safe home for adults with a wide range of disabilities by the provision of residential accommodation, supported living opportunities, facilities for learning and recreation, respite care and day care activities at the Charity's premises in Byfield in the county of Northamptonshire or elsewhere,
- To help and encourage adults with a wide range of learning disabilities to develop their full potential by supporting them in achieving their goals while celebrating their individuality.
- To continue to develop our service provision in line with the expectations of CQC and Local Authorities whilst recognising the individuality and needs of our residents

Strategies and Activities

The principle activity of the company is to deliver residential and supported living services for individuals with an age range of 15 to 65, with a caveat from CQC that all our residents will have the choice to remain in placement until their specific needs warrant nursing support. We cater for a range of profound conditions which predominantly involve learning disability, autistic spectrum disorder and downs syndrome.

The company recognises the various risks to the business. The main area of risk is maintaining appropriate accommodation for the ever-changing needs of the occupants, and this ultimately has bearing on the company's ability to attract new residents. This risk is managed by ongoing review and where appropriate development of its properties to meet future demands, and a continuing focus on employee training and development of staff to ensure that the skill levels and the understanding of the company quality standards and future strategy is excellent. Established internal monitoring systems are in place to manage the requirements not only of the company but those who regulate the business.

Although it is impossible to significantly influence the subject of national public sector funding and local authority rates paid for care, the general manager and trustees are actively managing the risk by maintaining close dialogue and relationships with the relevant bodies by negotiating and lobbying to improve rates with an emphasis on the subject of satisfactory care high on the social agenda.

The continued improvement of the management structure has allowed for a strategic direction to be set in place that seeks enhanced service provision for our residents by updating existing facilities, improving our marketplace setting, improving our succession planning around occupancy and creating progression for our staff.

The focus of our work

The charity's main objectives for the year continued to be improving the lives of all residents.

The strategies used to meet these objectives include:

- Improving community links;
- Ensuring residents have choice and control over their lives ;
- Focusing all staff on completing mandatory and specific training ;
- Working in partnership with other agencies to secure the widest range of services available.

Aims, objectives and activities are reviewed each year. This review looks at what was achieved and the outcomes of work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to residents.

The home will continue to be open without restriction to people from whatever means.

SOLDEN HILL HOUSE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Significant activities

During the year under review the charity provided care for 30 residents; 21 residential placements and 9 supported living placements. This was as expected and in line with the development of The Lodges and Flora Innes. Our full capacity will be 39 which will start in June 2021 when we reopen Flora Innes.

The year was severely impacted by the Covid 19 pandemic which substantially restricted both resident and visitor movements on site. The charity has been well supported by Local Authorities in meeting the substantial cost burden of maintaining a safe living environment throughout. All staff have worked tirelessly in this regard for which the trustees are most grateful.

We have been fully inspected by CQC on the 14th April 2021 with an outcome of an improved rating of Good in all areas of the Key Lines of Enquiry. This inspection was carried out, in part, due to an historic Safeguarding matter that is still under investigation by Police, Safeguarding, CQC and precedes the current Management of the charity.

The hard work and dedication of all staff has again maintained a tight control over expenditure. The trustees are satisfied that the objects of the charity have been achieved.

Summary of main achievements

The charity made progress on the following:

- Continued to develop and maintain all sites to a high standard by ensuring that all repairs and maintenance issues are resolved. This has included roof repairs, new heating systems, new kitchen and laundry areas, new entrance areas to accommodate lifelong learning clients, new finance office, and new development kitchen area.
- The complete redevelopment of Flora Innes House in Byfield which is now a 'State of the Art' facility that will act as a Residential Step Down Unit for 9 persons.
- The Lodges was completed on budget and on time for the safe transfer of 6 of our existing residents. This allowed us to undertake the changes at Flora Innes.
- We have remained free from any significant occurrence due to Covid 19. This was substantiated by Public Health England and NHS completing a full audit without any concerns or actions being raised.
- All home managers have now begun their induction into becoming CQC registered managers.
- We have secured the Supported Living Registration for The Lodges and Giles House through close work with CQC. This has been completed despite the charity not conforming to "Registering the Right Support" by way of the CQC framework due to the physical features and historic setting of the main site. This has been a huge achievement.
- Training and development of staff is continuing to prove successful with all the workforce engaged in either short course or full diploma qualifications. We have also completed two rounds of refresher training which are always based on the mandatory requirements alongside reflective practice of lessons learned.

SOLDEN HILL HOUSE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken by the charity during the year. Solden Hill House's charitable objectives are enshrined within its memorandum and articles and as such the trustees ensure that the charity's activities are carried out for public benefit through its strategic priorities. This is done primarily through the delivery of services aimed at those with learning disabilities. This report allows us to show how charitable funds are spent, the impact and benefits that these have on those using our services and the wider impact on society.

The trustees are satisfied that the information provided in the report and accounts meets the public benefit reporting requirements.

FINANCIAL REVIEW

Financial position

The income for the year increased to £1,743,332 compared to £1,573,585 for the previous year. Income arises predominantly from fees for residents and, whilst level of resident occupancy remained steady at 30, income increased following rate reviews with most local authorities. The charity was also grateful to receive £80,056 in grants to meet extra costs arising from the Covid pandemic and £23,590 in donations.

Costs increased to £1,610,450 (2020: £1,490,985) excluding costs relating to the pension scheme. There was an increase in employee numbers and employment costs, with the charity no longer using agency support staff with all shifts manned by own employees. There were higher property repairs as a major round of refurbishment was completed. All properties are now in an excellent state of repair. Substantial savings were made from a big reduction in use of external contractors, necessitated by Covid restrictions, and from improved household budgetary procedures.

During the year the conversion of the two Lodge houses for use as supported living accommodation for 6 clients was completed. These were occupied from September by re-homing residents from Flora Innes as that property was vacated to allow conversion to a step down facility to commence. The capital cost of these two projects during the year was £760,412.

In addition to the sale of its investment portfolio in the previous year the charity has negotiated a loan from its bankers of £450k to provide the funding for these capital projects. The loan is repayable over 10 years with £300k at a fixed rate of interest of 2.84% and £150k at a variable rate linked to Base Rate (currently 0.1%) initially at 1.76%. All deposit accounts were closed in the year and the charity retains sufficient funds with its bankers to meet future working capital requirements.

In the previous year the charity segregated its share of the multi-employer defined benefit pension scheme. This removed any exposure to further liabilities in respect of scheme members outside of its own section. Details of the assets and liabilities of the charity section are more fully described in note 23 to the Accounts. The charity has agreed with the Trustee of the Scheme a recovery plan based on conservative assumptions regarding investment income and future obligations, details of which are set out in note 23. These payments continue to be paid out of current income.

The above resulted in a deficit for the year of £23,118 compared to the previous year surplus of £26,783, which included a net charge of £97,000 in respect of the pension liability (2020: £131,000 credit).

Principal funding sources

The large majority of funding arises from fees charged for the provision of residential care and supported living. Depending on individual circumstance these fees are met, in varying proportions, by Local Authorities, the Department for Work and Pensions or the residents' families if privately funded.

SOLDEN HILL HOUSE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Reserves policy

The trustees regularly re-examine the charity's reserves policy and have assessed the requirement for unrestricted reserves on a risk based analysis of all income and expenditure. The principal risk to the organisation is occupancy level which directly impacts income, and secondary risks are the level of staff and property maintenance costs and the pension fund deficit. This assessment indicates that unrestricted reserves excluding those tied up in property cost should be maintained in the range of £450k-£550k, increased by £50k from last year. The increase arises from the higher levels of resident income and employment costs.

The trustees have monitored the impact of COVID-19 on the charity since the start of the pandemic and the application of strict controls throughout. Significant costs have been incurred in personal protective equipment and in additional staffing costs relating to these controls and subsequent testing procedures. The trustees are grateful to the support from Local Authorities in helping to meet these costs.

The level of reserves held at the end of the year was £4,081,407 (2020: £4,104,525); this includes the property revaluation surplus of £2,699,318. More details are included in note 22 to the accounts. Unrestricted reserves were £1,763,995 (2020: £1,786,551). Excluding those reserves invested in fixed assets and adding back the reserves absorbed by the pension fund deficit which is being met by annual payments to the recovery plan the available unrestricted reserves are £109,521 (2020: £336,218), i.e. held in cash, investments and working capital. As the major programmes of property conversion and repair have been virtually completed, the trustees plan to now rebuild the level of unrestricted reserves over the coming years.

SOLDEN HILL HOUSE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

The trustees have carried out and regularly update a strategic review to ensure that Solden Hill House continues to evolve recognising the changing needs of its residents and Local Authority clients whilst continuing to achieve its objectives, being mindful of the need to maintain close to full capacity of resident numbers. The charity continues to prioritise management of the COVID-19 pandemic but is also forward looking in its general development.

Specific plans include:

- Continued liaison with Local Authorities and CCG to understand the changing needs and future trends for services required.
- Completion of the conversion of Flora Innes into a residential step-down facility retaining a capacity for 9 residents. When completed the resident capacity will increase to 39.
- Commencement of Lifelong Learning services.
- Expansion of activities available to residents.
- Continuation of improvements to the grounds by additional landscaping and provision for animals.
- Continue to work alongside CQC whilst continuously recognising their 'Registering the Right Support Framework'.
- Continue to promote the succession planning of the charity to include the promotion of Home managers to CQC Registered Managers.
- Strengthen the Board and broaden its skill base through appropriate succession planning.

The trustees continue to focus on the community philosophy with holistically focussed care and support. Our transparent approach to all stakeholders allows for healthy discussion and debate which is paramount to establishing a responsive and proactive culture with everything that we undertake.

We will continue to promote inclusion for everyone that works with or alongside Solden Hill House and its affiliates.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company as defined by the Companies Act 2006.

The organisation is a charitable company limited by shares, incorporated on 30 November 1954 and registered as a charity on 30 December 1963. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

Trustee vacancies are advertised. New trustees are elected to the board by majority vote of existing trustees after consultation with the management.

Trustees meet the management and other trustees prior to appointment. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

SOLDEN HILL HOUSE LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The board of trustees administers the charity. The board meets at least quarterly (latterly electronically) and in the interim is consulted by management on matters as deemed necessary. A general manager is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the general manager has delegated authority, within limits agreed by the board of trustees and as required in their role as the manager of Solden Hill House.

Key management remuneration

This is set out in note 10 in the financial statements. The policy for setting remuneration is at the direction of the trustees and an annual review is undertaken.

Risk management

The trustees have assessed the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, service users and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet ongoing requirements.

The care home operations of the charity are subject to inspections by the Care Quality Commission.

The trustees confirm the charity's commitment to the maintenance of a protection from abuse policy.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Solden Hill House 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

SOLDEN HILL HOUSE LIMITED

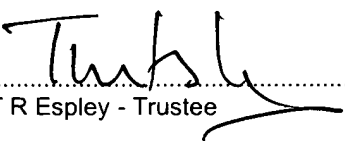
**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

AUDITORS

The auditors, DNG Dove Naish LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 8/9/2021 and signed on its behalf by:


.....
T R Espley - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOLDEN HILL HOUSE LIMITED

Opinion

We have audited the financial statements of Solden Hill House Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (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 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We 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 Auditors' 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOLDEN HILL HOUSE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 Report of the Trustees.

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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Charity's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of income, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOLDEN HILL HOUSE LIMITED**

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 auditors' 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.

A. M. Clifford

Andrew Clifford (Senior Statutory Auditor)
for and on behalf of DNG Dove Naish LLP, Statutory Auditor
Eagle House
28 Billing Road
Northampton
Northamptonshire
NN1 5AJ

Date: 1st October 2021

SOLDEN HILL HOUSE LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	30,474	73,172	103,646	28,382
Charitable activities	5				
General Care		1,232,854	-	1,232,854	1,349,539
Supported Living		405,682	-	405,682	188,653
Investment income	4	1,150	-	1,150	7,011
Total		1,670,160	73,172	1,743,332	1,573,585
EXPENDITURE ON					
Charitable activities	6				
General Care		1,184,898	73,734	1,258,632	1,396,061
Supported Living		351,818	-	351,818	94,924
Pension Scheme		59,000	-	59,000	70,000
Pension scheme buyout		-	-	-	121,567
Total		1,595,716	73,734	1,669,450	1,682,552
Net gains on investments		-	-	-	4,750
NET INCOME/(EXPENDITURE)		74,444	(562)	73,882	(104,217)
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		(188,000)	-	(188,000)	53,000
Unrealised gains on pension scheme assets		91,000	-	91,000	78,000
Net movement in funds		(22,556)	(562)	(23,118)	26,783
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		1,086,613	2,317,974	3,404,587	3,260,379
Prior year adjustment	12	699,938	-	699,938	817,363
As restated		1,786,551	2,317,974	4,104,525	4,077,742
TOTAL FUNDS CARRIED FORWARD		<u>1,763,995</u>	<u>2,317,412</u>	<u>4,081,407</u>	<u>4,104,525</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

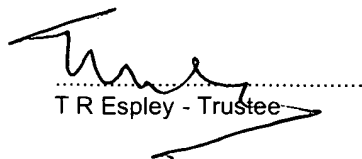
SOLDEN HILL HOUSE LIMITED

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

		2021 £	2020 as restated £
FIXED ASSETS	Notes		
Tangible assets	13	4,966,293	4,198,155
CURRENT ASSETS			
Stocks	14	5,231	1,635
Debtors	15	114,541	97,126
Cash at bank and in hand		<u>174,872</u>	<u>377,953</u>
		294,644	476,714
CREDITORS			
Amounts falling due within one year	16	(216,122)	(133,344)
NET CURRENT ASSETS		<u>78,522</u>	<u>343,370</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,044,815	4,541,525
CREDITORS			
Amounts falling due after more than one year	17	(410,408)	-
PENSION LIABILITY	23	(553,000)	(437,000)
NET ASSETS		<u>4,081,407</u>	<u>4,104,525</u>
FUNDS	22		
Unrestricted funds		1,763,995	1,786,551
Restricted funds		<u>2,317,412</u>	<u>2,317,974</u>
TOTAL FUNDS		<u>4,081,407</u>	<u>4,104,525</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 31/5/21 and were signed on its behalf by:


T R Espley - Trustee

The notes form part of these financial statements

SOLDEN HILL HOUSE LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	2020 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	26	133,964	(56,747)
Interest paid		<u>(2,119)</u>	<u>-</u>
Net cash provided by/(used in) operating activities		<u>131,845</u>	<u>(56,747)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(786,476)	(275,935)
Sale of tangible fixed assets		400	2,948
Sale of fixed asset investments		-	261,403
Interest received		1,150	3,561
Dividends received		<u>-</u>	<u>3,450</u>
Net cash used in investing activities		<u>(784,926)</u>	<u>(4,573)</u>
Cash flows from financing activities			
New loans in year		<u>450,000</u>	<u>-</u>
Net cash provided by financing activities		<u>450,000</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>(203,081)</u>	<u>(61,320)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>377,953</u>	<u>439,273</u>
Cash and cash equivalents at the end of the reporting period		<u>174,872</u>	<u>377,953</u>

The notes form part of these financial statements

SOLDEN HILL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. CHARITY INFORMATION

Solden Hill House Limited is a private company limited by shares registered in England and Wales. The charity's number and registered office address can be found in the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Critical judgements

The present value of the Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant are recognised at the time of the donation.

SOLDEN HILL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Income

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Local council residents fees are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Sundry income, including one-off payments for additional assistance for residents, is recognised on a receivable basis.

Investment income, including dividends, is recognised in the period it is received.

Government grant income is recognised once the charity has received a formal offer of funding in writing, unless performance conditions required deferral of the amount.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

These are costs incurred on the charity's operations, including support costs and costs relating to governance of the charity apportioned to charitable activities.

Non-charitable activities

These costs include gains/losses on fixed asset disposals and charges incurred on the provision for the deferred pension liability.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 10 years
Motor vehicles	- Straight line over 4 years
Computer equipment	- Straight line over 3 years

Fixed assets are initially stated at cost and subsequently measured at cost or valuation, less accumulated depreciation and accumulated impairment losses.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The selection of these residual values and estimated lives requires the exercise of judgement. The trustees are required to assess whether there is an indication of impairment to the carrying value of assets. In making that assessment, judgements are made in estimating value in use. The trustees consider that the individual carrying values of assets are supportable by their value in use.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021.**

2. ACCOUNTING POLICIES - continued

Stocks

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees unless some of these funds have been designated for specified purposes.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined benefit pension scheme in the United Kingdom. The scheme is closed to new members and accruals. The assets of the scheme are held separately from those of the charity, being invested with insurance companies.

The charitable company operates a defined contribution pension scheme and a stakeholder scheme for the benefit of its employees. Contributions payable to the charitable company's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income under administrative expenses.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

SOLDEN HILL HOUSE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****2. ACCOUNTING POLICIES - continued****Provisions**

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period it arises.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. DONATIONS AND LEGACIES

			2021	2020 as restated
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Donations	23,590	-	23,590	28,382
Grants	<u>6,884</u>	<u>73,172</u>	<u>80,056</u>	<u>-</u>
	<u>30,474</u>	<u>73,172</u>	<u>103,646</u>	<u>28,382</u>

Grants received, included in the above, are as follows:

	2021 £	2020 as restated £
Northamptonshire County Council	73,172	-
Oxfordshire County Council	5,139	-
North Somerset Council	1,200	-
Norfolk County Council	<u>545</u>	<u>-</u>
	<u>80,056</u>	<u>-</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

3. DONATIONS AND LEGACIES - continued

Government grant income was received in the year to support the additional costs the charity may incur due to COVID-19. There are no unfulfilled conditions and other contingencies attached to the grants received.

4. INVESTMENT INCOME

			2021	2020 as restated
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income from listed investments	-	-	-	3,450
Interest receivable	<u>1,150</u>	<u>-</u>	<u>1,150</u>	<u>3,561</u>
	<u>1,150</u>	<u>-</u>	<u>1,150</u>	<u>7,011</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2021	2020 as restated
	Activity	£	£
Fees and allowances	General Care	1,232,746	1,349,389
Other income	General Care	108	150
Fees and allowances	Supported Living	371,746	173,239
Charitable rental income	Supported Living	<u>33,936</u>	<u>15,414</u>
		<u>1,638,536</u>	<u>1,538,192</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
General Care	1,240,752	17,880	1,258,632
Supported living	351,818	-	351,818
Pension Scheme	<u>48,000</u>	<u>11,000</u>	<u>59,000</u>
	<u>1,640,570</u>	<u>28,880</u>	<u>1,669,450</u>

Description of charitable activities

General care

General care provides full-time general residential care to adults with a wide range of disabilities.

Supported living

Supported living provides support to adults with a wide range of disabilities to live independent lives within their own tenancies at Giles House and The Lodges.

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
General Care	12,840	5,040	17,880
Pension Scheme	<u>11,000</u>	<u>-</u>	<u>11,000</u>
	<u>23,840</u>	<u>5,040</u>	<u>28,880</u>

Support costs, included in the above, are as follows:

	General Care £	Pension Scheme £	2021 Total activities £	2020 as restated Total activities £
Bank charges	10,721	-	10,721	1,222
Interest payable and similar charges	2,119	11,000	13,119	12,000
Auditors' remuneration	4,440	-	4,440	4,320
Trustees insurance	<u>600</u>	<u>-</u>	<u>600</u>	<u>1,035</u>
	<u>17,880</u>	<u>11,000</u>	<u>28,880</u>	<u>18,577</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 as restated £
Auditors' remuneration	4,440	4,320
Depreciation - owned assets	15,963	13,667
Deficit/(surplus) on disposal of fixed assets	1,975	(23)
Auditors remuneration for non-audit work	<u>4,934</u>	<u>6,837</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustee's indemnity insurance

There was a payment of trustee's indemnity insurance during the year of £600 (2020: £1,035).

Trustees expenses

Two trustees were paid £nil (2020: £503) for travel and subsistence in the financial year.

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

10. STAFF COSTS

	2021	2020 as restated
	£	£
Wages and salaries	984,474	940,988
Social security costs	81,405	71,277
Other pension costs	<u>46,870</u>	<u>48,679</u>
	<u>1,112,749</u>	<u>1,060,944</u>

The total employee benefits of the key management personnel of the Charity were £174,096 (2020: £191,522).

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

	2021	2020 as restated
Total employees	<u>50</u>	<u>43</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020 as restated
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds as restated £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	28,382	-	28,382
Charitable activities			
General Care	1,349,539	-	1,349,539
Supported Living	188,653	-	188,653
Investment income	7,011	-	7,011
Total	1,573,585	-	1,573,585
EXPENDITURE ON			
Charitable activities			
General Care	1,379,235	16,826	1,396,061
Supported Living	94,924	-	94,924
Pension Scheme	70,000	-	70,000
Pension scheme buyout	121,567	-	121,567
Total	1,665,726	16,826	1,682,552
Net gains on investments	4,750	-	4,750
NET INCOME/(EXPENDITURE)	(87,391)	(16,826)	(104,217)
Transfers between funds	5,362	(5,362)	-
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	131,000	-	131,000
Net movement in funds	48,971	(22,188)	26,783
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	920,217	2,340,162	3,260,379
Prior year adjustment	817,363	-	817,363
As restated	1,737,580	2,340,162	4,077,742
TOTAL FUNDS CARRIED FORWARD	1,786,551	2,317,974	4,104,525

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. PRIOR YEAR ADJUSTMENT

The prior year adjustment of £699,938 relates to a reduction in the opening pension scheme liability following segregation from the main scheme and a change of valuation basis.

13. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £
COST			
At 1 April 2020	3,770,000	374,384	430,627
Additions	-	760,412	17,213
Disposals	-	-	-
At 31 March 2021	<u>3,770,000</u>	<u>1,134,796</u>	<u>447,840</u>
DEPRECIATION			
At 1 April 2020	-	-	398,601
Charge for year	-	-	5,329
Eliminated on disposal	-	-	-
At 31 March 2021	-	-	<u>403,930</u>
NET BOOK VALUE			
At 31 March 2021	<u>3,770,000</u>	<u>1,134,796</u>	<u>43,910</u>
At 31 March 2020	<u>3,770,000</u>	<u>374,384</u>	<u>32,026</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2020	70,165	31,153	4,676,329
Additions	-	8,851	786,476
Disposals	(2,850)	(3,462)	(6,312)
At 31 March 2021	<u>67,315</u>	<u>36,542</u>	<u>5,456,493</u>
DEPRECIATION			
At 1 April 2020	56,208	23,365	478,174
Charge for year	4,738	5,896	15,963
Eliminated on disposal	(475)	(3,462)	(3,937)
At 31 March 2021	<u>60,471</u>	<u>25,799</u>	<u>490,200</u>
NET BOOK VALUE			
At 31 March 2021	<u>6,844</u>	<u>10,743</u>	<u>4,966,293</u>
At 31 March 2020	<u>13,957</u>	<u>7,788</u>	<u>4,198,155</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

13. TANGIBLE FIXED ASSETS - continued

Land and buildings with a carrying amount of £3,770,000 were revalued at 31 March 2017 by Goldsmiths, independent valuers not connected with the charity on the basis of existing use value. The valuation conforms to International Valuation Standards.

At 31 March 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,070,682 (2020: £1,070,682).

14. STOCKS

	2021	2020 as restated
	£	£
Stocks	<u>5,231</u>	<u>1,635</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020 as restated
	£	£
Trade debtors	94,898	74,077
Other debtors	2,300	4,388
Prepayments and accrued income	<u>17,343</u>	<u>18,661</u>
	<u>114,541</u>	<u>97,126</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020 as restated
	£	£
Bank loans and overdrafts (see note 18)	39,592	-
Trade creditors	72,712	41,307
Social security and other taxes	19,517	17,729
Other creditors	12,422	15,259
Accruals and deferred income	<u>71,879</u>	<u>59,049</u>
	<u>216,122</u>	<u>133,344</u>

Deferred income relates to fees received for the next financial year.

	£
Balance as at 31 March 2020	48,241
Amount released to incoming resources	(48,241)
Amount deferred in year	<u>60,696</u>
Balance as at 31 March 2021	<u>60,696</u>

SOLDEN HILL HOUSE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021	2020 as restated
	£	£
Bank loans (see note 18)	<u>410,408</u>	<u>-</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2021	2020 as restated
	£	£
Amounts falling due within one year on demand: Bank loans	<u>39,592</u>	<u>-</u>
Amounts falling between one and two years: Bank loans - 1-2 years	<u>40,622</u>	<u>-</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>129,185</u>	<u>-</u>
Amounts falling due in more than five years: Repayable by instalments: Bank loans repayable in more than 5 years	240,601	-

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020 as restated
	£	£
Within one year	6,868	6,869
Between one and five years	<u>709</u>	<u>7,578</u>
	<u>7,577</u>	<u>14,447</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

20. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020 as restated
	£	£
Bank loans	<u>450,000</u>	<u>-</u>

Lloyds Bank PLC has a fixed charge over the Charitable company's freehold properties.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 as restated Total funds £
Fixed assets	2,657,474	2,308,819	4,966,293	4,198,155
Current assets	286,051	8,593	294,644	476,714
Current liabilities	(216,122)	-	(216,122)	(133,344)
Long term liabilities	(410,408)	-	(410,408)	-
Pension liability	<u>(553,000)</u>	<u>-</u>	<u>(553,000)</u>	<u>(437,000)</u>
	<u>1,763,995</u>	<u>2,317,412</u>	<u>4,081,407</u>	<u>4,104,525</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

22. MOVEMENT IN FUNDS

	At 1/4/20 £	Prior year adjustment £	Net movement in funds £	At 31/3/21 £
Unrestricted funds				
General fund	1,135,955	-	93,444	1,229,399
Revaluation reserve	1,056,947	-	-	1,056,947
Fair Value Reserve	30,630	-	-	30,630
Pension Liability Fund	(1,136,938)	699,938	(116,000)	(553,000)
Share Capital	19	-	-	19
	<u>1,086,613</u>	<u>699,938</u>	<u>(22,556)</u>	<u>1,763,995</u>
Restricted funds				
Apps House Fund	416,389	-	-	416,389
Giles House Fund	72,396	-	-	72,396
Innes House Fund	147,655	-	-	147,655
Pottery Fund	14,544	-	-	14,544
F J Apps Training Fund	8,133	-	(2,578)	5,555
Welfare Fund	6,388	-	-	6,388
Revaluation Reserve	1,642,371	-	-	1,642,371
Marks Donation	5,000	-	-	5,000
Screwfix Foundation	3,500	-	-	3,500
Tilney Donation	1,598	-	(190)	1,408
Workforce Capacity Fund	-	-	2,206	2,206
	<u>2,317,974</u>	<u>-</u>	<u>(562)</u>	<u>2,317,412</u>
TOTAL FUNDS	<u>3,404,587</u>	<u>699,938</u>	<u>(23,118)</u>	<u>4,081,407</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,670,160	(1,576,716)	-	93,444
Pension Liability Fund	-	(19,000)	(97,000)	(116,000)
	<u>1,670,160</u>	<u>(1,595,716)</u>	<u>(97,000)</u>	<u>(22,556)</u>
Restricted funds				
F J Apps Training Fund	-	(2,578)	-	(2,578)
Tilney Donation	-	(190)	-	(190)
COVID-19 Infection control	48,922	(48,922)	-	-
Workforce Capacity Fund	2,206	-	-	2,206
COVID-19 Support Fund	10,500	(10,500)	-	-
Rapid Testing Fund	7,964	(7,964)	-	-
Hardship Fund	3,580	(3,580)	-	-
	<u>73,172</u>	<u>(73,734)</u>	<u>-</u>	<u>(562)</u>
TOTAL FUNDS	<u>1,743,332</u>	<u>(1,669,450)</u>	<u>(97,000)</u>	<u>(23,118)</u>

SOLDEN HILL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds					
General fund	1,053,984	-	(73,391)	155,362	1,135,955
Revaluation reserve	1,056,947	-	-	-	1,056,947
Fair Value Reserve	30,630	-	-	-	30,630
Designated Fund	150,000	-	-	(150,000)	-
Pension Liability Fund	(1,371,363)	817,363	117,000	-	(437,000)
Share Capital	19	-	-	-	19
	920,217	817,363	43,609	5,362	1,786,551
Restricted funds					
Apps House Fund	416,389	-	-	-	416,389
Giles House Fund	72,396	-	-	-	72,396
Innes House Fund	147,655	-	-	-	147,655
Pottery Fund	14,544	-	-	-	14,544
Generator Fund	464	-	(464)	-	-
F J Apps Training Fund	24,535	-	(15,510)	(892)	8,133
Welfare Fund	6,388	-	-	-	6,388
Sensory Fund	561	-	(561)	-	-
Revaluation Reserve	1,642,371	-	-	-	1,642,371
Bike Fund	4,470	-	-	(4,470)	-
Marks Donation	5,000	-	-	-	5,000
Screwfix Foundation	3,500	-	-	-	3,500
Tilney Donation	1,889	-	(291)	-	1,598
	2,340,162	-	(16,826)	(5,362)	2,317,974
TOTAL FUNDS	<u>3,260,379</u>	<u>817,363</u>	<u>26,783</u>	<u>-</u>	<u>4,104,525</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,573,585	(1,651,726)	4,750	(73,391)
Pension Liability Fund	-	(14,000)	131,000	117,000
	1,573,585	(1,665,726)	135,750	43,609
Restricted funds				
Generator Fund	-	(464)	-	(464)
F J Apps Training Fund	-	(15,510)	-	(15,510)
Sensory Fund	-	(561)	-	(561)
Tilney Donation	-	(291)	-	(291)
	-	(16,826)	-	(16,826)
TOTAL FUNDS	<u>1,573,585</u>	<u>(1,682,552)</u>	<u>135,750</u>	<u>26,783</u>

Restricted funds

The revaluation reserves represent the difference between the carrying value of tangible fixed assets and their historical cost. Of the total revaluation reserve, £1,642,371 is restricted and £1,056,947 is unrestricted. These reserves were created in previous years following the revaluation of the charitable company's freehold property in February 2017. There have been no movements on this reserve in the year.

The COVID-19 Infection Control Fund was a grant received and is to be used for safe staffing costs and movement within the carehome.

The Workforce Capacity Fund was a grant received and is to be used in additional costs staff may incur due to COVID-19.

The COVID-19 Support Fund was a grant received and is to be used with the extra support required for visitor control and testing due to COVID-19.

The Rapid Testing Fund was a grant received and is to be used in relation to additional costs incurred due to Rapid Testing on a bi-weekly basis.

The Hardship Fund as a grant received and is to be used in relation to additional costs of Personal Protective Equipment and medical costs incurred due to COVID-19.

The following restricted funds are fully invested in fixed assets:

The Apps House Fund (formally the "New Building Fund 1986/1987") was set up in 1986 by the way of donations specifically for the building and furnishing of a new residential block to house 11 residents, thus enabling the greater use of single accommodation in both main houses. The new house was called Apps House.

SOLDEN HILL HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

22. MOVEMENT IN FUNDS - continued

The Giles House Fund was set up in 1991 as the result of donations received in memory of a deceased resident, at the request of his family. The aim of the project was to renovate the old disused pottery for use as a three-bedroom staff house.

The Innes House Fund was set up in 1994 to receive donations for the extension of Flora Innes House following an appeal to parents and friends. The extension provided single accommodation for all residents in the house. The fund also provided for the purchase of a house in Fairbrother Close to provide temporary accommodation for these residents who were displaced while work was in progress at Innes House. The house in Fairbrother Close was sold in June 1999.

The Pottery Fund was set up in 1991 as the result of a donation. A new pottery was set up in the lower level of Apps House to provide a permanent workshop for the use of residents.

Marks Donation was a donation received from Mr and Mrs Marks for the purpose of renovating a staff room into a room for a resident. The costs were capitalised as part of property improvements, which are not depreciated, and therefore there will be no movement on the fund until such time as the asset is disposed of or impaired.

The Screwfix Foundation donation was a contribution towards a stairlift for the benefit of a resident. The costs were capitalised as part of property improvements, which are not depreciated, and therefore there will be no movement on the fund until such time as the asset is disposed of or impaired.

The Tilney Donation was a donation of £2,000 received from the family of a resident for the purchase of a bench in the name of their relative. The cost was capitalised as a part of furniture and fixtures, which is depreciated every year. Therefore the movement in the fund is the depreciation each year and any costs associated with the item.

The following restricted funds have balances held in current assets for future use:

The F J Apps Training Fund was established in March 1999 as the result of donations in memory of F J Apps, Principal of Solden Hill House, who died on 13 March 1999. It provides funding for staff to undertake and provide training and development in accordance with the principles of Rudolph Steiner. During the year expenditure of £765 was incurred. The balance of the fund that is available for future use is £nil. The remaining balance represents amounts invested in fixed assets which will be reduced as depreciation is recognised.

The aim of the Welfare Fund is to enable service users who experience financial hardship to be able to access funding to use for their personal benefit for whatever purpose is considered appropriate e.g. outings, holidays etc. An initial donation of £500 was received in the year ended 31 March 2008. Further donations will be encouraged and promoted.

The Sensory Room was established by a grant received from TMF of £4,000. Part of the conditions of the grant was that expenditure was restricted on the creation of a Sensory Room.

Designated Fund

The designated fund is a Property Maintenance Fund set aside by the Trustees for the anticipated expenditure on property maintenance. However it was agreed by the trustees last year that this fund was no longer required so was transferred into the general reserve.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

23. EMPLOYEE BENEFIT OBLIGATIONS

The Charity is the sole Participating Employer in the Solden Section of the Mercury Provident Pension scheme (the Scheme), a UK registered trust based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustee is responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustee of the Scheme is required to act in the best interests of the beneficiaries of the Scheme.

There are two categories of pension scheme members:

- Deferred members: former active members of the Scheme and not yet in receipt of a pension
- Pensioner members: in receipt of pension.

The Trustee of the Scheme is required to carry out a formal actuarial valuation at least every 3 years. The last actuarial valuation of the Solden Section of the Scheme was performed by the Scheme Actuary for the Trustee as at 29 December 2019. The next Scheme valuation will take place as at 29 December 2021.

This valuation revealed a funding shortfall of £1,124,000. The Charity has agreed with the Trustee to pay the following contributions towards clearing the shortfall by 28 February 2037:

- £3,333.33 per month until 31 December 2022; increasing to
- £5,300 per month from 1 January 2023 to 31 December 2023.

Contributions will then increase annually by 5% on each 1 January (with the first increase being 1 January 2024) and will be payable up to 28 February 2037.

The Company expects to pay £40,000 to the Scheme during the accounting year beginning 1 April 2021.

The amounts recognised in the Statement of Financial Position are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£	£
Present value of funded obligations	(1,661,000)	(1,481,000)
Fair value of plan assets	<u>1,108,000</u>	<u>1,044,000</u>
	(553,000)	(437,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(553,000)</u>	<u>(437,000)</u>
Net liability	<u>(553,000)</u>	<u>(437,000)</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	11,000	12,000
Past service cost	-	8,000
Administration expenses	<u>48,000</u>	<u>50,000</u>
	<u>59,000</u>	<u>70,000</u>
Actual return on plan assets	<u>23,000</u>	<u>21,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£	£
Opening defined benefit obligation	1,481,000	1,535,000
Past service cost	-	8,000
Interest cost	34,000	33,000
Actuarial losses/(gains)	197,000	(45,000)
Benefits paid	(42,000)	(42,000)
Actuarial (gains)/losses from changes in financial assumptions	<u>(9,000)</u>	<u>(8,000)</u>
	<u>1,661,000</u>	<u>1,481,000</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£	£
Opening fair value of scheme assets	1,044,000	981,000
Contributions by employer	40,000	56,000
Administration expenses	(48,000)	(50,000)
Expected return	23,000	21,000
Benefits paid	(42,000)	(42,000)
Return on plan assets (excluding interest income)	91,000	78,000
	<u>1,108,000</u>	<u>1,044,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£	£
Actuarial (gains)/losses from changes in financial assumptions	9,000	8,000
Return on plan assets (excluding interest income)	91,000	78,000
Actuarial gains/(losses)	<u>(197,000)</u>	<u>45,000</u>
	<u>(97,000)</u>	<u>131,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£	£
Equities	468,000	345,000
Diversified growth funds	343,000	339,000
Liability driven investments	199,000	218,000
Cash	98,000	142,000
	<u>1,108,000</u>	<u>1,044,000</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2021	2020 as restated
Discount rate	1.90%	2.30%
RPI inflation	3.20%	2.50%
CPI inflation	2.60%	1.90%

Life expectancies (in years):-

	31 March 2021		31 March 2020	
	Males	Females	Males	Females
For an individual aged 65 at year end	22.1	24.1	21.9	24.3
At age 65 for an individual aged 45 at year end	23.6	25.3	23.3	25.7

24. CAPITAL COMMITMENTS

	2021	2020 as restated
	£	£
Contracted but not provided for in the financial statements	-	<u>338,068</u>

25. RELATED PARTY DISCLOSURES

During the year a £1,000 donation was received from The Dennis Alan Yardy Charitable Trust, who share a mutual Trustee.

26. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020 as restated
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	73,882	(104,217)
Adjustments for:		
Depreciation charges	15,963	13,667
Losses on investments	-	(4,750)
Loss/(profit) on disposal of fixed assets	1,975	(23)
Interest received	(1,150)	(3,561)
Interest paid	2,119	-
Dividends received	-	(3,450)
(Increase)/decrease in stocks	(3,596)	3,268
(Increase)/decrease in debtors	(17,415)	45,532
Increase/(decrease) in creditors	43,186	(17,213)
Difference between pension charge and cash contributions	<u>19,000</u>	<u>14,000</u>
Net cash provided by/(used in) operations	<u>133,964</u>	<u>(56,747)</u>

SOLDEN HILL HOUSE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

27.. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	<u>377,953</u>	<u>(203,081)</u>	<u>174,872</u>
	<u>377,953</u>	<u>(203,081)</u>	<u>174,872</u>
Debt			
Debts falling due within 1 year	-	(39,592)	(39,592)
Debts falling due after 1 year	<u>-</u>	<u>(410,408)</u>	<u>(410,408)</u>
	<u>-</u>	<u>(450,000)</u>	<u>(450,000)</u>
Total	<u>377,953</u>	<u>(653,081)</u>	<u>(275,128)</u>

28. SHARE CAPITAL

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
19 Ordinary shares of £1 each	19	19

SOLDEN HILL HOUSE LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	23,590	28,382
Grants	<u>80,056</u>	<u>-</u>
	103,646	28,382
Investment income		
Income from listed investments	-	3,450
Interest receivable	<u>1,150</u>	<u>3,561</u>
	1,150	7,011
Charitable activities		
Fees and allowances	1,604,492	1,522,628
Charitable rental income	33,936	15,414
Other income	<u>108</u>	<u>150</u>
	<u>1,638,536</u>	<u>1,538,192</u>
Total incoming resources	1,743,332	1,573,585
EXPENDITURE		
Charitable activities		
Wages	984,474	940,988
Social security	81,405	71,277
Pensions	46,870	48,679
Insurance	18,112	13,591
Light, heat, rates and water	70,106	71,107
Office and telephone	44,433	35,449
Sundries	26,641	19,374
Catering	32,514	53,746
Household and laundry	4,760	7,446
Medical	4,332	4,748
Education and leisure	1,389	14,572
Motor expenses	11,226	17,313
Repairs and maintenance	205,112	137,604
Legal and professional	24,496	18,179
Staff training	7,288	4,472
Volunteers and apprenticeships	6,540	5,380
Carried forward	1,569,698	1,463,925

This page does not form part of the statutory financial statements

SOLDEN HILL HOUSE LIMITED**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020 as restated
	£	£
Charitable activities		
Brought forward	1,569,698	1,463,925
Accountancy	4,934	6,837
Pension scheme admin expenses	48,000	58,000
Depreciation of tangible fixed assets	15,963	13,669
Loss on sale of tangible fixed assets	<u>1,975</u>	<u>(23)</u>
	1,640,570	1,542,408
Pension scheme buyout		
Pension scheme buyout	-	121,567
Support costs		
Finance		
Bank charges	10,721	1,222
Bank loan interest	2,119	-
Expected return on pension scheme assets	(23,000)	(21,000)
Interest on pension scheme liabilities	<u>34,000</u>	<u>33,000</u>
	23,840	13,222
Governance costs		
Auditors' remuneration	4,440	4,320
Trustees insurance	<u>600</u>	<u>1,035</u>
	<u>5,040</u>	<u>5,355</u>
Total resources expended	<u>1,669,450</u>	<u>1,682,552</u>
Net income/(expenditure) before gains and losses	73,882	(108,967)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>-</u>	<u>4,750</u>
Net income/(expenditure)	<u>73,882</u>	<u>(104,217)</u>

This page does not form part of the statutory financial statements