

**STOCKDALES OF SALE, ALTRINCHAM & DISTRICT
LIMITED**

(a company limited by guarantee)

Annual Report and Financial Statements

Year ended 5 April 2009

Registered number: 1392344
Registered charity number: 509053

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Annual report and financial statements for the year ended 5 April 2009

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Trustees

Mrs W Carstairs
Mr A S Gresty
Mr P K Quigley FCA
Mr P V G Wall (Chairman)
Mrs D A Watkins MCSP, SRP

Company secretary

Mr P K Quigley FCA

Chief executive

Mrs E Morris

Registered office

34 Harboro Road, Sale, Cheshire M33 5AH

Auditors

Kevin H Rourke
35 Hillington Road
Sale
Cheshire
M33 6GQ

Bankers

National Westminster Bank
19 School Road
Sale
Cheshire

Bank of Scotland
Pentland House
South Gyle
Edinburgh

Cater Allen
9 Nelson Street
Bradford

Lloyds TSB Group Plc
53 King Street
Manchester

Solicitors

Nicholls Henstock Stevenson
159 Ashley Road
Hale
Cheshire

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)
Chairman's Report for the year ended 5 April 2009

We have 4 houses, Harboro, Headonhey, Hayling & Ashton, dedicated to the provision of comprehensive care for those with severe learning difficulties & special multiple needs. We provide support in those houses to over sixty families in total and at any one time provide residential and respite care for up to 26 people, both adults and children.

For over 55 years, this has been at the very heart of our activities and it remains central to our success, our reputation and our future. In addition, for the last three years, we have migrated a huge amount of our accumulated knowledge & experience into providing a comprehensive Life Skills programme, to assist young people with special challenges become more independent, self sufficient and self confident.

The Trustees originally committed £250,000 to the Life Skills programme, which we believed was essential & greatly needed, but which had not been very well tested. We felt it appropriate to designate those funds in order to attempt to bring to young people on the threshold or early part of adult life, who faced particular & severe difficulties in standing alone, the opportunity to prove themselves & to develop their skills and abilities to the maximum. In the process, we also hoped to deliver even more comprehensively upon our founding principles. Happily, our judgement proved correct & Life Skills has exceeded even our most optimistic expectations. Already we have added over 120 additional, new young people to the list of those who receive Stockdales' very special support. This means we have effectively quadrupled in size and we have enjoyed the most successful year in our history, by any measure.

The increasing withdrawal of government funds to support life skills, once school and further education budgets are exhausted, has made this programme all the more essential. Although the present economic environment is unhelpful, I am delighted to report that all the early success has been so strong that we will be able to sustain the service indefinitely & we have far reaching plans to speed its growth. Its success is very widely recognised, it wholly fulfils our ambitions and it has proved a source of pride, great happiness & strength.

The care we offer throughout Stockdales is person based and we work constantly to identify and provide each individual with the support necessary to provide the most fulfilling and satisfying lifestyle possible. It is all too easy to fall into the trap of underestimating the abilities of those with very special needs and, consequently, to remove much of the excitement and stimulation of everyday life, which most of us take for granted. At Stockdales, we are always on our guard against any temptation just to provide pleasant surroundings and a safe seat in front of a television. Our belief in the abilities of all those seeking our support is all the more vital today, given that the present economic climate inevitably increases the financial pressure to give in to that cost-saving, 'couch potato' mind set, which it is so essential to resist.

For generations, Stockdales has been at the forefront in providing the best possible care and accommodation, designed significantly to exceed all national standards, existing and planned. We try always to remain in the vanguard of care provision, which involves not only the very best facilities money can buy, but also the provision of the best and most highly qualified care staff available and the identification of areas, like Life Skills, where no support is currently available or where it is poor. It is a mark of the standards we set ourselves throughout the organisation that, during the year, Ofsted rated Harboro as Good & Ashton as Outstanding Services. Similarly, the Care Quality Commission (CQC) awarded Hayling and Headonhey as Three-Star Outstanding Services.

Over the last ten years, we have expended over £2.5m on capital projects, so that we can offer beautiful homes for all those who need them, whether temporarily or for life, and we have introduced and enhanced a whole raft of care initiatives like Life Skills. The Trustees will be committing further significant capital soon to the provision of a dedicated Life Skills facility, where young people can learn the skills and challenges needed for everyday living and thereby become ever more self supporting and independent. We are also considering a bold move into opening a café or shop to allow young people with particular personal challenges to experience the satisfaction of setting up and running a business enterprise. This has been tried successfully elsewhere in UK and appears to offer at comparatively little cost another avenue to channel the abilities, skill and endless enthusiasm which otherwise would be wasted.

Our plans and ambitions require a very considerable amount of money and so it is entirely by design that we have ensured we maintain adequate liquid resources at our disposal before we begin any projects that affect our very special family most directly. We ended the financial year with £879,000 of cash in the bank. On the face of it this may seem a lot of unused resource, but set against the Trustees declared policy of keeping 3 months operating expenditure in liquid funds (c. £459,000 in 2008/09) and the designated and restricted funds set aside for ongoing projects (c. £128,000 in 2008/09) it leaves only c. £291,000 to expand & invest in the activities described above and to face the very fast growing fiscal uncertainties of the current economic situation, increasing cultural and registration demands and inevitable political change.

For 2009/10 we have been able to negotiate fee increases, which barely cover our cost of inflation. For us, the dramatic energy and staff cost increases during the year transcend simple RPI measures, which, themselves, in isolation, have little bearing on our operations. We have been warned that, in the 2010/11 year, all local authorities will face very sharply reduced budgets, especially for adult care & what are perceived as less essential services, which are, nevertheless, profoundly life enhancing. The financial pressure that this exerts means that to provide the sort of care we would wish always to provide, and to continue to improve the lives of young people with special needs, will require increasing subsidy from the charitable sector. Respite Care, Day Support and Life Skills programs may be perceived as expendable, politically & economically, but they are vital in keeping families healthy & balanced &, regardless of budget pressure, we must strive to improve & expand provision, wherever we can & in whatever way we can.

Although there has been much talk about person centred budgets, which some Local Authorities have pledged to introduce comprehensively by 2011, the dramatically changing economic landscape may render this something of a dream. Practically, transitional costs may derail well-intentioned plans & it remains to be seen whether those plans will be possible as described, what changes will follow in their wake and how precisely that might affect our very special family.

Notwithstanding all these other difficulties, without doubt the most volatile part of our planning and budgeting remains the problems we constantly face in forecasting accurately the ongoing level of demand for care and support. By the very nature of what we do we are at the mercy of fate with regard to occupancy levels. We cannot plan precisely how great demand may be and, very sadly, many of our family are immensely frail and likely to live relatively short lives. This makes providing the very best of everything all the more pressing, but it also means that accurate planning is almost impossible.

As a result, in the face of continuing downward pressure on fees, mirrored by upward pressure on staff & other costs, for a second year in a row, we have shown a substantial loss on operations in the year (£69,248). Furthermore, at a time when our interest income is falling severely, the Trustees have approved a negative budget on operations for the current year, which anticipates a loss on a similar scale. To give an idea of the sensitivity, the requirement for each residential place can improve operating income by £50,000. Similarly, the loss of a resident has the corresponding negative effect. Facing these financial realities, the Trustees are all the more determined to maintain an appropriate & adequate buffer of cash at the bank.

Naturally, the care we offer is extremely staff intensive and requires highly trained people on call all of the time. Staff costs represent about 80% of the running costs and they are forecast to continue to rise steeply, in line, both with the rates offered by the Local Authorities, and also the nursing profession, which affect the whole caring profession. We are also significant users of ever more costly energy, simply because we must maintain unusually warm surroundings and provide copious hot water. During the last year alone, contractual changes have forced some prices up by >50%.

All of this means that we must husband our financial resources with great care, skill, foresight and proper caution. In future, more than ever, we will have to rely upon charitable giving and we recognise that we must concentrate our efforts to increase fundraising income exponentially. In fact, in the coming years we will have to prepare an entirely changed business model, which, more and more depends upon fundraising to provide both basic care & quality of life. If this all seems ideologically unpleasant, it is no less a reality. Therefore, we are taking steps to improve the way we can reach people and appeal to them over the Internet, which is becoming increasingly important to the caring professions for fundraising. We are also planning joint initiatives along with other complementary organisations including lotteries, planned, regular giving and Web based appeals, promoted in partnership with local press.

With this increased need for exposure & renewed effort in mind, it is a special honour to be selected by the new Mayor of Trafford, Councillor David Higgins, to be his chosen charity during his Mayoral Year. We have always enjoyed a very close relationship with our host Borough and it is a privilege for us all at Stockdales to be selected by Trafford's First Citizen for special recognition. It is also a splendid launch platform for our new fundraising initiatives which this year will also involve working closely with the Mayor's Charity Committee. I would like to record our special thanks here to the Mayor and all who serve so tirelessly on his Charity Committee.

We are near to completing the overhaul of our comprehensive Web site, www.stockdales.org.uk, so that it explains, informs and illustrates more fully what we do and so that it becomes the central tool of communication for fundraising. It will always include a host of pictures of the houses, our activities and our most recent events and will be updated regularly, centrally, frequently and more simply with all our news. We continue to expand links to other related sites, not just those of the independent bodies responsible for licensing and monitoring our progress, but also to other more recreational and similarly appropriate sites. These and previous Annual Reports & Accounts are also posted on the Web site. We are very proud of what we do and it is our aim always to be completely transparent in sharing our enthusiasm and our story.

Most importantly, we aim to make the new Web site the centre of fundraising and regular planned giving from the public and friends, just like so many of the national charities do so successfully. Often, people feel comfortable to give and sustain a relatively small donation each month and, if the appeal can reach several thousand such people, which promotion and collection via the Internet can do relatively very cheaply, then we become the beneficiary of a large number of small sums, which come in regularly and which can be depended upon for future planning, in a way that we have considered dangerous to do with a much smaller number of significant donations or gifts.

At the heart of everything is our highly trained and totally committed staff. Increasingly and rightly, staff training assumes a much greater significance, not just because of the obviously onerous health and safety requirements for our most vulnerable family, but also because training raises awareness of the possible. Developing talents and increasing opportunities is very much about ensuring we understand what is possible and that we are never blinkered by appearances. In this, it is helpful to understand the wider picture and to train ourselves to acquire the confidence to challenge convention. It is a mark of their tireless dedication that our staff embraces our training programmes, and the new ideas they present, so enthusiastically. This vital commitment is most greatly appreciated by the Trustees and I want to thank all the staff on behalf of everyone here, who trusts us with their care.

The Society's operations are controlled by the Trustees. They meet regularly and frequently and are drawn from professional and business backgrounds. Their many years of experience are a source of great strength to the Society, and the Trustees ensure that at all times they are up to date and fully conversant with all the latest requirements governing their duties and responsibilities, both generically and specifically. The Trustees also fully recognise the need to plan for succession. For the operational staff, succession is planned for comprehensively, routinely and continuously. It is reviewed at the Trustee Meeting each month and much supplementary work has also gone into ensuring the executive management team has grown with the operation and that appropriate, comprehensive risk assessment associated with the increased size of operations is routine.

Succession planning for the Board of Trustees is a topic that is also discussed frequently at Trustee Meetings and remains a continuing source of concern. It is a matter of fact that Charities generally find it difficult to recruit individuals with the necessary talents who are prepared to give up the time and make the commitment required to manage and oversee complex, growing operations. Additionally, people perceive the fiduciary duties and responsibilities of a company directorship or trusteeship as onerous & daunting. Changing lifestyles also mean that young people have less spare time in their very busy schedules. As a result, Boards are finding it especially difficult to recruit younger talent to train. We remain on the alert for willing and capable expert support. We have publicised our requirements editorially & we have advertised, both in local press and via professional & trade journals.

I would like to end with special personal thanks to Emma Morris, our exceptionally committed & skilled Chief Executive, who has steered the operation wisely & most determinedly through another very busy & supremely successful year, during which there have been many changes and challenges. She and all her team deserve our heartfelt praise, congratulations and warmest thanks. I would also like to thank my fellow Trustees, whose endless enthusiasm and tireless effort, for no reward, other than the supreme satisfaction and pleasure in what we do, buoys us all. And finally, I want to thank the countless friends, helpers, donors and supporters who have been there for us always, in most cases for many, many years.

PVG Wall.

Chairman of the Board of Trustees.

27th July 2009.

The Trustees present their annual report and financial statements for the year ended 5 April 2009.

Aims and Objectives

The principal activity of Stockdaleø continues to be the charitable provision of respite and residential care for the welfare of children and people with severe learning difficulties & multiple physical disabilities in the Greater Manchester area.

We review our aims, objectives and activities throughout the year to ensure we remain focused on our stated purposes.

How our activities deliver Public Benefit

All our charitable activities focus on providing residential care and welfare to those with learning difficulties and physical disabilities and are undertaken to further our charitable purposes for the public benefit. Our objectives practically limit the services to residents in or around the greater Manchester area and the suitable, available accommodation limits the numbers of full time residents to 26. Services provided are funded by Local Authorities. We extended our work to assist young people with special challenges to become more independent through our Lifeskills project which has allowed us to substantially increase the numbers we work with on a non residential basis.

Financial Review

The statement of financial activities for the year is reported on page 8. The surplus for the year is £22,761, which is transferred to reserves. The £69,248 deficit on our activities (i.e. before fundraising and interest earned, and special projects) reflects the fine margins on which we operate. Our principal funding arises from provision of care and accommodation services which are contracted to Local Authorities. The Trustees have been advised that Local Authority budgets for provision of the care provided by the Charity, already under pressure, are to be reduced further in 2010/11.

Investment Policy

The Trustees seek to maximise the return on available reserves, to help bridge the funding gap between operating costs and contracted care income. Having considered the options available the Trustees have decided to invest in fixed term bank deposits, while maintaining adequate liquid resources to meet day to day requirements.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to unexpected events which may arise from time to time. In addition the Trustees committed funds to the development of the Lifeskills project over its first three years. Unrestricted funds were maintained at this level throughout the year.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks

Trustees

The directors of the company are also charity trustees for the purposes of charity law. All Trustees give their time voluntarily and receive no benefits from the charity.

The trustees who served during the period were as follows:

Mrs W Carstairs
Mr A S Gresty
Mr P K Quigley FCA
Mr P V G Wall (Chairman)
Mrs D A Watkins MCSP, SRP

Most trustees are very familiar with practical work of the charity, new trustee candidates are invited and encouraged to attend meetings prior to accepting nomination in order to become more familiar with the aims, objectives and working methods of the charity. The trustees are considering developing or sourcing a formal training programme for new trustees.

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)
Report of the trustees for the year ended 5 April 2009 (Continued)

Legal Information

The society is governed by the terms of its constitution and the memorandum and articles of association. The society is a charitable company limited by guarantee, which was incorporated on 4th October 1978.

Trustees' Responsibilities

Law applicable to incorporated charities in England and Wales requires the trustees, who are also the trustees of the company, to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of its financial activities during the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993 and the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Disclosure of Information to the Auditors

So far as each trustee at the date of approval of this report is aware:

- There is no relevant audit information of which the 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Kevin H Rourke as auditors to the company will be proposed at the forthcoming annual general meeting.

Small Companies Provisions

The report of the trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Events since the Balance Sheet date

The trustees have decided that a review of the value of the properties should be undertaken, and have instructed a local firm of valuers to report. The intention is to introduce this valuation into the 2009/10 financial statements. The trustees believe that this will give a fuller understanding of the costs associated with its activities.

By order of the Board

PVG Wall
Trustee
27th July 2009

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED (a company limited by guarantee)
Report of the independent auditors

Independent Auditors' Report to the Members of Stockdale's of Sale, Altrincham & District Limited

We have audited the financial statements of Stockdale's of Sale, Altrincham & District Limited (a company limited by guarantee) for the year ended 5th April 2009 which comprise the Income and Expenditure Account, the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Annual Report is consistent with the financial statements. We also report to you if, in our opinion, the charity has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' benefits, remuneration pensions and compensation for loss of office is not disclosed.

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

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity as at 5th April 2009, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and have been properly prepared in accordance with the Companies Act 1985, and the information given in the Trustees Annual Report is consistent with the financial statements.

Kevin H Rourke
Senior Statutory Auditor
For and on behalf of:

Kevin H Rourke, Chartered Accountants and Registered Auditors,
35 Hillington Road, Sale, Manchester, M33 6GQ
27th July 2009

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Statement of financial activities (including Income & Expenditure Account) for the year ended 5 April 2009

	Note	Restricted Fund 2009 £	Unrestricted Fund 2009 £	2009 £	2008 £
Incoming resources	3				
Care income		-	1,766,514	1,766,514	1,601,889
Legacies		-	-	-	-
<i>Voluntary Income:</i>					
Donations and gifts		22,000	65,708	87,708	87,149
Bank interest and investment income		-	26,401	26,401	41,022
General fundraising activities		-	152	152	1,922
Total incoming resources		<u>22,000</u>	<u>1,858,775</u>	<u>1,880,775</u>	<u>1,731,982</u>
Resources expended					
Cost of generating voluntary income					
Fundraising and publicity	7	-	(11,971)	(11,971)	(28,669)
Direct charitable expenditure	6	(11,971)	(1,821,291)	(1,833,262)	(1,714,368)
Governance costs		-	(2,500)	(2,500)	(2,500)
Total resources expended		<u>(11,971)</u>	<u>(1,835,762)</u>	<u>(1,847,733)</u>	<u>(1,745,537)</u>
Net incoming resources for the year		10,029	23,013	33,042	(13,555)
Transfer between funds		-	-	-	-
Unrealised (losses)/gains on investments	9	-	(252)	(252)	(9)
Funds brought forward 6 April 2008		17,679	2,142,060	2,159,739	2,173,303
Funds carried forward 5 April 2009	13,14	<u>27,708</u>	<u>2,164,821</u>	<u>2,192,529</u>	<u>2,159,739</u>

The company has no recognised gains or losses in either the current or preceding year other than those reported above and therefore no separate statement of total recognised gains and losses has been presented.

In both the current and preceding years the company made no material acquisitions and had no discontinued activities.

All amounts relate to continuing activities.

The notes on pages 10 to 14 form part of these financial statements

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Balance sheet at 5 April 2009

	Note	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	8		1,236,754		1,286,873
Investments:					
Quoted investments	9		640		892
			<u>1,237,394</u>		<u>1,287,765</u>
Current assets					
Stock	10	3,339		5,785	
Debtors	11	100,798		85,053	
Cash at bank and in hand		878,573		818,271	
			<u>982,710</u>		<u>909,109</u>
Creditors: amounts falling due within one year	12		<u>27,575</u>		<u>37,135</u>
Net current assets			955,135		871,974
Net assets			<u>2,192,529</u>		<u>2,159,739</u>
Funds	13		<u>2,064,821</u>		<u>1,943,785</u>
Unrestricted funds			2,064,821		1,943,785
Designated funds			100,000		198,275
Restricted funds			27,708		17,679
	14		<u>2,192,529</u>		<u>2,159,739</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1988 relating to small companies.

These financial statements were approved by the trustees on 27th July 2009 and signed on its behalf by:

Mr P V G Wall
Chairman

Mr P K Quigley
Trustee

The notes on pages 10 to 14 form part of these financial statements

1 Accounting policies

Accounting convention

The company has charitable status and is limited by guarantee. The liability of trustees is limited to £1 per member.

2 Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards and the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2008.

Cash flow statement

A cash flow statement has not been prepared as the company is a small company under S246 to S249 of the Companies Act 1985 and therefore meets the exemption as defined by Financial Reporting Standard 1 – revised, Cash Flow Statements.

Direct charitable expenditure

Direct charitable expenditure represents expenditure incurred in providing services to children and young adults and includes all general overheads.

Depreciation

Depreciation has been charged to write off the value of the assets over their estimated useful economic lives as follows:

Freehold land and buildings	-	2% of cost
Clinic equipment	-	20% of cost
General equipment	-	20% of cost
Ambulances and motor vehicles	-	20% of cost

Replacements for existing general equipment are written off to repairs and renewals in the year of acquisition.

Stock

Stock is valued at the lower of the cost and net realisable value.

Taxation

The company is a registered charity and, by virtue of its trading activities being in fulfilment of the objectives of the charity, is exempt from corporation tax.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 5 April 2009 (Continued)

Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are received, except as follows:

- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred to those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre conditions for use have been met.

When donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Investments

Investments are included in the financial statements at cost when purchased and adjusted to market value at the year end to comply with the SORP. Listed investments have been valued at middle market price at the balance sheet date

Fund accounting

Funds held by the charity are either:

- Unrestricted general funds- these are funds that can be used in accordance with the charity's objects at the discretion of the trustees.
- Designated funds ó these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds ó these are funds that 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

3 Income

Care income

Care income represents amounts received for the provision of care services to the residents at the charity's four houses adapted for children and people with severe learning and physical disabilities.

Bank interest and investment income

Bank interest and investment income is accounted for on a receipts basis and is analysed as follows:

	2009	2008
	£	£
Bank interest	26,330	41,011
Dividend income	71	11
	<hr/>	<hr/>
	26,401	41,022
	<hr/>	<hr/>
General fundraising ó unrestricted	2009	2008
	£	£
Collecting boxes	-	1,220
Other	152	702
	<hr/>	<hr/>
	152	1,922
	<hr/> <hr/>	<hr/> <hr/>

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 5 April 2009 *(Continued)*

4 Surplus for the year

Surplus for the year is stated after charging the following:

	2009	2008
	£	£
Depreciation of tangible fixed assets	70,464	60,459
Auditor's remuneration	2,500	2,500

5 Staff numbers and costs

The average number of persons employed during the year was as follows:

	Number of employees	
	2009	2008
Care and administration	95	91

The aggregate payroll costs of these persons were as follows:

	2009	2008
	£	£
Wages, salaries and related costs	1,356,739	1,282,862
Social security costs	107,915	101,728
	<u>1,464,654</u>	<u>1,384,590</u>

No employee received emoluments of more than £60,000.

None of the trustees received any remuneration from the charity during either the current or preceding year.

6 Direct charitable expenditure

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Establishment costs	11,971	1,785,473	1,797,444	1,676,669
Vehicle and travel costs	-	27,491	27,491	18,008
Holidays and trips	-	8,327	8,327	19,691
	<u>11,971</u>	<u>1,821,291</u>	<u>1,833,262</u>	<u>1,714,368</u>

7 Fundraising and publicity

	Restricted Funds 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Staff costs	-	11,324	11,324	26,959
Travel expenses	-	61	61	232
Other costs	-	586	586	1,478
	<u>-</u>	<u>11,971</u>	<u>11,971</u>	<u>28,669</u>

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 5 April 2009 *(Continued)*

8 Tangible fixed assets

	Freehold land and buildings £	Clinic equipment £	General equipment £	Ambulances and motor vehicles £	Total £
<i>Cost</i>					
At 6 April 2008	1,611,131	188,628	61,188	92,750	1,953,697
Additions	1,962	-	18,383	-	20,345
At 5 April 2009	<u>1,613,093</u>	<u>188,628</u>	<u>79,571</u>	<u>92,750</u>	<u>1,974,042</u>
<i>Depreciation</i>					
At 6 April 2008	363,868	188,628	39,606	74,722	666,824
Charge for year	44,484	-	18,791	7,189	70,464
At 5 April 2009	<u>408,352</u>	<u>188,628</u>	<u>58,397</u>	<u>81,911</u>	<u>737,288</u>
<i>Net book value</i>					
At 5 April 2009	<u>1,204,741</u>	<u>-</u>	<u>21,174</u>	<u>10,839</u>	<u>1,236,754</u>
At 5 April 2008	<u>1,247,263</u>	<u>-</u>	<u>21,582</u>	<u>18,028</u>	<u>1,286,873</u>

9 Investments

	2009		2008	
	Cost £	Market value £	Cost £	Market value £
Listed securities	631	640	631	892

10 Stock

	2009 £	2008 £
Consumables	3,339	5,785

11 Debtors

	2009 £	2008 £
Care income receivable	91,272	74,246
Income tax recoverable	272	4,247
Prepayments	9,254	6,560
	<u>100,798</u>	<u>85,053</u>

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 5 April 2009 *(Continued)*

12 Creditors: amounts falling due within one year

	2009	2008
	£	£
Trade creditors	2,227	7,107
Other creditors and accruals	25,348	30,028
	<u>27,575</u>	<u>37,135</u>

13 Funds

The income funds of the charity include the following restricted fund and the designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 6 April 2008	Incoming Resources & transfers	Expenditure gains, leases & transfers	Balance at 5 April 2009
	£	£	£	£
Restricted funds				
Tracking	13,944	-	9,827	4,117
Headonhey	1,000	-	-	1,000
In memory of Sam	277	-	-	277
Sensory equipment	2,283	-	144	2,139
Bath fund	-	2,000	2,000	-
Building fund	175	20,000	-	20,175
	<u>17,679</u>	<u>22,000</u>	<u>11,971</u>	<u>27,708</u>
Designated funds				
Lifeskills & opportunities project	198,275	-	98,275	100,000
Accumulated fund	1,943,785	1,858,775	1,737,739	2,064,821
	<u>2,142,060</u>	<u>1,858,775</u>	<u>1,836,014</u>	<u>2,164,821</u>
Total funds	<u>2,159,739</u>	<u>1,880,775</u>	<u>1,847,985</u>	<u>2,192,529</u>

14 Reconciliation of movement in capital and reserves

	2009	2008
	£	£
(Deficit)/Surplus for financial year	32,790	(13,564)
Opening reserves	2,159,739	2,173,303
Closing reserves	<u>2,192,529</u>	<u>2,159,739</u>

