

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

(a company limited by guarantee)

Annual report and financial statements

Year ended 5 April 2011

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 2011

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Trustees

Mrs W Carstairs
Mr A S Gresty
Mr P VG Wall (Chairman)
Mrs D A Watkins MCSP, SRP

Company secretary

Mr A S Gresty

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

Co-operative Bank
1 Balloon Street
Manchester

Solicitors

Nicholls Henstock Stevenson
159 Ashley Road
Hale
Cheshire

Our 4 houses, Ashton, Harboro, Hayling & Headonhey are dedicated to the provision of comprehensive individual care for those with severe learning difficulties & special multiple needs. In those houses, we support over sixty families and at any one time provide residential and short-term care for up to 28 people, both adults and children.

From the beginning, this has been the heart of our activities and remains central to our success and our reputation. However, for the last five years, we have also migrated a huge amount of our accumulated skill, knowledge & experience into providing a comprehensive Life Skills programme, to assist people with special challenges become more independent, self sufficient and self confident in their own lives.

Life Skills has exceeded our most optimistic original expectations and now 220 people of all ages receive Stockdales' very special support. We have far reaching plans for growth, including the introduction of Stockies, our service for school age children, which was trialled in the summer of 2011 and seems set to match the popularity of its older brother service. Life Skills' success is very widely recognised, wholly fulfils our ambitions and it has proved a growing source of happiness & strength.

By the most vital measure of how many people reached our services, the year was outstanding and our most successful yet. However, that performance was in complete contrast to the economic climate in which we are operating. The accelerating withdrawal of government funding was acutely felt in every sector of care: in short-break funding; in residential care funding; and in after school and further education funding (Life Skills). No year in our history has so starkly highlighted the need for us to be able to give independent financial support to our services and service users.

The care we offer throughout Stockdales is person based and we aim to identify and provide each individual with the support necessary for the most fulfilling and satisfying lifestyle possible. We will accept no other way, but care of this quality comes at a price. Our increasing concern is that intense budget pressures will harm the inalienable right of everyone here to receive the support they dearly need and deserve and to which they have a statutory right.

It is all too easy, and possibly even politically expedient, to fall into the trap of underestimating the abilities of those with very special needs and so to remove the routine stimulation of everyday life, which most of us take for granted. We are perpetually on our guard against any temptation to provide just pleasant surroundings and a safe seat in front of a television. Our belief in the abilities of those seeking our support is unshakable and currently all the more crucial in the presence of increasing financial pressure to give in to a cost-cutting, 'couch potato' regime, which itself is as execrable as it is vital for us to denounce.

For 2011/12 we were unable to negotiate any fee increases for the second year in succession. Never before has this happened to us. Consequently, we were unable to give staff pay increases for a second year. We bore and continue to bear immense inflationary pressures and continuing, dramatic increases in the cost of energy, fuel, food and VAT. Furthermore, in August 2011, energy costs alone will increase 20%.

By April 2012, the 20% element of costs not related to staff will have increased by over 40% since we last received any increase in our fees. Consequently, we must reduce the number of staff we employ by 12%. This will, inevitably, impact upon our ability to provide the level of service and support we want to offer. With the time delays inevitable in realising the payroll savings through natural wastage – anything harsher would have been a betrayal of staff loyalty - there will be a likely loss on operations of £300,000 in the current year. This is sustainable only because of charitable income, interest income, non-cash items and reserves. In approving this budget, the Trustees are determined to balance the budget during 2012, so we can adapt and move forward to offer our special care for another 60 years.

Frankly, those funding our service users must decide whether or not they are able and willing to pay for our current services. If they cannot, for any reason, then we will employ our skills, expertise and capital in different ways, which we identify to be both the most life enhancing for our service users and also thoroughly sustainable. We cannot keep watch over a disintegrating financial model. Unless there is an effective solution from Local &

Central Government, some of the services we currently offer will be closed. We must maintain pressure upon those in Government, so that our representatives locally & nationally never think that a charity taking the strain is a substitute, an easy option or the entire solution.

For generations, Stockdales has been in the vanguard of care provision. This has involved providing the very best facilities money can buy, the best and most highly qualified care staff available and services in areas, like Life Skills, where no support is currently available or where it is poor. We have expended large amounts 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. This will only continue for as long as it can be funded.

Aside from continual pressures on fee income, the most volatile part of our planning and budgeting remains the problem we constantly face in forecasting accurately the ongoing level of demand for care and support. We are at the mercy of fate with regard to occupancy levels. 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. To give an idea of the sensitivity, the requirement for each residential place can improve operating income by £60,000. Similarly, the loss of a resident has the corresponding negative effect. Facing these additional financial realities, the Trustees are all the more determined to maintain an appropriate & adequate buffer of cash at the bank.

Entirely by design, we ended the financial year with £1.05m of cash in the bank, to provide the financial strength necessary to weather the current economic storm. It may appear to be a lot of unused resource, but, set against the Trustees declared policy of keeping three months operating expenditure in liquid funds (c. £540,000 in 2010/11) and the restricted funds set aside for ongoing projects, it leaves just £470,000 to face the current burgeoning fiscal uncertainties, to absorb increasing cultural and registration demands, to adapt to unfolding political change and to expand and invest in new activities. To put it into context, we could only survive for three more years if we had to fund another year like this one just from reserves.

In the face of the relentless downward pressure on fees, mirrored by upward pressure on costs, for a fourth year in a row, we have shown a loss on operations in the year (£148,000). Furthermore, in the current year, given the freeze on fee income, escalating costs and interest income at an all time low, the Trustees have approved the negative budget for 2011/12 described earlier.

Obviously, the need to husband our financial resources with great care, skill, foresight and proper caution has never been greater. But also, in future, to meet our aspirations, we will have to rely more and more upon charitable giving. We recognise that we must expand our efforts to increase fundraising income exponentially. Although we are not helped in this by the currently very low interest rates, which deplete the reserves of the many Trusts, which have afforded generous gifts in the past, we must continue to explore ways in which we can reach more donors and appeal to them.

If more dependence upon charity to provide mainstream care appears ideologically unpleasant to anyone, it is no less a necessity. Very clearly, to provide the sort of care we are determined to provide, to continue to improve the lives of everyone with special needs, will require a vastly increasing contribution from the charitable sector and a complete shift in emphasis in our business and financial model.

Short Breaks, Day Support and Life Skills programs may be expendable politically & economically, but they are vital in keeping families healthy & balanced. Regardless of external fiscal pressure, we must continue to improve & expand provision. To do this requires we generate an income stream, upon which we can depend for day to day living costs, as well as capital projects. We are seeking regular, relatively small monthly giving & we have promoted our own lottery. We are using the Internet as our preferred medium of communication and fundraising, because we need to establish regular, provable, robust and enduring income, separate from the state sponsored care income. We are advertising on the radio, on buses and on the metro and we are conducting trials in door-to-door appeals, all to establish just such a dependable stream of monthly giving.

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED
(a company limited by guarantee)
Chairman's Report for the year ended 5 April 2011 (continued)

Our comprehensive Web site, www.stockdales.org.uk, explains, informs and illustrates what we do. Please visit the site to see what it says about us. We continue also to expand links to other related sites, including those bodies responsible for licensing and monitoring our progress and other more recreational or 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 as widely as we can.

At the heart of everything we do is our highly trained and totally committed staff. Their loyalty and dedication has been the more notable in these harsh economic times. It is a mark of their tireless devotion that they embrace our training programmes, and the ideas they present, so enthusiastically. Training keeps us safe and raises awareness of the possible. Developing hidden talents and increasing opportunities is very much about ensuring we understand precisely what is possible and that we are never blinkered by appearances. In this, it is helpful always to see the wider picture and to acquire the confidence to challenge convention. Staff commitment to all this is most greatly appreciated by the Trustees. It is vital to what we do and I want to thank all staff also on behalf of everyone here, who trusts us with their care.

The Society's operations are controlled by the Trustees. They meet monthly and are drawn from professional and business backgrounds. Their many years of experience are a source of great strength. The Trustees ensure that they keep up to date and fully conversant with all the latest requirements governing their duties and responsibilities, both generically and specifically. They also plan for succession. For operational staff, succession is planned comprehensively and continuously and it is reviewed at Trustee Meetings. Much supplementary work ensures the entire executive management team grows in size and ability in line with operational requirements and that comprehensive risk assessment associated with the increasing size and responsibilities is routine.

Charities everywhere find it difficult to recruit Trustees; individuals with the necessary talents prepared to make the commitment required to oversee complex, growing operations. Some perceive the fiduciary duties and responsibilities of 'company directorship' or 'trusteeship' as onerous & daunting. Changing lifestyles mean that young people have less spare time in their very busy schedules. As a result, we have found it very difficult to recruit fresh talent to train. However, during the year we have had some success and hope that individuals currently shadowing the Board will decide to become Trustees in 2012. We also continue to publicise our requirements in local press and via professional & trade bodies & journals.

After so challenging a year, more than ever my special personal thanks go to Emma Morris, our Chief Executive. She has shown determination, resilience, patience and skill in great abundance, during some very trying but ultimately highly rewarding times. She and her whole team richly deserve our most heartfelt congratulations and warmest thanks. I would also like to thank my fellow Trustees whose tireless enthusiasm and effort, for no reward, other than the supreme satisfaction and pleasure in what we do, is an example to 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; the sureness of their continued support is an inspiration.

PVG Wall.
Chairman of the Board of Trustees.
Stockdales of Sale Altrincham & District Ltd.
15 August 2011.

The Trustees present their annual report and financial statements for the year ended 5 April 2011.

Aims and Objectives

The principal activity of Stockdale's 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 7. The deficit for the year is £51,756 which is transferred against reserves. The £148,405 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. As noted in the Chairman's Report, Local Authority budgets for provision of the care provided by the Charity, are under severe pressure, and no increase in fees could be negotiated with them for 2011/12 and a similar position is expected in 2012/13.

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 (retired April 2010)
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 2011 (*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 directors 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 2006. 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 485 of the Companies Act 2006, 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

This report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

By order of the Board

PVG Wall

Trustee

15 August 2011

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 Stockdales of Sale, Altrincham & District Limited (a company limited by guarantee) for the year ended 5 April 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention, as modified by the Revaluation of fixed assets, and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of Stockdales of Sale, Altrincham & District Limited for the purposes of company law) for preparing the 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 2006. We also report to you if, in our opinion, the trustees' Annual Report is consistent with the financial statements, if 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' remuneration and transactions with the charity is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report and the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 5 April 2011, and of its incoming resources and application of resources, including its income and expenditure for the year then ended ;and
- the financial statements have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees Report is consistent with the financial statements

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

Kevin H Rourke, Chartered Accountants and Statutory Auditors,
35 Hillington Road, Sale, Manchester, M33 6GQ
15 August 2011

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED

(a company limited by guarantee)

Company Number 1392344 (England & Wales)

Statement of financial activities (including Income & Expenditure Account) for the year ended 5 April 2011

	Note	Restricted Fund 2011 £	Unrestricted Fund 2011 £	2011 £	2010 £
Incoming resources	3				
Incoming resources from charitable activities:					
Contracted care income		-	2,012,457	2,012,457	2,011,740
<i>Voluntary Income:</i>					
Donations and gifts		27,323	78,711	106,034	58,450
Legacies		-	14,441	14,441	-
Investment income		-	3,203	3,203	4,766
Activities for generating funds		-	294	294	769
Total incoming resources		<u>27,323</u>	<u>2,109,106</u>	<u>2,136,429</u>	<u>2,075,725</u>
Resources expended					
Cost of generating voluntary income					
Fundraising and publicity	7	-	(45,813)	(45,813)	(34,575)
Charitable activities	6	(11,630)	(2,112,549)	(2,124,179)	(2,012,601)
Governance costs		-	(2,500)	(2,500)	(2,500)
Total resources expended		<u>(11,630)</u>	<u>(2,160,862)</u>	<u>(2,172,492)</u>	<u>(2,049,676)</u>
Net incoming resources for the year		15,693	(51,756)	(36,063)	26,049
Transfer between funds		-	-	-	-
Unrealised (losses)/gains on investments	9	-	(158)	(158)	232
Revaluation of Tangible Fixed assets		-	-	-	945,334
Funds brought forward 6 April 2010		31,954	3,132,190	3,164,144	2,192,529
Funds carried forward 5 April 2011	13,14	<u>47,647</u>	<u>3,080,276</u>	<u>3,127,923</u>	<u>3,164,144</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.

Note of historical cost profit

	£	£
Net (outgoing)/incoming resources	(36,063)	26,049
Unrealised (losses)/gains on investments	(158)	232
Difference between historical cost depreciation and the actual depreciation charge of the year calculated on the revalued amount.	68,420	-
Historical cost profit/(loss) for the year	<u>32,199</u>	<u>26,281</u>

The notes on pages 9 to 13 form part of these financial statements

STOCKDALES OF SALE, ALTRINCHAM & DISTRICT LIMITED

(a company limited by guarantee)

Company No.1392344 (England & Wales)

Balance sheet at 5 April 2011

	Note	2011		2010	
		£	£	£	£
Fixed assets					
Tangible assets	8		2,012,975		2,101,540
Investments:					
Quoted investments	9		714		872
			<u>2,013,689</u>		<u>2,102,412</u>
Current assets					
Stock	10	2,000		3,863	
Debtors	11	92,505		111,706	
Cash at bank and in hand		1,058,849		1,005,115	
		<u>1,153,354</u>		<u>1,120,684</u>	
Creditors: amounts falling due within one year	12	39,120		58,952	
Net current assets			<u>1,114,234</u>		<u>1,061,732</u>
Net assets			<u>3,127,923</u>		<u>3,164,144</u>
Funds					
Unrestricted Funds					
General funds		2,203,362		2,186,856	
Revaluation reserve	14	876,914		945,334	
		<u>3,080,276</u>		<u>3,132,190</u>	
Restricted Funds	13		47,647		31,954
Total Funds	15		<u>3,127,923</u>		<u>3,164,144</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 Companies Act 2006.

These financial statements were approved by the trustees on 15 August 2011 and signed on its behalf by:

Mr P V G Wall
Chairman

Mrs D A Watkins
Trustee

The notes on pages 9 to 13 form part of these financial statements

1 Charitable status

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, as modified by the revaluation of fixed assets, and are in accordance with applicable accounting standards and the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

Cash flow statement

A cash flow statement has not been prepared as the company is a small company under S381 to S384 of the Companies Act 2006 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 or valuation
General equipment	-	20% of cost or valuation
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.

Notes forming part of the financial statements for the year ended 5 April 2011 (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 – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- Restricted funds – 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:

	2011	2010
	£	£
Bank interest	3,163	4,730
Dividend income	40	36
	<hr/>	<hr/>
	3,203	4,766
	<hr/>	<hr/>
General fundraising – unrestricted	2011	2010
	£	£
Collecting boxes	-	-
Other	294	769
	<hr/>	<hr/>
	294	769
	<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 2011 (*Continued*)

4 Surplus for the year

Surplus for the year is stated after charging the following:

	2011	2010
	£	£
Depreciation of tangible fixed assets	106,315	113,791
Auditor's remuneration	2,500	2,500
	<u> </u>	<u> </u>

5 Staff numbers and costs

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

	Number of employees	
	2011	2010
Care and administration - full time	64	57
- part time	42	39
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2011	2010
	£	£
Wages, salaries and related costs	1,570,666	1,493,612
Social security costs	117,787	112,713
	<u> </u>	<u> </u>
	<u>1,688,453</u>	<u>1,606,325</u>

One employee received emoluments of between £60,000 - £69,999 (2010 none).

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

6 Direct charitable expenditure

	Restricted	Unrestricted	Total	Total
	Funds	Funds	2011	2010
	2011	2011	£	£
	£	£		
Establishment costs	11,630	2,071,337	2,082,967	1,980,656
Vehicle and travel costs	-	27,534	27,534	21,861
Holidays and trips	-	13,678	13,678	10,084
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>11,630</u>	<u>2,112,549</u>	<u>2,124,179</u>	<u>2,012,601</u>

7 Fundraising and publicity

	Restricted	Unrestricted	Total	Total
	Funds	Funds	2011	2010
	2011	2011	£	£
	£	£		
Staff costs	-	29,611	29,611	25,085
Other costs	-	16,202	16,202	9,490
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>-</u>	<u>45,813</u>	<u>45,813</u>	<u>34,575</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 2011 (*Continued*)

8 Tangible fixed assets	Freehold land and buildings £	Clinic equipment £	General equipment £	Ambulances and motor vehicles £	Total £
<i>Cost or valuation</i>					
At 6 April 2010	1,894,036	-	299,305	92,750	2,286,091
Additions	-	-	-	17,750	17,750
At 5 April 2011	<u>1,894,036</u>	<u>-</u>	<u>299,305</u>	<u>110,500</u>	<u>2,303,841</u>
<i>Depreciation</i>					
At 6 April 2010	37,881	-	59,861	86,809	184,551
Charge for year	37,891	-	59,861	8,563	106,315
At 5 April 2011	<u>75,772</u>	<u>-</u>	<u>119,722</u>	<u>95,372</u>	<u>290,866</u>
<i>Net book value</i>					
At 5 April 2011	<u>1,818,264</u>	<u>-</u>	<u>179,583</u>	<u>15,128</u>	<u>2,012,975</u>
At 5 April 2010	<u>1,856,155</u>	<u>-</u>	<u>239,444</u>	<u>5,941</u>	<u>2,101,540</u>

The Freehold land & buildings were revalued during in July 2009 by Ian Macklin & Company, chartered valuation surveyors, at market value as defined in the RICS Appraisal and Valuation Standards sixth edition.

9 Investments	2011		2010	
	Cost £	Market value £	Cost £	Market value £
Listed securities	631	714	631	872

10 Stock	2011 £	2010 £
Consumables	2,000	3,863

11 Debtors	2011 £	2010 £
Care income receivable	49,554	95,710
Income tax recoverable	4,461	3,826
Prepayments	38,490	12,170
	<u>92,505</u>	<u>111,706</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 2011 (*Continued*)

12 Creditors: amounts falling due within one year

	2011	2010
	£	£
Trade creditors	16,297	20,487
Other creditors and accruals	22,823	38,465
	<u>39,120</u>	<u>58,952</u>

13 Restricted funds

	Balance at 6 April 2010	Incoming Resources & transfers	Expenditure gains, leases & transfers	Balance at 5 April 2011
	£	£	£	£
Headonhey	1,000	-	-	1,000
In memory of Sam	172	-	-	172
New funds	10,607	5,323	11,630	4,300
Building fund	20,175	22,000	-	42,175
	<u>31,954</u>	<u>27,323</u>	<u>11,630</u>	<u>47,647</u>

14 Revaluation reserve

	2011	2010
	£	£
At 6 April	945,334	-
Fixed assets revaluation surplus in the year	-	945,334
Depreciation charge related to revaluation	(68,420)	-
At 5 April	<u>876,914</u>	<u>945,334</u>

15 Reconciliation of movement in capital and reserves

	2011	2010
	£	£
(Deficit)/Surplus for financial year	(36,063)	26,049
Unrealised (losses)/gains on investments	(158)	232
Fixed asset revaluation surplus	-	945,334
Opening reserves	3,164,144	2,192,529
Closing reserves	<u>3,127,923</u>	<u>3,164,144</u>

16 Contingent liability

A former employee has made a claim for unfair dismissal, which the Trustees believe is unjustified and are vigorously defending. Based on professional advice, the Trustees believe there is a minimal risk that the claim will succeed and so have decided no provision is required to be made in these accounts.