

Charity registration number: 502610

# The Charnwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2021

McKellens Ltd  
Chartered Accountants  
11 Riverview  
The Embankment Business Park  
Vale Road  
Heaton Mersey  
Stockport  
SK4 3GN

## **The Charnwood Trust**

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## **The Charnwood Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	A. Graystone J.A. McCulloch A Harris J Baker S Crane N Lawrinson S Forman
<b>Principal Office</b>	St Paul's Road Stockport Cheshire SK4 4RY
<b>Charity Registration Number</b>	502610
<b>Independent Examiner</b>	McKellens Ltd Chartered Accountants 11 Riverview The Embankment Business Park Vale Road Heaton Mersey Stockport SK4 3GN

## **The Charnwood Trust**

### **Trustees' Report**

The Trustees of the Charnwood Trust (Reg. no. 502610) present their annual report together with the financial statements of the charity for the year ended 31 August 2021.

The Board of Trustees administer the Charnwood Trust and support the leadership team, who manage the charity from day to day. We have been encouraged as we reflect on developments during a year which has again seen increasing challenges for the voluntary and Early Years sectors.

For some years our plan has been to transfer the resources and responsibilities of the existing Charnwood Trust to a new CIO. On further consideration we have decided not to do this. Consequently the "new" Charnwood Trust CIO (Reg. no. 1164896) once again remained dormant for the period of this report. We anticipate winding up the CIO in 2022.

#### **Objectives**

The principal objectives of the existing Trust are set out in the Charity's trust deed. Our values stem from the Christian belief that every individual is uniquely created and valued, and that every individual child can learn and contribute to society.

The Trust aims to:

- promote the physical, mental, emotional and spiritual welfare of children
- provide inclusive nursery school education especially for children with special needs
- provide help and support for their families
- demonstrate the Christian faith in action

The focus of the Trust's inclusion agenda has always been to support disadvantaged young children alongside their peers, and during the year it has been humbling to witness the care and friendship established between the children. Historically, the disadvantaged children at Charnwood were those with additional support needs because of Special Educational Needs, other disability or medical conditions; the Trustees anticipate that this will continue to be a major factor in future activity. In addition, more recently, the Trust has extended its focus to embrace inclusion where young children are developmentally delayed because of social disadvantage. There is increasing evidence from research that providing for pre-school children has a significant impact on improving future school achievement and the overall life chances of children from less advantaged environments.

#### **Structure, Governance and Management**

The Trustees meet together as a board usually each half term, and occasionally for extra meetings about specific issues. In addition, individual trustees are involved in various activities and projects contributing towards the work of the charity. The Trustees give their time freely, and receive no remuneration or other financial benefits.

Existing trustees are responsible for the recruitment of new trustees, and the present board includes some with current and past teaching experience, and some with experience in the Local Authority, faith or charity sector; one is a recent Charnwood parent, and others have been in the past. All are people of faith from a range of Christian churches, and have a knowledge and understanding of the issues facing parents with young children, and an insight into the added pressures where there is a child with extra support needs. Andy Ruddick left the trustee board during the reporting year. We are grateful for his faithful service and wisdom over a long period. Subsequent to the reporting year, Dr Helen Wilkins has also left the trustee board. She has been an active and supportive trustee, and we thank her too for her service. We anticipate the arrival of two new trustees in 2022. Dr Geryl Whitaker is a retired GP who will bring local and medical experience. Clare Fay has had a career in administration, and also brings lived experience of disability. We look forward to the contribution they will make.

## **The Charnwood Trust**

### **Trustees' Report**

During the year in question the work of the trust has been directed by Head Teacher Cath Carr-Deed. Due to Cath's planned retirement on 31 August 2021 a new Head of Education, Jill Dring was appointed on 12 April 2021 to ensure a smooth transition. Cath and Jill are supported by Suzannah Gleaves - Deputy Head / SENCO, Julie Nowell - Business Manager and Vanessa Orr - Family Support Lead who make up the Senior Leadership Team.

Across the year we had a total of 54 employees - 34 nursery floor staff, 8 lunchtime staff, 4 Admin staff, 2 cleaners and a Caretaker. 5 staff left us on 31 August 2021 including our Head of Education Cath and a number of nursery floor staff who left to pursue further education opportunities. We also unfortunately had to make 2 Teacher posts redundant due to our withdrawal from the nursery provision at All Saints School in Belmont at the end of July 2021.

#### **Risk Management**

In managing the charity, the trustees have due regard for the Charity Commission guidance on public benefit. They recognise that public policy and provision continues to be in a state of significant change, and their intention has been to ensure the Trust is robust, fit for purpose, and able to respond to changing circumstances.

To this end the Trustees maintain a Risk Register, through which the major areas of risk to which the Charnwood Trust is exposed are systematically scrutinised over an annual cycle. The trustees have considered those risks and taken appropriate steps to mitigate where they can.

A major source of income for the Trust is from universal early years free entitlement (FE) fees for 15 or 30 nursery hours each week. These are paid on the basis of occupancy, and overall, places at the nursery setting continued to be well subscribed during the year. Charnwood has adapted its provision to accommodate this, while at the same time sought to maintain a family focused perspective where children and parents have the opportunity for time together.

One area of risk that the trustees continue to be mindful of, relates to dependence on a single source of income: Charnwood's provision of nursery places for children with special needs attracts local authority funding (and running costs) at a higher rate than standard FE nursery fees. As local authority resources are squeezed, less funding is available to provide for the extra support needs of those children, while their extra support needs still need to be met. This was a challenge for Charnwood during the reporting year, as our income reduced, and the extent of local authority provision also fell.

#### **Activities**

To achieve its objectives, the Trust directly provides services itself and seeks to influence the provision offered to children and families who don't use Charnwood services. This year, Charnwood continued to run a nursery school and family centre in the Heaton Moor area of Stockport and maintained one smaller site in the adjacent area of Belmont until July 2021 in association with the local authority.

## **The Charnwood Trust**

### **Trustees' Report**

In our nursery settings, the Trust aims to support the development of each child's full potential by providing centres of excellence that deliver the highest quality nursery education and family support, and which can also be a reference point for other providers. The provision through the Heaton Moor and Belmont nurseries this past year included an inclusive Nursery School, additional physiotherapy, hydrotherapy, speech therapy and occupational therapy. We also offer a breakfast and after school club. At Heaton Moor we also offer a morning and afternoon Adventurers Club. This was an inclusive extended nursery provision where children could have a more informal extra session each week, extending some of the curriculum themes that were being covered in the nursery.

Family Support forms an increasingly important part of our work, with individual support and advocacy backed up by parenting courses, support groups, meetings with visiting professionals, and one-to-one sessions at Charnwood or at the family home. Activities during school holidays also help families who care for children with additional needs and their siblings.

A stay-and-play-plus Opportunity Group is open four afternoons per week in term time. Experienced staff assist parents with their children's development through play. The Opportunity Group also allows parents to borrow specialist resources or books for their child needing specific support as part of their development.

The nurseries were not inspected by OFSTED this year, but retained their 'outstanding' status.

During the year, Charnwood Trust was also involved in training, providing opportunities for students and apprentices and working with other nursery settings to share and encourage good practice. We continued to participate in research.

A restricted fund is held in memory of our longest-serving trustee, the late Arthur Cross. Arthur's Fund was able to make small grants to help staff and families with specific needs such as holidays and transport.

In common with other settings, we continued to be impacted by Covid-19 and changing government guidance throughout the reporting year. The nurseries, however, stayed open throughout, adapting the environment to remain in bubbles; following government guidance and ensuring staff accessed the vaccination programme. Some staff were placed on the governments employment support scheme (furlough). Staff continued to respond magnificently ensuring that they maintained contact and support with children and families who were not able to join us in nursery or were isolating.

#### **Achievements and Performance**

The trustees wish to express their appreciation of the achievements of the staff in successfully maintaining and developing the various areas of the Trust's work. Those achievements are as much about the spirit in which things are done as what actually is done. Given the ethos and aims of the Trust, the Trustees are grateful to be able to report that children are really happy to be at Charnwood, parents are pleased with the service they receive, and staff commitment and morale remains high, despite the added difficulties of the pandemic.

#### **Financial Review**

There has again been an increase in the financial activity of the trust. The number of 15 hour places has increased, income from the wrap around care and parent fees has increased. There has been growth in most areas of the nursery. We are pleased to report a return to a surplus for the year, broadly equating to government grant income for the year (including Coronavirus Job Retention Scheme grants).

## The Charnwood Trust

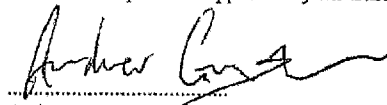
### Trustees' Report

#### Reserves Policy

The trustees consider that unrestricted funds not invested in tangible fixed assets or designated for specific purposes ("the free reserves") should be around 3 months of the resources expended, which equates to approximately £205,000. At this level, the trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. Notwithstanding the increase in the free reserves driven by the surplus in 2020-21, our reserves are currently somewhat lower than this, partly due to the capital expenditure we undertook in 2018, and partly due to extraordinary circumstances in 2019-20 in particular. However, we are content that we are holding adequate resources to cover our liabilities, and we aim to re-build our reserves over the next three years.

In common with other charities in the sector we have been financially stressed by the pandemic. As we emerge from the pandemic the trustees have determined to address the structural deficit in our finances and to rebuild our reserves. As a result, we made a decision to pass the provision at Belmont back to the local authority from Summer 2021. We are pleased to have negotiated a new Service Level Agreement with Stockport MBC for the next financial year and will continue to work with the local authority to support in the development of inclusive provision across the borough. As a result of these measures, and having considered forecasts up to August 2023, we are confident that the trust is a going concern.

The annual report was approved by the trustees of the charity on 10 May 2022 and signed on its behalf by:



A. Graystone  
Trustee

## The Charnwood Trust

### Statement of Trustees' Responsibilities

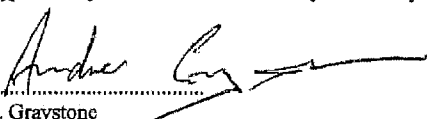
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 10 May 2022 and signed on its behalf by:

  
.....  
A. Graystone  
Trustee



## The Charnwood Trust

### Independent Examiner's Report to the trustees of The Charnwood Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 8 to 21.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of The Charnwood Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Charnwood Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

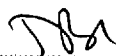
#### Independent examiner's statement

Since The Charnwood Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of McKellens Ltd, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Charnwood Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
Paul Roper  
McKellens Ltd  
Chartered Accountants  
11 Riverview  
The Embankment Business Park  
Vale Road  
Heaton Mersey  
Stockport  
SK4 3GN

Date: 30/5/22

**The Charnwood Trust**

**Statement of Financial Activities for the Year Ended 31 August 2021**

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	91,327	25,480	116,807
Charitable activities	3	726,997	-	726,997
Other trading activities	4	4,015	-	4,015
Other income	6	18,698	-	18,698
<b>Total income</b>		<u>841,037</u>	<u>25,480</u>	<u>866,517</u>
<b>Expenditure on:</b>				
Raising funds		(99)	-	(99)
Charitable activities	7	<u>(791,817)</u>	<u>(33,123)</u>	<u>(824,940)</u>
<b>Total expenditure</b>		<u>(791,916)</u>	<u>(33,123)</u>	<u>(825,039)</u>
Net income/(expenditure)		49,121	(7,643)	41,478
Gross transfers between funds		<u>(4,863)</u>	<u>4,863</u>	-
Net movement in funds		44,258	(2,780)	41,478
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>680,462</u>	<u>6,471</u>	<u>686,933</u>
Total funds carried forward	16	<u><u>724,720</u></u>	<u><u>3,691</u></u>	<u><u>728,411</u></u>

## The Charnwood Trust

### Statement of Financial Activities for the Year Ended 31 August 2021

	Note	Unrestricted £	Restricted £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	47,361	24,361	71,722
Charitable activities	3	667,451	-	667,451
Other trading activities	4	6,509	-	6,509
Investment income	5	8	-	8
Total income		<u>721,329</u>	<u>24,361</u>	<u>745,690</u>
<b>Expenditure on:</b>				
Raising funds		(414)	-	(414)
Charitable activities	7	<u>(704,964)</u>	<u>(62,229)</u>	<u>(767,193)</u>
Total expenditure		<u>(705,378)</u>	<u>(62,229)</u>	<u>(767,607)</u>
Net income/(expenditure)		15,951	(37,868)	(21,917)
Gross transfers between funds		<u>(2,999)</u>	<u>2,999</u>	-
Net movement in funds		12,952	(34,869)	(21,917)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>667,510</u>	<u>41,340</u>	<u>708,850</u>
Total funds carried forward	16	<u>680,462</u>	<u>6,471</u>	<u>686,933</u>

All of the charity's activities derive from continuing operations during the above two periods.

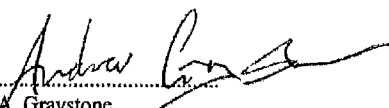
The funds breakdown for 2020 is shown in note 16.

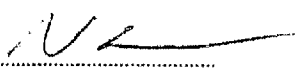
**The Charnwood Trust**

**(Registration number: 502610)**  
**Balance Sheet as at 31 August 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	558,757	558,255
<b>Current assets</b>			
Debtors	13	63,421	27,762
Cash at bank and in hand	14	<u>140,475</u>	<u>113,338</u>
		203,896	141,100
<b>Creditors: Amounts falling due within one year</b>	15	<u>(34,242)</u>	<u>(12,422)</u>
<b>Net current assets</b>		<u>169,654</u>	<u>128,678</u>
<b>Net assets</b>		<u>728,411</u>	<u>686,933</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		3,691	6,471
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>724,720</u>	<u>680,462</u>
<b>Total funds</b>	16	<u>728,411</u>	<u>686,933</u>

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 10 May 2022 and signed on their behalf by:

  
.....  
A. Graystone  
Trustee

  
.....  
N Lawrinson  
Trustee

**The Charnwood Trust**

**Cash Flow Statement for the Year Ended 31 August 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		41,478	(21,917)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		15,878	13,603
Investment income	5	<u>-</u>	<u>(8)</u>
		57,356	(8,322)
<b>Working capital adjustments</b>			
Increase in debtors	13	(35,659)	(1,728)
Increase/(decrease) in creditors	15	21,820	(5,626)
Decrease in deferred income		<u>-</u>	<u>(92,768)</u>
Net cash flows from operating activities		<u>43,517</u>	<u>(108,444)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	-	8
Purchase of tangible fixed assets	12	<u>(16,380)</u>	<u>-</u>
Net cash flows from investing activities		<u>(16,380)</u>	<u>8</u>
Net increase/(decrease) in cash and cash equivalents		27,137	(108,436)
Cash and cash equivalents at 1 September		<u>113,338</u>	<u>221,774</u>
Cash and cash equivalents at 31 August		<u>140,475</u>	<u>113,338</u>

All of the cash flows are derived from continuing operations during the above two periods.

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 1 Accounting policies

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

The Charnwood Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life. The trustees have amended the rate of depreciation relating to land and buildings as they consider it more appropriate to write down the building over 50 years in line with general industry practice. Previously land and buildings were being written down over 100 years

The depreciation rates are as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures, fittings and equipment	25% straight line
Land and buildings	2% straight line

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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 charity after deducting all of its liabilities.



## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### **2 Income from donations and legacies**

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	1,000	-	1,000	16,110
Donations from individuals	32,212	550	32,762	10,349
Legacies	1,217	-	1,217	-
Gift aid reclaimed	1,756	130	1,886	936
Grants, including capital grants;				
Government grants	38,142	-	38,142	20,027
Grants from other charities	17,000	24,800	41,800	24,300
	<u>91,327</u>	<u>25,480</u>	<u>116,807</u>	<u>71,722</u>

**The Charnwood Trust**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**3 Income from charitable activities**

	Unrestricted	Total	Total
	General	2021	2020
	£	£	£
EYPP	3,545	3,545	3,168
SEN Grant	305,309	305,309	217,499
Free Entitlement Grant	209,939	209,939	241,381
Additional Support	32,351	32,351	35,538
2 Year Old Offer	68,549	68,549	80,719
DAF - Disability Access Fund	14,145	14,145	14,760
Nursery Session	36,840	36,840	24,869
Lunch and snack fees	20,698	20,698	14,807
Woodies Fee	18,284	18,284	15,044
Adventurers Fee	10,418	10,418	12,388
Extras and add ons	973	973	731
Holiday Club	4,645	4,645	540
Opportunity Group Fees	1,301	1,301	6,007
	<u>726,997</u>	<u>726,997</u>	<u>667,451</u>

**4 Income from other trading activities**

	Unrestricted	Total	Total
	funds	funds	2020
	General	£	£
	£	£	£
Local fundraising and street collection income	2,316	2,316	2,225
Other income from other trading activities	1,699	1,699	4,284
	<u>4,015</u>	<u>4,015</u>	<u>6,509</u>

**5 Investment income**

	Total	Total
	2021	2020
	£	£
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>-</u>	<u>8</u>

**The Charnwood Trust**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**6 Other income**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Fees and supplies	18,698	18,698
<b>Total for 2021</b>	<b>18,698</b>	<b>18,698</b>

**7 Expenditure on charitable activities**

	<b>Unrestricted</b>		<b>Total 2021 £</b>	<b>Total 2020 £</b>
	<b>General £</b>	<b>Restricted £</b>		
Wages and salaries	640,202	271	640,473	598,127
Social security costs	30,648	-	30,648	28,001
Pension costs	25,015	-	25,015	25,063
Other staff costs	8,696	-	8,696	11,055
Establishment Costs	22,648	-	22,648	21,904
Cleaning	8,391	-	8,391	7,823
Office Expenses	11,701	-	11,701	11,400
Sundry and other costs	23,679	11,424	35,103	23,137
Physiotherapy and speech therapy	-	21,428	21,428	22,750
Depreciation, amortisation and other similar costs	15,878	-	15,878	13,604
Governance costs	4,959	-	4,959	4,329
	<u>791,817</u>	<u>33,123</u>	<u>824,940</u>	<u>767,193</u>

**8 Analysis of governance and support costs**

**Governance costs**

	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Independent examiner fees			
Examination of the financial statements	900	900	950
Other fees paid to examiners	3,558	3,558	2,958
Other governance costs	501	501	421
	<u>4,959</u>	<u>4,959</u>	<u>4,329</u>

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 10 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
<b>Staff costs during the year were:</b>		
Wages and salaries	640,473	598,127
Social security costs	30,648	28,001
Pension costs	25,015	25,063
Other staff costs	8,696	11,055
	<u>704,832</u>	<u>662,246</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021	2020
	No	No
Administrative staff	4	4
Teaching staff	26	27
	<u>30</u>	<u>31</u>

No employee received emoluments of more than £60,000 during the year

#### 11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

**The Charnwood Trust**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**12 Tangible fixed assets**

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 September 2020	667,353	100,093	767,446
Additions	9,744	6,636	16,380
Disposals	-	(10,719)	(10,719)
At 31 August 2021	<u>677,097</u>	<u>96,010</u>	<u>773,107</u>
<b>Depreciation</b>			
At 1 September 2020	109,774	99,417	209,191
Charge for the year	13,542	2,336	15,878
Eliminated on disposals	-	(10,719)	(10,719)
At 31 August 2021	<u>123,316</u>	<u>91,034</u>	<u>214,350</u>
<b>Net book value</b>			
At 31 August 2021	<u>553,781</u>	<u>4,976</u>	<u>558,757</u>
At 31 August 2020	<u>557,579</u>	<u>676</u>	<u>558,255</u>

**13 Debtors**

	2021 £	2020 £
Trade debtors	61,718	19,620
Prepayments	1,169	2,647
Other debtors	534	5,495
	<u>63,421</u>	<u>27,762</u>

**14 Cash and cash equivalents**

	2021 £	2020 £
Cash on hand	350	372
Cash at bank	<u>140,125</u>	<u>112,966</u>
	<u>140,475</u>	<u>113,338</u>

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	12,662	1,491
Other taxation and social security	10,364	-
Other creditors	1,400	1,850
Pension scheme creditor	4,434	3,629
Accruals	5,382	5,452
	34,242	12,422

#### 16 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2021 £
<b>Unrestricted</b>					
General	680,462	841,037	(791,916)	(4,863)	724,720
<b>Restricted</b>					
Children in Need	3,105	24,800	(32,768)	4,863	-
Arthur's Fund	3,366	680	(355)	-	3,691
<b>Total Restricted</b>	<b>6,471</b>	<b>25,480</b>	<b>(33,123)</b>	<b>4,863</b>	<b>3,691</b>
<b>Total funds</b>	<b>686,933</b>	<b>866,517</b>	<b>(825,039)</b>	<b>-</b>	<b>728,411</b>
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2020 £
<b>Unrestricted</b>					
General	667,510	721,329	(705,378)	(2,999)	680,462
<b>Restricted</b>					
Children in Need	5,335	24,300	(26,530)	-	3,105
Arthur's Fund	3,405	61	(739)	639	3,366
Silvia Adams Fund	32,600	-	(34,960)	2,360	-
<b>Total Restricted</b>	<b>41,340</b>	<b>24,361</b>	<b>(62,229)</b>	<b>2,999</b>	<b>6,471</b>
<b>Total funds</b>	<b>708,850</b>	<b>745,690</b>	<b>(767,607)</b>	<b>-</b>	<b>686,933</b>

**The Charnwood Trust**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**17 Analysis of net assets between funds**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 August 2021 £</b>
Tangible fixed assets	558,757	-	558,757
Current assets	200,205	3,691	203,896
Current liabilities	<u>(34,242)</u>	<u>-</u>	<u>(34,242)</u>
Total net assets	<u>724,720</u>	<u>3,691</u>	<u>728,411</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 August 2020 £</b>
Tangible fixed assets	558,255	-	558,255
Current assets	134,629	6,471	141,100
Current liabilities	<u>(12,422)</u>	<u>-</u>	<u>(12,422)</u>
Total net assets	<u>680,462</u>	<u>6,471</u>	<u>686,933</u>