

Charity registration number: 502610

# The Charnwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2022

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

## **The Charnwood Trust**

### **Contents (continued)**

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8 to 9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Financial Statements	12 to 21

## **The Charnwood Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	A. Graystone J.A. McCulloch A. Harris (resigned 18 May 2022) J. Baker S. Crane N. Lawrinson S. Forman G.A. Whitaker C.M. Fay
<b>Charity Registration Number</b>	502610
<b>Principal Office</b>	St Paul's Road Stockport Cheshire SK4 4RY
<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 2022.

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.

As reported in our last annual years, whilst for some years our plan had been to transfer the resources and responsibilities of the existing Charnwood Trust to a new CIO, we decided not to do this. The process of winding up The Charnwood Trust CIO (Reg no. 1168496) is almost complete; it remained dormant for the period of this report.

### 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 provide holistic support to disadvantaged young children and their families. Disadvantaged children learn alongside their peers, and once again 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, over recent years, the Trust has extended its focus to embrace inclusion where 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. During the year, Dr Helen Wilkins left the trustee board. She was an active and supportive trustee and we appreciated her service. We were pleased to welcome two new trustees in 2022. Dr Geryl Whitaker is a retired GP who brings local and medical experience. Clare Fay has had a career in administration, and brings lived experience of disability. We are already appreciating the contribution they are making.

## The Charnwood Trust

### Trustees' Report (continued)

The year ended 31 August 2022 was the first full year in post for our new Head of Education, Jill Dring following the retirement of our previous Head Teacher Cath Carr-Deed on 31 August 2021. Jill is supported by Suzannah Gleaves - Deputy Head / SENCO, Julie Nowell - Business Manager and Vanessa Orr - Family Support Lead, who make up the Senior Leadership Team. We are delighted with how Jill has hit the ground running and continued to advance the Charnwood ethos and sphere of influence for good, ably supported by our incredible senior leadership team who consistently go above and beyond in their care and support for Charnwood children and their families.

Across the year we had a total of 50 employees (equating to 30 full time equivalents) - 4 members of the senior leadership team, 31 nursery floor and opportunity group staff, 9 lunchtime staff, 3 admin staff, 2 cleaners and a caretaker.

#### **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's provision accommodates this, while at the same time seeking to maintain a family focussed 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. For the provision of nursery places for children with special needs Charnwood continued to receive additional local authority funding in addition to standard FE fees. During the course of the year Charnwood worked closely with the Local Authority to establish a clearer framework for partnership working for the year commencing September 2022. We remain conscious of the single source of income risk, especially in the context of not having this agreed more than one academic year in advance, and continue to explore other income opportunities.

#### **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.

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 nursery 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.

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.

## The Charnwood Trust

### Trustees' Report (continued)

A stay-and-play-plus Opportunity Group was open as six morning or afternoon sessions per week in term time (an increase of two compared to the previous year, partially supported by additional funding from the local authority). 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.

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. We expect grants made from this fund to increase as the cost of living crisis bites.

The impact of Covid-19 was less than in the previous two years but we remained cautious. 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 nursery was inspected by Ofsted on 21 July 2022. We are delighted to report that we have retained our overall 'Outstanding' status incorporating assessed outstanding quality of education, behaviour and attitudes, personal development, leadership and management. The following are just a select few of the comments made by Ofsted in their report:

- *'Children thrive at this inspirational setting'*
- *'The extremely ambitious and well-thought-out curriculum is built around what children know and can do. The environment offers children a rich set of learning experiences.'*
- *'Community is at the heart of Charnwood'*.

This outcome is testament to the quality and care of the Charnwood senior leadership team and indeed all the staff. As Ofsted also note, *'The leadership team and staff take time to get to know children and their families from the earliest opportunity. They go above and beyond for the families who attend and for other families in the community.'* We knew this already. This is Charnwood.

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.

#### Financial Review

We are pleased to report a second consecutive year of surpluses.

Total income increased by 3.5% from £867,000 to £897,000 with a reduction in income from donations and legacies (partially due to Covid Job Retention Scheme income in the prior year) more than offset by increases in income from charitable activities (principally due to an increase in resourced Special Educational Needs places).

Total expenditure only increased by 1.4% from £825,000 to £836,000 with staff costs broadly consistent year on year following a limited restructuring at the end of the previous year. We are mindful of inflationary cost pressures subsequent to the year-end.

## The Charnwood Trust

### Trustees' Report (continued)

#### Reserves Policy

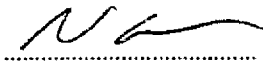
The trustees consider that unrestricted funds not invested in tangible fixed assets or designated for specific purposes (the free reserves) should be around 3 months of the resources expended on a like-for-like basis, which equates to approximately £202,000 for the year ended 31 August 2022. At this 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. As a result of surpluses in the past couple of years, we are pleased to report that we met our reserves policy at the year-end. However, we are not complacent. Over the course of the next few months, we anticipate some erosion of our free reserves due to expected cash outlays over Summer 2023 for further needed work on a troublesome leaking roof and much needed expenditure on improvements to our shared private access road. Notwithstanding these expected cash outlays, we anticipate that we will continue to meet our reserves policy at the end of August 2023.

We are pleased that our partnership agreement with Stockport MBC has continued with our funding recently re-confirmed for 2023/24. We continue to collaborate 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 2024, we are confident that the trust is a going concern.

The annual report was approved by the trustees of the charity on 9 May 2023 and signed on its behalf by:



A. Graystone  
Trustee



N. Lawrinson  
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.

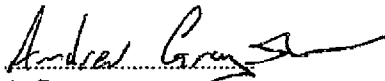
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial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

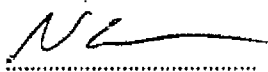
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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 Charities (Accounts and Reports) Regulations 2008, 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 9 May 2023 and signed on its behalf by:

  
.....  
A. Graystone  
Trustee

  
.....  
N. Lawrinson  
Trustee



## The Charnwood Trust

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

I report to the trustees on my examination of the accounts of The Charnwood Trust for the year ended 31 August 2022.

#### Responsibilities and basis of report

As the charity 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.

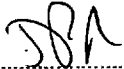
#### Independent examiner's statement

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: 10/5/23 .....

**The Charnwood Trust**

**Statement of Financial Activities for the Year Ended 31 August 2022**

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	14,805	17,435	32,240
Charitable activities	3	841,643	-	841,643
Other trading activities	4	5,118	-	5,118
Investment income	5	11	-	11
Other income	6	18,170	-	18,170
<b>Total income</b>		<u>879,747</u>	<u>17,435</u>	<u>897,182</u>
<b>Expenditure on:</b>				
Raising funds		(129)	-	(129)
Charitable activities	7	(819,883)	(16,480)	(836,363)
<b>Total expenditure</b>		<u>(820,012)</u>	<u>(16,480)</u>	<u>(836,492)</u>
Net movement in funds		59,735	955	60,690
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>724,720</u>	<u>3,691</u>	<u>728,411</u>
Total funds carried forward	16	<u>784,455</u>	<u>4,646</u>	<u>789,101</u>

The notes on pages 12 to 21 form an integral part of these financial statements.

## The Charnwood Trust

### Statement of Financial Activities for the Year Ended 31 August 2022 (continued)

	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>	4,863	-
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>724,720</u>	<u>3,691</u>	<u>728,411</u>

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

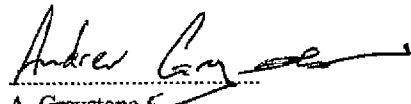
The funds breakdown for 2021 is shown in note 16.

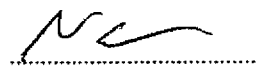
The Charnwood Trust

(Registration number: 502610)  
 Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	546,155	558,757
<b>Current assets</b>			
Debtors	13	23,993	63,421
Cash at bank and in hand	14	<u>232,795</u>	<u>140,475</u>
		256,788	203,896
<b>Creditors: Amounts falling due within one year</b>	15	<u>(13,842)</u>	<u>(34,242)</u>
<b>Net current assets</b>		<u>242,946</u>	<u>169,654</u>
<b>Net assets</b>		<u>789,101</u>	<u>728,411</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		4,646	3,691
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>784,455</u>	<u>724,720</u>
<b>Total funds</b>	16	<u>789,101</u>	<u>728,411</u>

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 9 May 2023 and signed on their behalf by:

  
 A. Graystone  
 Trustee

  
 N. Lawrinson  
 Trustee

**The Charnwood Trust**

**Cash Flow Statement for the Year Ended 31 August 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income		60,690	41,478
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		16,067	15,878
Investment income	5	<u>(11)</u>	<u>-</u>
		76,746	57,356
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	13	39,428	(35,659)
(Decrease)/increase in creditors	15	<u>(20,400)</u>	<u>21,820</u>
Net cash flows from operating activities		<u>95,774</u>	<u>43,517</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	11	-
Purchase of tangible fixed assets	12	<u>(3,465)</u>	<u>(16,380)</u>
Net cash flows from investing activities		<u>(3,454)</u>	<u>(16,380)</u>
Net increase in cash and cash equivalents		92,320	27,137
Cash and cash equivalents at 1 September		<u>140,475</u>	<u>113,338</u>
Cash and cash equivalents at 31 August		<u>232,795</u>	<u>140,475</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 2022

#### 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. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### **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 2022 (continued)

#### **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 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 2022 (continued)

#### **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 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 2022 (continued)

#### *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 2022 £	Total 2021 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	-	1,000	1,000	1,000
Donations from individuals	11,729	-	11,729	32,762
Legacies	-	-	-	1,217
Gift aid reclaimed	787	-	787	1,886
Grants, including capital grants;				
Government grants	-	-	-	38,142
Grants from other charities	2,289	16,435	18,724	41,800
	<u>14,805</u>	<u>17,435</u>	<u>32,240</u>	<u>116,807</u>

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 3 Income from charitable activities

	Unrestricted General £	Total 2022 £	Total 2021 £
EYPP	5,436	5,436	3,545
SEN Grant	416,786	416,786	305,309
Free Entitlement Grant	256,675	256,675	209,939
Additional Support	-	-	32,351
2 Year Old Offer	15,812	15,812	68,549
DAF - Disability Access Fund	14,275	14,275	14,145
Nursery Session	71,888	71,888	36,840
Lunch and snack fees	29,996	29,996	20,698
Woodies Fee	22,140	22,140	18,284
Adventurers Fee	-	-	10,418
Extras and add ons	845	845	973
Holiday Club	-	-	4,645
Opportunity Group Fees	5,210	5,210	1,301
Recharge of rent for opportunity group	2,580	2,580	-
	<u>841,643</u>	<u>841,643</u>	<u>726,997</u>

#### 4 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2021 £
Local fundraising and street collection income	3,669	3,669	2,316
Other income from other trading activities	1,449	1,449	1,699
	<u>5,118</u>	<u>5,118</u>	<u>4,015</u>

#### 5 Investment income

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>11</u>	<u>11</u>

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 6 Other income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Fees and supplies	18,170	18,170	18,698

#### 7 Expenditure on charitable activities

	Unrestricted		Total 2022 £	Total 2021 £
	General £	Restricted £		
Wages and salaries	634,419	45	634,464	640,473
Social security costs	33,662	-	33,662	30,648
Pension costs	25,778	-	25,778	25,015
Other staff costs	10,257	-	10,257	8,696
Establishment Costs	31,298	-	31,298	22,648
Cleaning	17,177	-	17,177	8,391
Office Expenses	12,105	-	12,105	11,701
Sundry and other costs	29,583	-	29,583	35,103
Physiotherapy and speech therapy	4,543	16,435	20,978	21,428
Depreciation, amortisation and other similar costs	16,067	-	16,067	15,878
Governance costs	4,994	-	4,994	4,959
	<u>819,883</u>	<u>16,480</u>	<u>836,363</u>	<u>824,940</u>

#### 8 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Independent examiner fees			
Examination of the financial statements	975	975	900
Other fees paid to examiners	3,453	3,453	3,558
Other governance costs	566	566	501
	<u>4,994</u>	<u>4,994</u>	<u>4,959</u>

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 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:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	634,464	640,473
Social security costs	33,662	30,648
Pension costs	25,778	25,015
Other staff costs	10,257	8,696
	<u>704,161</u>	<u>704,832</u>

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

	2022 No	2021 No
Administrative staff	4	4
Teaching staff	26	26
	<u>30</u>	<u>30</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 Charwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

#### 12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 September 2021	677,097	96,010	773,107
Additions	-	3,465	3,465
At 31 August 2022	<u>677,097</u>	<u>99,475</u>	<u>776,572</u>
<b>Depreciation</b>			
At 1 September 2021	123,316	91,034	214,350
Charge for the year	13,542	2,525	16,067
At 31 August 2022	<u>136,858</u>	<u>93,559</u>	<u>230,417</u>
<b>Net book value</b>			
At 31 August 2022	<u>540,239</u>	<u>5,916</u>	<u>546,155</u>
At 31 August 2021	<u>553,781</u>	<u>4,976</u>	<u>558,757</u>

#### 13 Debtors

	2022 £	2021 £
Trade debtors	15,710	61,718
Prepayments	7,497	1,169
Other debtors	786	534
	<u>23,993</u>	<u>63,421</u>

#### 14 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	363	350
Cash at bank	232,432	140,125
	<u>232,795</u>	<u>140,475</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,750	12,662
Other taxation and social security	-	10,364
Other creditors	1,000	1,400
Pension scheme creditor	3,812	4,434
Accruals	6,280	5,382
	<u>13,842</u>	<u>34,242</u>

16 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
<b>Unrestricted</b>				
General	<u>724,720</u>	<u>879,747</u>	<u>(820,012)</u>	<u>784,455</u>
<b>Restricted</b>				
Arthur's Fund	3,691	1,000	(45)	4,646
Sisters of St Joseph	-	10,000	(10,000)	-
Morrison's Foundation	-	6,435	(6,435)	-
<b>Total Restricted</b>	<u>3,691</u>	<u>17,435</u>	<u>(16,480)</u>	<u>4,646</u>
<b>Total funds</b>	<u>728,411</u>	<u>897,182</u>	<u>(836,492)</u>	<u>789,101</u>

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2021 £
<b>Unrestricted</b>					
General	<u>680,462</u>	<u>841,037</u>	<u>(791,916)</u>	<u>(4,863)</u>	<u>724,720</u>
<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>	<u>6,471</u>	<u>25,480</u>	<u>(33,123)</u>	<u>4,863</u>	<u>3,691</u>
<b>Total funds</b>	<u>686,933</u>	<u>866,517</u>	<u>(825,039)</u>	<u>-</u>	<u>728,411</u>

## The Charnwood Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

The specific purposes for which the funds are to be applied are as follows:

Arthur's Fund is held in memory of the late Arthur Cross, the longest serving trustee of the charity. This fund is used to make small grants to help staff and families with specific needs, such as holidays or transport.

The Children in Need fund was originally restricted for hydrotherapy costs, but when Covid-19 meant that hydrotherapy could not take place, the scope was widened to include speech therapy.

The Sisters of St Joseph of the Apparition have given a grant towards physiotherapy costs.

The Morrisons Foundation have given a grant towards the 'Help People to Hear My Voice' project.

#### 17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2022 £
Tangible fixed assets	546,155	-	546,155
Current assets	252,142	4,646	256,788
Current liabilities	(13,842)	-	(13,842)
<b>Total net assets</b>	<b>784,455</b>	<b>4,646</b>	<b>789,101</b>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2021 £
Tangible fixed assets	558,757	-	558,757
Current assets	200,205	3,691	203,896
Current liabilities	(34,242)	-	(34,242)
<b>Total net assets</b>	<b>724,720</b>	<b>3,691</b>	<b>728,411</b>