

Charity registration number: 502610

The Charnwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2017

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

Trustees	A. Graystone S. Collins (resigned 21 January 2017) A. Cross M. Hardstone (nee Duerdoth) J.A. McCulloch L. Selby (resigned 21 January 2017) A.P. Ruddick A Harris (appointed 25 May 2017) J Baker (appointed 15 March 2017) S Crane (appointed 25 May 2017)
Principal Office	St Paul's Road Stockport Cheshire SK4 4RY
Charity Registration Number	502610
Independent Examiner	McKellens Ltd Chartered accountants 11 Riverview The Embankment Business Park Vale Road Heaton Mersey Stockport SK4 3GN

The Charnwood Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2017.

Objectives and activities

Public benefit

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Board of Trustees who administer Charnwood Trust and support the leadership team managing the charity on a day to day basis, have been encouraged as they reflect on developments during a year which has again seen increasing challenges for the voluntary and charitable sectors. Plans made during the 50th anniversary 5 years ago to broaden the scope of the charity have continued and were incorporated into a new three year strategy to consolidate the recent expansion and developments into the fabric of the charity.

The Trustees also have responsibility for the new Charnwood Trust CIO and plan to transfer resources and responsibilities of the existing Charnwood Trust to this new body in the future. At present, the CIO is a dormant body.

Objectives

The principal objectives of the existing Trust, as set out in the Charity's original trust deed and translated into contemporary language for the new CIO, are reflected in Charnwood's commitment to children and their families. That commitment is based on the Christian belief that every individual is a precious and uniquely created being, and on the premise that every individual child can learn and contribute in an inclusive setting.

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 helping children when they are young (which is the right thing to do anyway!) 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.

The Charnwood Trust

Trustees' Report

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. The board members are committed to stay as trustees for the immediate future, unless life circumstances prevent this: one trustee, having been on leave of absence, decided to resign due to significant work pressures during the year. Three new trustees have been recruited, one with many years' experience in early years, one a parent with young children, and one employed in the commercial world. They are all individuals who have a desire to put their Christian faith into practical action.

A Director, Graham Frost, manages the day to day business of the Trust, and assists the Trustees in planning strategically for the future. The day to day educational activity is managed by Cath Carr-Deed, Head of Education, and the Special Educational Needs Co-ordinator (SENCO) Anne Smith, who also acts as deputy. A Family Worker completes the leadership team of four, which supports and is supported by three part-time administrative staff and a number of teaching and nursery nurse staff, and other housekeeping staff. For part of the year, an extra member of staff was employed to help the Trust develop its image and update and improve its communications with parents and other significant stakeholders. All of the leadership team and around a third of the rest of the staff team are members of Christian Churches.

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 have continued to systematically scrutinise the major areas of risk to which the Charnwood Trust is exposed, and they have both considered and taken appropriate steps to mitigate those risks where they can. A major source of income for the Trust is from universal early years free entitlement (FE) fees for 15 nursery hours each week. These are paid on the basis of occupancy, and overall, places at the three Charnwood nursery settings have continued to be oversubscribed during the year, despite the increase in the number of other providers locally increasing competition. (Each year, one of the smaller settings tends to experience periods of lower numbers due to the transitory lifestyle in some of its local accommodation.) From September 2017, the 15 hours FE will be extended to 30 hours for the children of working parents (EFE). 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. The Trust was successful in a bid for capital funding from the Department for Education to extend the building so that children with SEN will be able to access the 30 hours. The Trust has worked closely with an architect during the summer and the building work will commence during the autumn of 2017.

One specific area of risk that the trustees continue to be aware of relates to one 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 has been a challenge for Charnwood, as our income is reduced, but the met needs of the children and families from other sources is reduced too, leading us to facing more unmet need. The Trust has continued to review the way it uses available resources, but still views each child and family as unique and precious, and has avoided raising eligibility bars. Local Authorities facing economic constraints are seeking to find both local and regional solutions to providing quality inclusive services. Charnwood has continued to encourage and support the development of other settings able to offer quality inclusion through training activity offered to staff in those settings.

The Charnwood Trust

Trustees' Report

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, in partnership with the local Children's Centre, two smaller sites in the adjacent areas of Belmont and Lancashire Hill. In these 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 school and family centre this past year included:

- An inclusive Nursery School with 52 places in the morning and 26 in the afternoon in which children with extra support needs were fully included alongside their peers. Approximately one third of the children had learning and physical disabilities, and significant, sometimes life threatening health problems, as well as some who needed extra support because of current or earlier family circumstances. This year again, there were several looked after children who presented attachment issues.
- A Breakfast and After Nursery School club, which enabled parents to fit more easily around work and other commitments, by dropping their children off early, or picking them up later.
- A morning and an 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.
- A Family Centre, in the form of a part time Family Support worker, providing support and information for families through parenting courses, parent support groups, meetings with visiting professionals, and one-to-one sessions at Charnwood or at the family home. Various family activities have been organised during school holidays for children with additional needs and their siblings. Support was also made available to families who had moved on to primary school in the recent past, helping them to form and maintain new support networks.
- A stay-and-play-plus Opportunity Group every afternoon in term time where 30 parents and their children under three could enjoy all our facilities. Every week up to 150 families have used this resource, which again has encouraged children with special needs to join in play alongside their peers.
- An experienced staff team has assisted parents to develop their children's skills through play. This is the period when some parents discover that their initial fears of their child having a disability are being realised, and staff help parents to see and celebrate what their child can do, rather than the limits of the emerging disability.
- The opportunity for parents to borrow some specialist resources for their child needing specific support as part of their development. There is also a library of books and other resources for parents.

Across the nursery, there were daily sessions by physiotherapists, funded through BBC Children in Need, and weekly hydrotherapy sessions for identified children. There were also regular visits and support from other professionals such as speech therapists, an occupational therapist and an educational psychologist and sensory therapists. The activities in these therapy sessions were not carried out in isolation, but took place in such a way as to help the participating children join and be joined by other children.

Over the summer holidays in 2016, we had an indoor/outdoor class room built in the grounds, which came to be known affectionately as The Lodge. During the year this has been a successful extension to outdoor play, and the children now spend around half their time outside. We have purchased waterproofs for all the children. Ensuring that "outside" has been an accessible and positive experience for some of the children with special needs has been a challenge, and one that we will continue to address next year.

The Charnwood Trust

Trustees' Report

The provision using the extended two year-old offer included:

- Two small nursery settings for two year olds, set up in nearby socially disadvantaged neighbourhoods. (Typically, such an area has a population which includes families who have a disrupted lifestyle and where children have had limited opportunities). There were 15 sessions each week (5 mornings at one setting, and 5 mornings and 5 afternoons at the other) with up to 42 children supported with 5 sessions each. Over the year, numbers fluctuated as families were moved in and out of the area, and there was an increasing trend of children coming from homes where English was not spoken at home, their families having arrived as refugees.
- Parent meetings to help build relationships as well as develop parenting skills and confidence (eg around toileting, applying for schools). Each parent and child has come with their own particular needs and agenda, and the number of safeguarding and support issues has risen steadily. During the year one of the team had the additional role of supporting individual families who were finding it difficult to engage and deal with life problems.
- The introduction of Makaton signing to encourage and support communication, and physiotherapy support to help devise ways of improving the children's delayed physical development.
- Parent and child visits to local resources that parents can then repeat (eg to the local library). One trip was subsidised to a children's accessible theatre production.

During the year, Charnwood Trust was also involved in:

- Training. We promoted high quality education in the community by offering training opportunities for students and apprentices from a variety of institutions and placements. We continued links with other nursery settings to share and encourage good practice, and develop networks for those engaged with children with special needs.
- Research. We continued to participate in an extended DfE funded project and presented at conferences exploring the implementation of the SEND reforms nationally, and linking into improvements in early years training.
- We concluded a project with Manchester Metropolitan University to develop the communication skills of children and young people on the autistic spectrum using iPads.
- We set up an initial community fun day event around one of the smaller nurseries to reduce ethnicity tension and to build relationships and participation. This will become a regular activity with events happening every 2 or 3 months.
- Supporting volunteers. Volunteering has always been an important part of Charnwood. For some, this has been an opportunity to gain experience in a possible new career; for others, it has been an opportunity to build confidence, or to give something back to their community.

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 overall, children are really happy to be at Charnwood, and that parents are very pleased with how their children settle and progress.

At the last OFSTED inspection in July 2015, the setting at Heaton Moor was judged it to be outstanding in every category, for the third time in succession. Less than one percent of nurseries nationally have achieved this. Trustees are pleased that staff commitment to the Trust's ethos, valuing each individual child and their parents, has continued this year and what Ofsted identified and reported is still practiced.

The Charnwood Trust

Trustees' Report

Ofsted said:

The nursery has developed highly engaging strategies to involve parents. Relationships between parents and staff are trusting, respectful and understanding.

Staff place an exceptionally high emphasis on promoting children's emotional wellbeing....to develop the essential skills needed to become confident and independent learners.

Staff give the highest priority to keeping children safe and secure.

Children's behaviour is exemplary. Staff are very aware of the varying needs of the children who attend and show patience and understanding when dealing with behaviour.

The care of children with special educational needs and/or disabilities is exceptional. Partnership working is exemplary and staff are especially aware of children's individual needs. This helps to promote children's emotional and physical well-being pertinently well.

Staff teaching is exceptional. They skilfully question children, encouraging them to think for themselves. Activities are differentiated extremely well to provide varying levels of challenge, taking into account the differing needs of the children.

Three years ago, the Trust achieved the Leading Parent Partnership Award, reflecting the level of parental consultation, input and support that takes place. It should have been reassessed in July but because of circumstances, was delayed until September, when it was awarded for a further 3 years. Policies and procedures, admission processes and communication have continued to be reviewed and improved in consultation with parents including Facebook, twitter and weekly emails and website updating:

Past parents are very supportive of the school and proud to be associated with it. 'We feel blessed to be Charnwood parents'. They still come back for advice and support as do the schools their children now attend.

There is a lot of support for families. Charnwood is not just a school it is an 'advocacy'. Staff help parents to access the appropriate help and support for their children and advice for families.

The school is very welcoming and works hard to engage all families with friendly staff, the smile at the door. Nothing is too much trouble, the school is there for the children and their families. There is no hierarchy and all staff are addressed by their first name, key workers become friends.

Communication has improved with the introduction of social media but still offers hard copies.

The school solicits and values parents' views and reacts quickly to comments and requests.

Charnwood prepares children for school and supports parents through the application procedures, particularly with SEND assessments, accessing appropriate funding and placements.

"Staff are approachable and friendly so that parents feel comfortable in school. Parents are given a great deal of support."

The school has always been good at communicating with parents but the new App is a very good innovation as are Facebook and Twitter. It is very helpful to have the same Key Person throughout the child's time in the school, it is always easy to contact the school by phone.

Induction and transition are good, children settle well and parents are given a lot of help when moving on to Primary school.

Present parents feel that staff will always make time for parents, are always very positive and provide lots of information about children's progress and achievements. Parents have access to learning journals and data, which is clearly explained, and are sent lots of photos. The high staff to children ratio is crucial in ensuring staff can communicate with parents on handover. Staff 'always make you feel your child is special'.

The school provides a lot of support for parents, especially around SEND assessment, nothing is made to seem a problem, 'I feel as if the pressure is taken off me'.

The Charnwood Trust

Trustees' Report

Parental comments were collected regularly during the year, and continued to be consistently positive:

Charnwood is possibly the friendliest and most lovely place I've ever been to.... No wonder the kids love it!

That my son is treated as an individual and his needs are met has been so reassuring. He is a special boy and I believe you feel that way too. Thank you.

We just love Charnwood. The care and kindness to our daughter and also shown towards us. We're very grateful.

The outside area is perfect for our little boy, open ended, messy loads of fun. We love Charnwood.

Charnwood is great! The teachers have been amazing, bringing the best out of my boy. Thinking of having another one just so we can come here again.

Nurturing, taking initiative, encouraging

It has been a real encouragement as Trustees have heard of donations of clothing, toys and equipment (such as double buggies) made by parents at the Heaton Moor site to share with parents at the other 2 sites who have less for their children: during Lent, a large collection of food tins and Easter Eggs were able to be shared with individual families and the food bank in the area. It has also been an encouragement as families at all three sites have supported their children to join in fundraising efforts for local good causes.

Students and volunteers have made a valuable contribution to Charnwood's work, and placement reports indicate individuals valued highly their experiences and learning in the settings. Some students have chosen to come back for their second placement. Charnwood's hope was to give the professional course students experiences that put their theoretical learning into a practical and quality context, which challenged them and inspired them to be creative in their future early years work. This is one way that Charnwood can have an impact on the experience of children in other settings, who themselves never actually come to Charnwood:

Along the same lines, we have been involved in supporting staff from other early years settings, both in day placements at Charnwood, but also acting as consultant regarding specialist support for children in their setting.

The Trust has made further improvements to staffing practice as part of its Investment in People agenda, and the award was re-assessed and accredited during the year: the extended induction of new staff, supervision and monitoring sessions now established as core practice, have been reviewed, and supervision is now half termly for all staff. Each nursery floor has a full-time teacher, and because staff teams are now often split as groups of children are outside, we have introduced the role of deputy on each floor. One teacher is based outside full time, and takes responsibility for developing inclusive play. The experience and range of skills and qualifications within the staff team is already significant (all key worker staff have at least level 3 qualification), and these strengths continue to be encouraged through participation in a number of practice development projects on site. Staff training continues to be a priority, and we have introduced 3 weekly training sessions as well as regular full team days. Some individuals have attended courses on specific topics and 6 are engaged in further professional qualifications. All of the staff have food handling certificates, undertake moving and handling, safeguarding and basic paediatric first aid training on a regular basis, and additional training has been arranged to meet the specific needs of the cohort of children. During this year, the programme to achieve full team paediatric first aid qualification continued to be rolled out across the staff team.

In September, as part of its aim to support the general development of the early years workforce, the Trust employed a mature new apprentice at each site. All three were making a career change having experienced Charnwood either as a parent or in another capacity such as volunteering. Charnwood is supporting them in their studies, and in developing their practice.

The Charnwood Trust

Trustees' Report

Minor maintenance needs and improvements have been dealt with during the year. In addition new flooring was laid at Heaton Moor, and adjustments made to the room layout to prepare for the start of the building extension work. Money was set aside to build two extra outdoor classrooms in the grounds. The next-door scout group kindly agreed to the nursery children using their field, and a new gate was created in the adjoining fence. As well, the scouts agreed to a redesign of the access road and a pathway being constructed on their land to improve safety for children and parents, as well as for the community generally.

Some improvements were also made to the two year old settings, though because the Trust is tenant here, these improvements were largely cosmetic. The settings are small and there is very limited space which makes it difficult to do much more than child-focussed activity and the occasional parent small group meeting. The Trust continues to seek ways to resolve this so that it can have a greater impact in the area, and support individuals more comprehensively.

Financial Review

There has again been an increase in the financial activity of the trust with a rise in both income and expenditure. This is expected to continue next year. This year there is a small overspend because of capital improvements to the Heaton Moor site and preparations for the building project. Trustees are grateful to the individuals and organisations who have made large and small donations towards this development.

As part of the charity's Christian ethos, the Trustees have been concerned to be as exemplary and generous an employer and service provider as possible within available resources. Whilst there is some statutory funding, it doesn't cover the full cost of what Charnwood does, and the Trust is thankful that support from friends and grant-making bodies has enabled this work to continue. At the same time, the Trust's other non-statutory funded activity has been maintained.

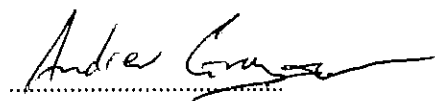
In so far as the Trustees are aware:

- there is no relevant audit information of which the Charity's Independent Examiner is unaware;
- 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 auditor is aware of that information.

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 £150,000. 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. In this situation, it would obviously be necessary to consider how the funding would be replaced or activities changed.

The annual report was approved by the trustees of the charity on 23 March 2018 and signed on its behalf by:



A. Graystone
Trustee

The Charnwood Trust

Statement of Trustees' Responsibilities

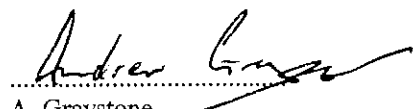
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 23 March 2018 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 on the accounts of the charity for the year ended 31 August 2017 which are set out on pages 11 to 26.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of McKellens Ltd.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....

J P Roper
McKellens Ltd
Chartered accountants
11 Riverview
The Embankment Business Park
Vale Road
Heaton Mersey
Stockport
SK4 3GN

26 March 2018

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2017

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £
Income and Endowments from:				
Donations and legacies		63,299	22,750	86,049
Charitable activities		603,131	-	603,131
Other trading activities		16,625	-	16,625
Investment income	5	550	-	550
Total Income		<u>683,605</u>	<u>22,750</u>	<u>706,355</u>
Expenditure on:				
Raising funds		(2,079)	-	(2,079)
Charitable activities		<u>(686,593)</u>	<u>(24,655)</u>	<u>(711,248)</u>
Total Expenditure		<u>(688,672)</u>	<u>(24,655)</u>	<u>(713,327)</u>
Net expenditure		(5,067)	(1,905)	(6,972)
Gross transfers between funds		<u>(1,536)</u>	<u>1,536</u>	<u>-</u>
Net movement in funds		(6,603)	(369)	(6,972)
Reconciliation of funds				
Total funds brought forward		<u>478,327</u>	<u>369</u>	<u>478,696</u>
Total funds carried forward	15	<u>471,724</u>	<u>-</u>	<u>471,724</u>

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2017

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £
Income and Endowments from:				
Donations and legacies		25,901	22,550	48,451
Charitable activities		604,364	-	604,364
Other trading activities		9,140	-	9,140
Investment income	5	<u>902</u>	<u>-</u>	<u>902</u>
Total Income		<u>640,307</u>	<u>22,550</u>	<u>662,857</u>
Expenditure on:				
Raising funds		(1,690)	-	(1,690)
Charitable activities		<u>(623,908)</u>	<u>(31,247)</u>	<u>(655,155)</u>
Total Expenditure		<u>(625,598)</u>	<u>(31,247)</u>	<u>(656,845)</u>
Net income/(expenditure)		14,709	(8,697)	6,012
Gross transfers between funds		<u>(1,553)</u>	<u>1,553</u>	<u>-</u>
Net movement in funds		13,156	(7,144)	6,012
Reconciliation of funds				
Total funds brought forward		<u>465,171</u>	<u>7,513</u>	<u>472,684</u>
Total funds carried forward	15	<u>478,327</u>	<u>369</u>	<u>478,696</u>


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

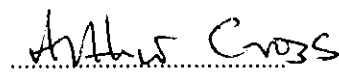
The funds breakdown for 2016 is shown in note 15.

The Charnwood Trust
(Registration number: 502610)
Balance Sheet as at 31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	280,639	212,019
Current assets			
Debtors	13	18,064	5,785
Cash at bank and in hand		<u>182,907</u>	<u>264,384</u>
		200,971	270,169
Creditors: Amounts falling due within one year	14	<u>(9,886)</u>	<u>(3,492)</u>
Net current assets		<u>191,085</u>	<u>266,677</u>
Net assets		<u>471,724</u>	<u>478,696</u>
Funds of the charity:			
Restricted funds		-	369
Unrestricted income funds			
Unrestricted funds		<u>471,724</u>	<u>478,327</u>
Total funds	15	<u>471,724</u>	<u>478,696</u>

The financial statements on pages 11 to 26 were approved by the trustees, and authorised for issue on 23 March 2018 and signed on their behalf by:


A. Graystone
Trustee


A. Cross
Trustee

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

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 2015) - (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.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

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

Transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required.

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.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

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.

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.

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 as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% straight line

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Notes to the Financial Statements for the Year Ended 31 August 2017

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.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

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.

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.

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Notes to the Financial Statements for the Year Ended 31 August 2017

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	Total	Total
	£	funds £	2017 £	2016 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	10,481	-	10,481	-
Donations from individuals	22,030	-	22,030	23,544
Legacies	6,935	-	6,935	-
Donations from community groups	19,000	-	19,000	-
Gift aid reclaimed	4,853	-	4,853	2,357
Grants, including capital grants;				
Grants from other charities	-	22,750	22,750	22,550
	<u>63,299</u>	<u>22,750</u>	<u>86,049</u>	<u>48,451</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

3 Income from charitable activities

	Unrestricted funds	Total	Total
	General	2017	2016
	£	£	£
Other income	-	-	5,400
EYPP	2,839	2,839	-
SEN Grant	217,499	217,499	264,784
Free Entitlement Grant	155,345	155,345	141,347
Additional Support	21,034	21,034	5,053
2 Year Old Offer	105,058	105,058	99,714
Pen Green Payments	23,522	23,522	23,872
Nursery Session	14,842	14,842	11,217
Lunch and snack fees	13,040	13,040	8,874
Woodies Fee	9,608	9,608	7,765
Adventurers Fee	27,571	27,571	20,286
Opportunity Group Fees	12,773	12,773	16,052
	<u>603,131</u>	<u>603,131</u>	<u>604,364</u>

4 Income from other trading activities

	Unrestricted funds	Total	Total
	General	2017	2016
	£	£	£
Local fundraising and street collection income	12,396	12,396	5,133
Other income from other trading activities	4,229	4,229	4,007
	<u>16,625</u>	<u>16,625</u>	<u>9,140</u>

5 Investment income

	Unrestricted funds	Total	Total
	General	2017	2016
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>550</u>	<u>550</u>	<u>902</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

6 Expenditure on raising funds

a) Costs of trading activities

		Unrestricted funds		
	Note	General £	Total 2017 £	Total 2016 £
Fundraising trading costs;				
Fundraising		2,079	2,079	1,690
		<u>2,079</u>	<u>2,079</u>	<u>1,690</u>
				Total 2017 £

7 Expenditure on charitable activities

	Note	Unrestricted funds	Restricted funds	Total 2017 £	Total 2016 £
		General £	£	£	£
Wages and salaries		554,418	-	554,418	518,602
Social security costs		27,421	-	27,421	15,868
Pension costs		12,565	-	12,565	7,461
Other staff costs		5,560	-	5,560	4,985
Establishment Costs		22,861	-	22,861	28,610
Cleaning		13,519	-	13,519	10,006
Office Expenses		12,812	-	12,812	13,286
Sundry and other costs		20,919	-	20,919	22,390
Physiotherapy		-	24,655	24,655	22,181
Depreciation, amortisation and other similar costs		8,790	-	8,790	6,136
Governance costs		7,728	-	7,728	5,630
		<u>686,593</u>	<u>24,655</u>	<u>711,248</u>	<u>655,155</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General £	Total 2017 £	Total 2016 £
Independent examiner fees			
Examination of the financial statements	900	900	900
Other fees paid to examiners	2,802	2,802	1,320
Legal fees	3,730	3,730	2,772
Other governance costs	296	296	638
	<u>7,728</u>	<u>7,728</u>	<u>5,630</u>

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.

Donations made by the trustees without any conditions attached totalled £1,000 for the year (2016 - £Nil).

10 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	554,418	518,602
Social security costs	27,421	15,868
Pension costs	12,565	7,461
Other staff costs	5,560	4,985
	<u>599,964</u>	<u>546,916</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:

	2017 No	2016 No
Administrative staff	4	4
Teaching staff	27	24
	<u>31</u>	<u>28</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

Contributions to the employee pension schemes for the year totalled £12,565 (2016 - £7,461).

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

11 Taxation

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

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2016	284,901	85,506	370,407
Additions	<u>65,530</u>	<u>11,880</u>	<u>77,410</u>
At 31 August 2017	<u>350,431</u>	<u>97,386</u>	<u>447,817</u>
Depreciation			
At 1 September 2016	75,688	82,700	158,388
Charge for the year	<u>4,579</u>	<u>4,211</u>	<u>8,790</u>
At 31 August 2017	<u>80,267</u>	<u>86,911</u>	<u>167,178</u>
Net book value			
At 31 August 2017	<u>270,164</u>	<u>10,475</u>	<u>280,639</u>
At 31 August 2016	<u>209,213</u>	<u>2,806</u>	<u>212,019</u>

13 Debtors

	2017 £	2016 £
Trade debtors	10,262	438
Prepayments	3,604	2,531
Other debtors	<u>4,198</u>	<u>2,816</u>
	<u>18,064</u>	<u>5,785</u>

14 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,847	613
Pension scheme creditor	3,775	-
Accruals	<u>4,264</u>	<u>2,879</u>
	<u>9,886</u>	<u>3,492</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

15 Funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2017 £
Unrestricted funds					
General	(378,327)	(683,605)	688,672	1,536	(371,724)
Designated	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Total unrestricted funds	(478,327)	(683,605)	688,672	1,536	(471,724)
Restricted funds	<u>(369)</u>	<u>(22,750)</u>	<u>24,655</u>	<u>(1,536)</u>	<u>-</u>
Total funds	<u>(478,696)</u>	<u>(706,355)</u>	<u>713,327</u>	<u>-</u>	<u>(471,724)</u>
	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2016 £
Unrestricted funds					
General	(365,170)	(640,307)	625,598	1,553	(378,326)
Designated	<u>(100,001)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,001)</u>
Total unrestricted funds	(465,171)	(640,307)	625,598	1,553	(478,327)
Restricted funds	<u>(7,513)</u>	<u>(22,550)</u>	<u>31,247</u>	<u>(1,553)</u>	<u>(369)</u>
Total funds	<u>(472,684)</u>	<u>(662,857)</u>	<u>656,845</u>	<u>-</u>	<u>(478,696)</u>

16 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Tangible fixed assets	280,639	280,639
Current assets	200,971	200,971
Current liabilities	<u>(9,886)</u>	<u>(9,886)</u>
Total net assets	<u>471,724</u>	<u>471,724</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

17 Transition to FRS 102

The company has adopted Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' for the first time in these financial statements.

Under the provisions of FRS102 Section 1A and the Charities SORP (FRS102) the charity has depreciated its buildings for the first time and shown the adjustment to previous years' figures in the transition statements below.

Balance Sheet at 1 September 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	259,757	-	(72,201)	187,556
Current assets				
Debtors	64,317	-	-	64,317
Cash at bank and in hand	235,791	-	-	235,791
	300,108	-	-	300,108
Creditors: Amounts falling due within one year	(14,980)	-	-	(14,980)
Net current assets	285,128	-	-	285,128
Net assets/(liabilities)	544,885	-	(72,201)	472,684
Funds of the charity				
Unrestricted funds	537,372	-	(72,201)	465,171
Restricted funds	7,513	-	-	7,513
Total funds	544,885	-	(72,201)	472,684

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Notes to the Financial Statements for the Year Ended 31 August 2017

Balance Sheet at 31 August 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	287,707	-	(75,688)	212,019
Current assets				
Debtors	5,785	-	-	5,785
Cash at bank and in hand	264,384	-	-	264,384
	270,169	-	-	270,169
Creditors: Amounts falling due within one year	(3,492)	-	-	(3,492)
Net current assets	266,677	-	-	266,677
Net assets/(liabilities)	554,384	-	(75,688)	478,696
Funds of the charity				
Unrestricted funds	554,015	-	(75,688)	478,327
Restricted funds	369	-	-	369
Total funds	554,384	-	(75,688)	478,696

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

Statement of Financial Activities for the year ended 31 August 2016

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Income and Endowments from:					
Donations and legacies		72,323	-	-	72,323
Charitable activities		580,493	-	-	580,493
Other trading activities		5,133	-	-	5,133
Investment income		902	-	-	902
Other income		4,007	-	-	4,007
Total income		<u>662,858</u>	<u>-</u>	<u>-</u>	<u>662,858</u>
Expenditure on:					
Raising funds		(1,691)	-	-	(1,691)
Charitable activities		(648,502)	-	(3,487)	(651,989)
Other expenditure		(3,166)	-	-	(3,166)
Total expenditure		<u>(653,359)</u>	<u>-</u>	<u>(3,487)</u>	<u>(656,846)</u>
Net income/(expenditure)		<u>9,499</u>	<u>-</u>	<u>(3,487)</u>	<u>6,012</u>
Net movement in funds		<u><u>9,499</u></u>	<u><u>-</u></u>	<u><u>(3,487)</u></u>	<u><u>6,012</u></u>