



THORNS COMMUNITY TRUST

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

CHARITY NUMBER 1071096

www.brambles-kenilworth.com

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THORNS COMMUNITY TRUST TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Reference and administrative information

Thorns Community Trust (TCT) is a registered charity, no. 1071096. TCT trades under the name Brambles Pre-School and Out of School Club (Brambles). Brambles is located on the site of Thorns Community Infant School (Thorns), and continues to maintain close links with the school. Its principal location is c/o Thorns Community Infant School, Blackthorn Road, Kenilworth, CV8 2DS.

TCT is overseen by a committee of Trustees. There are three types of trustee:

- Ex-officio - the head teacher of Thorns Community Infant School
- Nominated - Trustees who are appointed by the governing body of Thorns Community Infant School, and
- Co-opted – Trustees who have been appointed by the TCT committee of Trustees as a consequence of their particular professional skills.

TRUSTEES WHO SERVED DURING THE YEAR		
Name	Position	Type of Trustee
Jonathan Wright	Chair	Co-opted
Liz Bradbury	Ex-officio	Ex-officio
Mandy Rawlings	School Link	Nominated
Eloise Ottewell	Trustee	Nominated
Simon Morris	Trustee	Nominated
Michelle Andrews	Trustee	Nominated
Katie Tattersall	Trustee	Nominated
Victoria Lancaster	Trustee	Nominated
TRUSTEES MANAGING TCT AT THE TIME THIS REPORT IS SIGNED		
Name	Position	Type of Trustee
Jonathan Wright	Chair	Co-opted
Liz Bradbury	Ex-officio	Ex-officio
Eloise Ottewell	Trustee	Nominated
Simon Morris	Trustee	Nominated
Michelle Andrews	Trustee	Nominated
Katie Tattersall	Trustee	Nominated
Victoria Lancaster	Trustee	Nominated

Structure, Governance and Management

TCT is governed by a constitution, which was written in January 1998 and supplemented by a further deed of the same year. An amendment to the constitution was made by way of Deed of Variation dated 23rd March 2011.

In 2019-20, the Trustees met on eight occasions. This was the highest number of meetings in a decade and was in no small part due to the immediate crisis caused by the COVID-19 Pandemic. During trust meetings all Trustees had the right to speak and to be heard. Decisions were made by consensus.

The day-to-day management of Brambles is delegated to the manager of Brambles, who is supported by a deputy manager. TCT also contracts a direct employee who is responsible for day to day administration and business management. Operational reports are made by the Brambles manager and the business administrator (who is responsible for finance) at most Trustee meetings.

Objectives, activities and performance

The main aim of TCT is to provide high quality child care to young children between the ages of 2 years 9 months and eleven years through the provision of a Pre-School, Out of School Club and Holiday Club.

In effect, Brambles fulfils the obligation of Thorns Community Infant School by way of its extended hours provision.

Public benefit

Brambles is a pre-school, out of school club and holiday club setting that provides reasonably priced childcare and educational benefit to the local community. The Trustees, always seek to bear in mind that TCT is a charity and that they have a responsibility to act in the public interest. At the time of signing this report all serving Trustees had read the guidance published by the Charities Commission on public benefit.

The Trustees believe that the aims and resulting benefits of TCT are clear and that the benefits obtained from TCT's activities are derived from its aims. In addition, the benefits are focused on a section of the public, namely pre-school and primary age children and their parents/carers, and within this range, no section of the public is unreasonably restricted.

Due to its location the children who attend Brambles tend to live within the Thorns' catchment area. The admissions policy does not however exclude children from attending who live outside of this area. The Trustees still consider that the prices are competitive and would not regard the inability to pay fees as a bar to entry.

Pre-school

During the first half of the financial year, the Brambles Pre-School was open for five morning and lunchtime sessions as well as a number of afternoon sessions per week during term time. This abated during the second half of the financial year due to a huge drop in demand as a result of the COVID-19 Lockdown. For some months we provided emergency Pre-School and Out of School Cover for children of key workers, helping out other nurseries that were closed due to the COVID-19 Pandemic.

Brambles Ofsted registration allows 30 children to attend per session. It is TCT policy to not fill each session so that the educational experience for each child is optimised.

The vast majority of the Pre-School children moved from Brambles Pre-School up to Thorns at the end of their pre-school year.

Out of School Club

During the first half of the financial year, the Out of School Club was also only open during term time, and had over fifty children registered, split across the three year groups at Thorns. The Out of School Club opened both before school, from 7:45am, and then again after school, from 3pm to 6pm. A variety of sessions were available and there was a good level of attendance across all of the sessions. This changed materially in the second half of the year owing to the COVID-19 Pandemic.

Holiday Club

During the first half of the financial year, the Holiday Club was open during the majority of each school holiday and offered a variety of sessions, within the timeframe of 8am to 6pm. This was much more limited in the second half of the financial year.

The number of children attending Holiday Club varied between holidays. In common with previous years, a good proportion of the children who attended holiday club were pupils at Thorns or Park Hill. These were supplemented by children that attend Clinton and St Augustine's.

Risk Review

The Trustees regularly consider the risks to which TCT is exposed at the Trustees' meetings and, where appropriate, measures are taken to ensure existing systems and procedures are strengthened to mitigate these risks as far as possible. During the year, some new policies were approved and other improvements were made. This is necessary to ensure good governance and manage risk so as to maintain the high standards for the setting.

In order to further mitigate risk, the Trustees have established a Charitable Incorporated Organisation (CIO) and intend to transfer the undertaking of the Charity to that CIO as soon as a further OFSTED inspection has taken place.

During the financial year an OFSTED inspection took place which rated the setting as "inadequate". The Trustees have invested considerable time and financial resource in addressing the issues raised by the OFSTED Report and are confident that the previous "good" rating will be restored at the next inspection.

Staffing

During the financial year a new manager was appointed to replace the previous manager.

Financial Review

For the year ending 31 August 2020, TCT made a loss of £ 20,561. This decreased the overall level of reserves to £118,510 at the end of the financial year.

The Trustees are aware that the COVID-19 Pandemic had a material impact on finances and took urgent steps to both support all income generation activities (including applications for a grant and the job retention scheme as well as the restoration of the Nursery Grant that had been suspended due to the adverse OFSTED rating in 2019). The Trustees have also taken a close look at all expenditure in order to avoid falling into a loss making position.

There are no restricted or designated funds held by the Trust. From time to time the Trustees may budget to spend certain monies on certain projects, but these funds remain at all times part of the general accumulated fund of the Trust. However, the Trustees believe that an adequate level of reserves of four to six months' running costs should be maintained at all times to enable TCT to continue operating for a term should all external funding cease.

The Trustees observe that the present cash balance held is materially in excess of the stipulated four to six months' running costs. Given the age of the temporary building and the maintenance liabilities that accrue annually, it remains the stated intention of the trustees to look to those surplus funds (with the addition of grant monies) to either refurbish or replace the current temporary building.

Future Events

Fees continue to be reviewed annually. As in previous years, the spare capacity in preschool continues to provide concern as this has had a material effect on the income of the Trust. The Trust continues to face challenges with the implementation of the National Living Wage and the need to offer free at point of access child-care at Government-set rates in the Pre-School. The OFSTED rating in November 2019 has subsisted due to an inability of OFSTED to reinspect as a consequence of the COVID-19 Pandemic and this has limited the ability to attract new children. The Building in which Brambles is housed is now almost 50 years old and requires increasing maintenance. The Trustees will continue to keep both fees and expenditure under close review so as to ensure that the Trust will generate a surplus in future years and therefore maintain adequate levels of reserves to remain viable into the future.

Statement of Trustees' Responsibilities

Charity law 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 the incoming resources and application of resources, including the income and expenditure, 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 of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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. They 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 declare that they have approved the Trustees' Report above

Signed on behalf of the TCT's Trustees:

Jonathan William Emlyn Wright
Chair

24 June 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THORNS COMMUNITY TRUST

I report on the accounts of Thorns Community Trust ('the Trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes.

Responsibilities and basis of the report

As the Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act'). You are satisfied that the accounts of the Trust are not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the general Directions given by the Charity Commission for England and Wales under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- accounting records were not kept in accordance with section 130 of the 2011 Act; or
- the accounts did not accord with those records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any

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.

Michelle Larkin
Chartered Accountant

FILAN Accountants
57 Ely Street
Warwickshire
CV37 6LN

24 June 2021

THORNS COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 AUGUST 2020

		2020			2019		
	Notes	Unrestricted Fund £	Restricted Funds £	Total Funds £	Unrestricted Fund £	Restricted Funds £	Total Funds £
Income from:							
Donation	3	-	500	500	-	2,160	2,160
Charitable activities	4	114,178	-	114,178	170,937	-	170,937
Other trading activities	5	92	-	92	1,713	-	1,713
Investments	6	188	-	188	164	-	164
Other	7	7,000	11,369	18,369			
Total		121,458	11,869	133,327	172,814	2,160	174,974
Expenditure on:							
Charitable activities	8	142,019	11,869	153,888	172,248	2,160	174,408
Total		142,019	11,869	153,888	172,248	2,160	174,408
Net (expenditure)/income		(20,561)	-	(20,561)	566	-	566
Reconciliation of funds:							
Funds brought forward		139,071	-	139,071	138,505	-	138,505
Funds carried forward		118,510	-	118,510	139,071	-	139,071

THORNS COMMUNITY TRUST

BALANCE SHEET AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible fixed assets	11		5,734		6,050
Current assets					
Debtors	12	7,645		7,829	
Cash at bank and in hand		<u>110,725</u>		<u>132,737</u>	
		118,371		140,566	
Creditors: amounts falling due within one year	13	<u>(5,595)</u>		<u>(7,545)</u>	
Net current assets			112,776		133,021
Net assets			<u>118,510</u>		<u>139,071</u>
Represented by:					
Accumulated funds:					
General fund	14		<u>118,510</u>		<u>139,071</u>

These accounts were approved by the Trustees on 24 June 2021 and are signed on their behalf by:

JWE Wright
Chair

THORNS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2020

1. Status

Thorns Community Trust is an unincorporated association; it is also a registered charity (registration number 1071096) whose activities are intended to be for the public benefit. Its principal location is c/o Thorns Community Infant School, Blackthorn Road, Kenilworth, CV8 2DS.

2. Accounting Policies

Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Going concern

After making enquiries, the trustees are not aware of any material uncertainties that cast doubt on going concern and have a reasonable expectation that the Charity will be able to continue its activities for the foreseeable future, and at least twelve months from the date of approval of these accounts. Accordingly, they have continued to adopt the going concern basis in the financial statements.

Income

Income is recognised as incoming resources to the extent that the charity has provided the services in question.

Expenditure

Costs of activities in furtherance of the charity's objects comprise those costs incurred by the charity as a result of the delivery of its service. Governance costs comprise those costs incurred by the charity in meeting its constitutional and statutory requirements.

Tangible fixed assets

Tangible fixed assets are included in the balance sheet at cost less depreciation. Depreciation is generally calculated so that the cost of tangible fixed assets less their residual value are written off over their estimated useful lives. The following depreciation rates apply:

- Fixtures, fittings and equipment - 25% reducing balance.

THORNS COMMUNITY TRUST**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2020 (continued)****3. Donations**

	2020		2019
	Restricted	Total	
	£	£	£
Donations	500	500	2,160

A donation of £500 (2019: £2,160) was received in the year which was to be used to overhaul the outside area.

4. Income from charitable activities

	2020	2019
	£	£
Out of school club fees	51,358	77,777
Holiday club fees	11,095	12,491
Preschool grant	40,669	64,899
Preschool fees	11,056	15,770
	<u>114,178</u>	<u>170,937</u>

5. Other trading activities

	2020	2019
	£	£
Fundraising activities	<u>92</u>	<u>1,713</u>

6. Investment income

	Unrestricted	2020	2019
	funds		
	£	£	£
Interest receivable on bank deposits	188	188	164

7. Other income

Included in Other income of £18,369 are the following grants: £11,369 CJRS grant and £7,000 of COVID 19 grant.

THORNS COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2020 (continued)

8. Expenditure on charitable activities

	2020			2019
	Unrestricted	Restricted	Total	
	£	£	£	£
Staff costs	100,918	11,369	112,287	133,097
Insurance	3,148	-	3,148	3,609
Materials	2,847	-	2,847	2,166
Electricity	1,620	-	1,620	2,805
Training	601	-	601	965
Printing postage and telephone	2,362	-	2,362	2,320
Depreciation	1,961	-	1,961	859
Rent	5,459	-	5,459	5,490
Rates	276	-	276	418
Repairs	214	-	214	1,128
Cleaning	1,782	-	1,782	1,481
Equipment	-	-	-	1,063
Professional fees	14,143	-	14,143	7,564
Garden project	1,358	500	1,858	2,470
Nursery IT and software	406	-	406	2,582
Sundry	3,964	-	3,964	5,891
	141,059	11,869	152,928	173,908
Governance costs:				
Trustees' remuneration and expenses	-	-	-	-
Independent Examiner's fees	960	-	960	500
	142,019	11,869	153,888	174,408

9. Trustees remuneration and expenses

Mr Jonathan Wright, a trustee, received £233 (2019: nil) for reimbursed expenses during the year.

10. Staff remuneration and numbers

	2020	2019
	£	£
Wages and salaries	108,549	128,247
Employers National Insurance	2,275	3,067
Pension contributions	1,238	1,783
	112,062	133,097

The average monthly number of employees paid during the year was 2 full time (2019: 2) and 11 part-time (2019: 15) who worked between 5 and 20 hours per week. The drop in staff numbers was due to COVID 19.

THORNS COMMUNITY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2020 (continued)**

11. Tangible fixed assets

	Fixtures & fittings	Equipment	Total
	£	£	£
Cost			
As at 2 September 2019	24,217	9,407	33,624
Additions	1,495	150	1,645
As at 31 August 2020	<u>25,712</u>	<u>9,557</u>	<u>35,269</u>
Depreciation			
As at 2 September 2019	19,243	8,331	27,574
Provided in year	1,617	344	1,961
As at 31 August 2020	<u>20,860</u>	<u>8,675</u>	<u>29,535</u>
Net book value			
As at 31 August 2020	<u>4,852</u>	<u>882</u>	<u>5,734</u>
As at 01 September 2019	<u>4,974</u>	<u>1,076</u>	<u>6,050</u>

12. Debtors	2020	2019
	£	£
Trade debtors	6,812	6,373
Prepayments	833	1,456
	<u>7,645</u>	<u>7,829</u>

13. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	3,402	3,567
Taxation and social security	771	2,464
Accruals	1,422	1,514
	<u>5,595</u>	<u>7,545</u>

THORNS COMMUNITY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2020 (continued)**

14. Movement in funds

Name of fund	Opening	Incoming resources	Outgoing resources	Closing
	£	£	£	£
Restricted fund: garden project	-	500	(500)	-
Restricted fund: JRS Claimed	-	11,369	(11,369)	-
Unrestricted fund:				
General fund	139,071	121,458	(142,019)	118,510
Total of all funds	<u>139,071</u>	<u>133,327</u>	<u>(153,888)</u>	<u>118,510</u>

15. Fees for examination of the accounts

	2020	2019
	£	£
Independent examiner's fees	960	500
Other fees paid to the independent examiner - payroll costs	599	-
	<u>1,559</u>	<u>500</u>

FILAN Accountants carried out payroll duties at a cost of £299 and processed furlough claims at a cost of £300 in the year. A separate department carried out this work to ensure independence was maintained.