

Registered number: 05964574
Charity number: 1117979

The Blackthorn Trust
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2022

The Blackthorn Trust
(A company limited by guarantee)

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The Blackthorn Trust
(A company limited by guarantee)

Reference and administrative details of the charitable company, its Trustees and advisers
For the year ended 31 December 2022

Trustees	Hazel Christine Adams Maureen Bortolozzo Abbie Holyer (resigned 4 October 2022) Dr David McGavin (resigned 30 November 2022) Andrew James Jonathan Shaw, Chairman Justine Sloover William Mangar (appointed 4 October 2022) Kevin Moule (appointed 4 October 2022) George Perry (appointed 4 October 2022)
Company registered number	05964574
Charity registered number	1117979
Registered office	St Andrew's Road Maidstone Kent ME16 9AN
Company secretary	Denise Thursby
Key Management Personnel	Emma Halpin Susanna Odin Nathalie Belmas Denise Thursby
Independent auditors	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants Statutory Auditors Thames House Roman Square Sittingbourne Kent ME10 4BJ
Bankers	National Westminster Bank PLC 3 High Street Maidstone Kent ME14 1HJ CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Brachers Somerfield House 59 London Road Maidstone Kent ME16 8JH

The Blackthorn Trust

(A company limited by guarantee)

Trustees' report

For the year ended 31 December 2022

The Trustees, who are also directors of the charity for the purposes of the Companies Act, are pleased to present their report and the financial statements for the charity for the year ended 31 December 2022. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the provisions of the Statement of Recommended Practice (SORP), 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Blackthorn Trust is a company limited by guarantee governed by its Memorandum and Articles of Association. The charitable company was incorporated on 12 October 2006 as The Blackthorn Trust. It is registered as a charity with the Charity Commission.

Organisation

The Board of Trustees is made up of people with expert knowledge and life experience, including local people. It meets a minimum of six times per annum. It is aided and informed by a Management Group led by the Chief Executive to whom the day to day management of the charitable company is delegated.

Trustee induction and training

All serving trustees understand the methods and purpose of the charity. When new people are appointed to the Board, a programme of familiarisation with the charity and its work is put into effect, and advice for trustees published by the Charity Commission is provided. As new guidance is notified, it is made available at Board meetings. Board members have free access to all members of staff, enabling them to be fully aware of the charity's activities and ways of working.

Trustees

The Trustees (who are also directors of the company for the purposes of company law) who served during the year are stated on page 1.

Risk Management

The Trustees have a risk management strategy which comprises:

- regular identification of emerging risks through the management reports to every board meeting;
- an annual review, at the time of budget preparation, of the risks the charity may face;
- a willingness to respond promptly to any emerging risks;
- the establishment of systems and procedures to mitigate those risks identified; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Alongside on-going systems to identify and manage non-financial risks within the areas of safeguarding, health & safety and environmental health, greater focus on financial risk has been necessary in recent years. In particular, the changing commissioning environment and the general economic context has led to a greater degree of uncertainty, requiring regular and detailed attention to the potential impacts of these developments and necessary contingency plans to mitigate them.

OBJECTIVES AND ACTIVITIES

Principal Activity and Objectives

Blackthorn's stated objectives are "for the public benefit to relieve sickness, promote good health, advance the education and self-development of people with severe and/or chronic illness or disability (either physical or mental) by providing medical, educational and rehabilitation services, developed out of the perspective of Anthroposophy (see (1)).

The Trust works with individuals with long term mental health, or chronic physical health, conditions such as chronic pain, fatigue, insomnia, stress and anxiety. Specialist therapies and training placements in social enterprise workshops such as (cooking, café, woodwork, craft and gardening), alongside one-to-one mentoring support are offered to help people back into employment, education or volunteering.

Many individuals who come to Blackthorn are leading isolated lives and are facing multiple health and social disadvantage. Most have not responded to mainstream interventions. Blackthorn aims to help people take up the challenge of their condition by reducing or moderating their symptoms and encouraging purposeful activity. The combination of therapy, work and community on offer maximises the individual's chances of achieving long term improvement, thus helping them to find their potential in life and optimise their ability to work and integrate in the wider community, with all the individual, social and economic benefits this brings.

(1) The anthroposophical approach (Gk. Anthropos human being, Sophia wisdom) seeks an understanding of each person's spiritual, soul and bodily constitution in relation to health and illness, and thus to enhance what may be achieved by way of additional interventions (medical therapeutic, social and occupational) alongside essential conventional ones.

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Trustees' report (continued)
For the year ended 31 December 2022

Public Benefit

The Trustees have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning future activities. In particular the trustees consider regularly how planned activities will contribute to the aims and objectives that have been set.

Volunteers

The Blackthorn Trust's work would not be possible without its dedicated and loyal group of regular volunteers, who provide significant support to the staff in running the wide range of social enterprise workshops that take place on-site, and with clerical and fundraising tasks. There is an ongoing need for experienced and skilled volunteer support from the local community which is managed by a volunteer coordinator.

Beneficiaries

We provide a place to change for people with significant life struggles due to long-term physical or mental health challenges. Given the opportunity to engage with the social, therapeutic support and training enables each person to find their way to re-engage fully with life, work and their community. Our ultimate goal is that our beneficiaries have the resilience to live a fulfilling life and achieve their goals.

Ongoing Impact of Covid-19

The Long Covid Project was completed at the end of 2022 and clearly evidenced the impact of longer term support and therapy to tackle the debilitating symptoms. The evaluation measured real improvements to symptoms and the feedback from patients demonstrated that the project had given them tools to manage their conditions and hope for the future.

Alongside Long Covid Blackthorn has seen a marked increase in the number of referrals for support that have been received as well as the complexity and level of mental ill health. Placements on the 12 month mental health program have supported these individuals to reconnect, regain confidence and tackle symptoms that were made much worse by the pandemic isolation.

ACHIEVEMENTS AND PERFORMANCE**Annual Report****Introduction*****The Shaw Trust***

Following a tender process at the end of 2022 for the Live Well Kent mental health program, Blackthorn has been awarded a contract for 1:1 training placements and group support. The charity continues to have a good relationship with the Shaw Trust and has been approached to offer additional courses and groups if funding becomes available.

Involve KCC Older Service User Program

Blackthorn has been successful in securing a 6-month extension (to Sept 2023) to the contract which started in 2021. This contract is to work with the over 55's with workshops in craft and gardening. Discussions are underway to extend.

Blackthorn Trust Pain Programme

The NHS Clinical Commissioning Group have continued to fund the contract which has been renewed until 31 March 2024.

DWELL (Diabetes & Wellbeing) European Funded Project

The Trust has continued to be the largest delivery partner of this innovative approach to type 2 diabetes support in Europe and received additional funding to deliver courses until the contract end Dec 2022. In October, Blackthorn helped to host a Europe-wide conference to share the evaluation of this project.

FINANCIAL REVIEW

The Statement of Financial Activities on page 5 shows an overall deficit for the year of £23,661. There was a small surplus of £1,000 on restricted funds and a deficit of £24,661 on unrestricted funds.

The Blackthorn Trust

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Trustees' report (continued)

For the year ended 31 December 2022

Reserves Policy

The Trustees continue to believe that the Charity should aim to build financial reserves and "the emergency operating result" (EOR) because:

- i) It has no endowment funding and is entirely dependent for income upon resources arising from year to year which are inevitably subject to fluctuations; and
- ii) It requires the ability to continue operating despite any extraordinary events. The Trustees are committed to achieving reserves of three months operating costs and the measures taken to reducing the cost base and continued targeted grant applications should allow the charity to move forward to this. As at 31 December 2022 unrestricted reserves totalled £1,112,091. However this includes assets tied up in fixed assets of £768,230 and designated funds of £4,027 which means completely "free" reserves were £339,834 (2021 - £329,958). As such this has met the EOR, as in order to achieve the stated desired reserve the Charity needs to set aside approximately £110,000.

Going concern

The Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for at least the next year. The Trustees continue to adopt the going concern basis of accounting in preparing the financial statements, and the accounting policy in respect of going concern, which sets out the basis and assumptions made, is disclosed in accounting policy note 1.2.

Investment Powers

Aside from retaining a prudent amount in reserves each year most of the charity's funds have been spent in the short term so there have been few, if any, funds for long-term investment.

Property assets

The Trust has established a significant asset base of £768,230 through the purchase over the years of a major proportion of the land upon which it operates as well as a portfolio of buildings including the Medical Centre, Café, Garden Room training kitchen, craft studio and office building. All of these buildings support continuity and stability of our activities, as well as bringing ongoing income to the Trust.

PLANS FOR FUTURE PERIODS

The Shaw Trust

Discussions are on-going to develop and increase the funding for the contract with the Shaw Trust for 2023 and beyond to provide mental health short courses at Blackthorn. The Trust is working closely with the Shaw Trust to maintain and develop the relationship to strengthen and grow the new contract, by engaging with the navigators employed by Shaw Trust and engaging with the senior leadership team.

NHS Pain Management Contract

This contract is to support 35 patients with chronic pain referred by their GP. The contract is renewed until March 2024.

Self-Funded Therapies and Therapeutic Services

At the start of 2023, the Trust will launch self-funded services allowing patients that wish to purchase therapy such as massage. This could be clients that have ended a funded placement or are on the waiting list. This will bring additional funding and allow us to support a larger number of patients.

Adolescent Mental Health Services

The Trust have worked to build a stronger relationship with CAMHS and create a direct referral route. The statistics show the huge number of young people that do not transition to adult services once they reach 18. Blackthorn is well placed to support this transition and is working with CAMHS to increase the number of referrals.

West Kent NHS Health Care Partnerships – Frequent GP Attenders Project

Discussions are underway to work with the Integrated Care Board to offer 12 week placements to patients of local GP surgeries that regularly attend for support for health conditions such as stress and anxiety. This project should start in early 2023 and provide support to an additional 48 patients.

Grant Funding

The Trust is awaiting decisions on numerous grant applications including Garfield Weston, Edward Gostling, Barnardo's and Kent Community Foundation.

Employment Services and Blackthorn Career Learning and Development Program 'Next Steps'

The Next steps program has been funded again from September 2022 to run two separate 8 week courses to service users from all programs. This service helps to identify all the skills and attributes each person has that can then be taken forward to their individual goal for the future.

The Blackthorn Trust
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Trustees' report (continued)
For the year ended 31 December 2022

Involve (KCC Older Service User Program)

As part of the Involve network of providers Blackthorn is well placed to evidence the impact of the courses that are being run for gardening and craft. Funding has been extended to September 2023.

Lamplight Database

This database is now in use and has been developed to include supporters. It has already been used to evaluate long covid and our mental health programmes for grant reporting and feedback.

Trustees' Responsibilities

The Trustees (who are also directors of The Blackthorn Trust, for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and 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 operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charitable company's auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

UHY Kent LLP were appointed auditors to the company and a resolution proposing their reappointment will be put to the Annual General Meeting.

Small company provisions

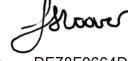
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

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Jonathan Shaw - Chair

Date: 5 June 2023

DocuSigned by:

DE78F0664DA34CD...
Justine Sloover - Trustee

The Blackthorn Trust
(A company limited by guarantee)

Independent auditors' report to the Members of The Blackthorn Trust

Opinion

We have audited the financial statements of The Blackthorn Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Independent auditors' report to the Members of The Blackthorn Trust (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the wider not-for-profit sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to possible acts by the charity which were contrary to applicable laws and regulations including fraud. We also considered the extent to which non-compliance might have a material effect on the financial statements and considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and the Companies Act 2006. We evaluated management's possible incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition and management bias.

Audit procedures performed included a review of the financial statement disclosures to underlying supporting documentation, enquiries of management, testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud. Audit procedures were also performed on the government grants received during the year for the Coronavirus Job Retention Scheme, due to its material nature and potential for fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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Independent auditors' report to the Members of The Blackthorn Trust (continued)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 19 June 2023

UHY Kent LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

The Blackthorn Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	189,969	154,568	344,537	525,427
Charitable activities:	4				
Rental income		78,456	-	78,456	72,422
NHS pain management contract		96,377	-	96,377	94,414
Sales in garden, cafe and craft shop		57,145	-	57,145	34,782
Other trading activities		3,985	-	3,985	2,898
Investments	5	560	-	560	3
Other income		17,906	-	17,906	-
Total income		444,398	154,568	598,966	729,946
Expenditure on:					
Raising funds		44,698	-	44,698	46,885
Charitable activities	6	383,809	194,120	577,929	525,037
Total expenditure		428,507	194,120	622,627	571,922
Net income/(expenditure)		15,891	(39,552)	(23,661)	158,024
Transfers between funds	15	(40,552)	40,552	-	-
Net movement in funds		(24,661)	1,000	(23,661)	158,024
Reconciliation of funds:					
Total funds brought forward		1,136,752	1,500	1,138,252	980,228
Net movement in funds		(24,661)	1,000	(23,661)	158,024
Total funds carried forward	15	1,112,091	2,500	1,114,591	1,138,252

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 24 form part of these financial statements.

The Blackthorn Trust
(A company limited by guarantee)
Registered number: 05964574

Balance sheet
As at 31 December 2022

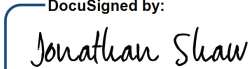
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	768,230	804,923
Current assets			
Stocks		1,884	2,638
Debtors	12	102,463	346,116
Cash at bank and in hand		369,783	140,391
		<u>474,130</u>	<u>489,145</u>
Creditors: amounts falling due within one year	13	(56,646)	(61,777)
Net current assets		<u>417,484</u>	<u>427,368</u>
Total assets less current liabilities		<u>1,185,714</u>	<u>1,232,291</u>
Creditors: amounts falling due after more than one year	14	(71,123)	(94,039)
Total net assets		<u><u>1,114,591</u></u>	<u><u>1,138,252</u></u>
Charity funds			
Restricted funds	15	2,500	1,500
Unrestricted funds	15	1,112,091	1,136,752
Total funds		<u><u>1,114,591</u></u>	<u><u>1,138,252</u></u>

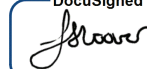
The entity was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

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Jonathan Shaw, Chair

DocuSigned by:

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Justine Sloover, Trustee

Date: 5 June 2023

The notes on pages 12 to 24 form part of these financial statements.

The Blackthorn Trust
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Statement of cash flows
For the year ended 31 December 2022

	2022 £	<i>2021</i> <i>£</i>
Cash flows from operating activities		
Net cash used in operating activities	259,454	(22,690)
Cash flows from investing activities		
Dividends, interests and rents from investments	560	3
Purchase of tangible fixed assets	(7,710)	-
Net cash (used in)/provided by investing activities	(7,150)	3
Cash flows from financing activities		
Repayments of borrowing	(22,912)	(14,225)
Net cash used in financing activities	(22,912)	(14,225)
Change in cash and cash equivalents in the year	229,392	(36,912)
Cash and cash equivalents at the beginning of the year	140,391	177,303
Cash and cash equivalents at the end of the year	369,783	140,391

The notes on pages 12 to 24 form part of these financial statements

The Blackthorn Trust
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Notes to the financial statements
For the year ended 31 December 2022

1. General information

The Blackthorn Trust is a charitable company limited by guarantee, registered in England and Wales. Its registered office is Blackthorn Medical Centre, St Andrews Road, Maidstone, Kent, ME16 9AN.

The nature of the charity's operations, and its principal activity is to relieve sickness, promote good health, advance the education and self-development of people with severe and/or chronic illness or disability (either physical or mental) by providing medical, educational and rehabilitation services, developed out of the perspective of Anthroposophy.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 March 2018), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Blackthorn 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.

The currency used in the financial statements is Pound Sterling.

2.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The trustees have carefully considered whether the charitable company will have adequate resources to continue in operational existence for the foreseeable future, by reviewing both income and expenditure and cash flow projections for the coming twelve months. They have concluded that these indicate a reasonable expectation that the charity will continue as a going concern for year ahead from the date of approval of these financial statement, and that it therefore remains appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charitable company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charitable company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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Notes to the financial statements
For the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the charitable company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. Land is not depreciated.

Depreciation is provided on the following bases:

Permanent buildings	- 50 years straight line
Temporary buildings	- 10 years straight line
Specialist equipment	- 10 years straight line
Plant and machinery	- 3 years straight line
Fixtures and fittings	- 5 years straight line

2.7 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid net of any trade discounts due.

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2. Accounting policies (continued)

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	38,885	215	39,100	74,686
Legacies	8,476	-	8,476	289,333
Grants	142,608	154,353	296,961	146,471
Government grants	-	-	-	14,937
	<u>189,969</u>	<u>154,568</u>	<u>344,537</u>	<u>525,427</u>
<i>Analysis of funds for 2021</i>	<u>418,734</u>	<u>106,693</u>	<u>525,427</u>	

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Notes to the financial statements
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3. Income from donations and legacies (continued)

The government grants income in 2021 is claims made under the Coronavirus Job Retention Scheme. The Trust furloughed some of its staff and the funding received relates to staff costs included in note 7.

There are no unfulfilled conditions or contingencies attached to these grants.

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Medical, educational and rehabilitation services	231,978	231,978	201,618
<i>Analysis of funds for 2021</i>	201,618	201,618	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	560	560	3
<i>Analysis of funds for 2021</i>	3	3	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Medical, educational and rehabilitation services	383,809	194,120	577,929	525,037
<i>Analysis of funds for 2021</i>	376,746	148,291	525,037	

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Notes to the financial statements
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7. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Medical, educational and rehabilitation services	443,625	134,304	577,929	525,037
<i>Analysis of expenditure for 2021</i>	<i>401,446</i>	<i>123,591</i>	<i>525,037</i>	

Analysis of direct costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	249,419	218,942
Depreciation	44,406	45,643
Purchases	43,822	22,759
Co-workers and volunteers	8,984	5,905
Training and recruitment	4,015	6,392
Medical therapists materials	509	389
Publicity and events	1,211	3,735
Other staff costs	5,815	5,146
Repairs and maintenance	22,799	33,766
Rates and water	2,893	4,755
Light and heat	12,265	8,130
Cleaning, security and waste	14,204	14,187
Insurance	8,818	7,412
Technology	9,612	9,435
Printing, postage, stationery and telephone	10,623	10,713
Bank charges and interest	3,123	1,748
Sundry	1,107	2,389
	443,625	401,446

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Notes to the financial statements
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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	97,030	98,217
Light and heat	684	390
Insurance	1,146	963
Cleaning	265	97
Audit and accountancy	16,999	9,937
Legal and professional	18,180	13,987
	<u>134,304</u>	<u>123,591</u>

8. Auditors' remuneration

	2022 £	<i>2021 £</i>
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	3,470	3,390
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	<u>11,710</u>	<u>5,974</u>

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, expenses totalling £213 were reimbursed or paid directly to 1 Trustee (2021 - £855). The expenses were for various ad hoc miscellaneous office items, including refreshments and stationery.

10. Staff costs

	2022 £	<i>2021 £</i>
Wages and salaries	354,015	337,041
Social security costs	30,225	21,466
Contribution to defined contribution pension schemes	6,907	5,537
	<u>391,147</u>	<u>364,044</u>

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Notes to the financial statements
For the year ended 31 December 2022

10. Staff costs (continued)

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Operational charitable activities	14	<i>14</i>
Management and administration	3	<i>3</i>
	<u>17</u>	<u><i>17</i></u>

No employee received remuneration amounting to more than £60,000 in either year.

Key Management Personnel

During the year, gross salaries, social security contributions and pension contributions made to these staff amounted to £141,729 (2021 - £145,101). No other benefits were provided to these employees during the year.

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 January 2022	1,442,934	80,101	217,261	1,740,296
Additions	-	7,710	-	7,710
At 31 December 2022	<u>1,442,934</u>	<u>87,811</u>	<u>217,261</u>	<u>1,748,006</u>
Depreciation				
At 1 January 2022	664,154	77,136	194,083	935,373
Charge for the year	35,759	4,540	4,104	44,403
At 31 December 2022	<u>699,913</u>	<u>81,676</u>	<u>198,187</u>	<u>979,776</u>
Net book value				
At 31 December 2022	<u>743,021</u>	<u>6,135</u>	<u>19,074</u>	<u>768,230</u>
<i>At 31 December 2021</i>	<u><i>778,780</i></u>	<u><i>2,965</i></u>	<u><i>23,178</i></u>	<u><i>804,923</i></u>

Included in land and buildings used for direct charitable purposes is the part of the property used by The Blackthorn Centre medical practice. The trust and medical centre share facilities and staff, and work in an integrated way that achieves the aims of the charity and are indistinguishable for this particular purpose.

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Notes to the financial statements
For the year ended 31 December 2022

12. Debtors

	2022	<i>2021</i>
	£	£
Trade debtors	32,189	20,816
Other debtors	6,768	1,344
Prepayments and accrued income	63,506	323,956
	<u>102,463</u>	<u>346,116</u>

13. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£	£
Other loans	24,041	24,037
Trade creditors	6,717	14,862
Other creditors	2,188	3,329
Accruals and deferred income	23,700	19,549
	<u>56,646</u>	<u>61,777</u>

14. Creditors: Amounts falling due after more than one year

	2022	<i>2021</i>
	£	£
Other loans	71,123	94,039
	<u>71,123</u>	<u>94,039</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2022	<i>2021</i>
	£	£
Payable or repayable by instalments	3,077	11,477
	<u>3,077</u>	<u>11,477</u>

Other loans:

1. A Bounce Back Loan (BBL) from NatWest Bank plc. The loan term is 6 years but includes a 12 month capital repayment holiday at inception. The BBL scheme is 100% government backed. The interest rate is fixed at 2.5% per annum. The amount outstanding at 31 December 2022 was £39,647.

2. A loan from the Edna Linnell Charitable Trust, secured over the trust freehold land and buildings. The loan is interest free and repayments made by monthly instalments. The loan is due to be repaid in full by May 2031 and the latest date the loan can be repaid by is 1 January 2034. The amount outstanding at 31 December 2022 was £45,077.

3. An unsecured loan from Francis and Sarah Salway. The loan is interest free and repayments made by monthly instalments. The loan is due to be repaid in full by September 2024. The amount outstanding at 31 December 2022 was £10,440.

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Notes to the financial statements
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15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
Unrestricted funds					
Designated funds					
Medical centre	1,696	-	(408)	(277)	1,011
Maidstone Horticultural Society	-	3,651	(1,594)	-	2,057
Jan prior workways	-	-	-	285	285
Eurythmy fund	-	-	-	674	674
Other designated funds	1,175	-	-	(1,175)	-
	<u>2,871</u>	<u>3,651</u>	<u>(2,002)</u>	<u>(493)</u>	<u>4,027</u>
General funds					
General income fund	328,958	433,037	(382,102)	(40,059)	339,834
Tangible fixed assets	804,923	7,710	(44,403)	-	768,230
	<u>1,133,881</u>	<u>440,747</u>	<u>(426,505)</u>	<u>(40,059)</u>	<u>1,108,064</u>
Total Unrestricted funds	<u>1,136,752</u>	<u>444,398</u>	<u>(428,507)</u>	<u>(40,552)</u>	<u>1,112,091</u>
Restricted funds					
Grants and donations	-	215	(215)	-	-
DWELL	-	59,733	(99,285)	39,552	-
The Shaw Trust	-	30,080	(30,080)	-	-
KCC Strategic Fund	-	9,417	(9,417)	-	-
National Lottery Community Fund	-	9,948	(9,948)	-	-
Edward Gostling	-	25,000	(25,000)	-	-
Colyer Fergusson	1,500	10,000	(10,000)	-	1,500
Cobtree Charity Trust	-	10,175	(10,175)	-	-
Biographical Gardening	-	-	-	1,000	1,000
	<u>1,500</u>	<u>154,568</u>	<u>(194,120)</u>	<u>40,552</u>	<u>2,500</u>
Total of funds	<u>1,138,252</u>	<u>598,966</u>	<u>(622,627)</u>	<u>-</u>	<u>1,114,591</u>

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15. Statement of funds (continued)

Designated funds

Designated funds at the balance sheet date represent allocations of general funds to allow for anticipated future development and maintenance including the medical centre as well ring-fencing income for future expenditure relating to horticultural activities for example.

Restricted funds

The DWELL funding received in the year is for a Diabetes and Wellbeing project. This was part-funded in the year by the EU Interreg 2 Seas Programme (to pay 60% of all project costs). The funding was fully spent in the year.

The Shaw Trust funding has been utilised for various activities to support mental health provision.

The funding from the National Lottery Community Fund is for a learning to cook for better health and wellbeing project. It has funded the costs of staff and the courses.

The Edward Gosling grant, whilst restricted, was a grant to contribute towards overall running costs for 2022.

The Colyer Fergusson Charitable Trust funding has supported a pilot project to provide one year placements for two groups of twelve young people who are transitioning from Children's Mental Health Services.

The Cobtree Charity Trust grant was received towards a project created to support Maidstone residents to recover from the impact of Covid 19 pandemic.

Funding from the KCC Strategic Fund is designed to cover certain professional fee costs, including HR support, new accounting software setup and a fundraising audit.

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Notes to the financial statements
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15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds					
Designated funds					
Maidstone Horticultural Society	1,696	-	-	-	1,696
Jan prior workways	14,527	-	(14,527)	-	-
Other designated funds	1,175	-	-	-	1,175
	<u>17,398</u>	<u>-</u>	<u>(14,527)</u>	<u>-</u>	<u>2,871</u>
General funds					
General income fund	79,959	623,253	(363,458)	(10,796)	328,958
Tangible fixed assets	850,569	-	(45,646)	-	804,923
	<u>930,528</u>	<u>623,253</u>	<u>(409,104)</u>	<u>(10,796)</u>	<u>1,133,881</u>
Total Unrestricted funds	<u>947,926</u>	<u>623,253</u>	<u>(423,631)</u>	<u>(10,796)</u>	<u>1,136,752</u>
Restricted funds					
Grants and donations	6,482	18,226	(24,708)	-	-
DWELL	-	16,491	(27,287)	10,796	-
The Shaw Trust	-	32,040	(32,040)	-	-
Community Lottery Fund	-	10,000	(10,000)	-	-
National Lottery Community Fund	25,820	-	(25,820)	-	-
Colyer Fergusson	-	15,000	(13,500)	-	1,500
Biographical Gardening	-	14,936	(14,936)	-	-
	<u>32,302</u>	<u>106,693</u>	<u>(148,291)</u>	<u>10,796</u>	<u>1,500</u>
Total of funds	<u>980,228</u>	<u>729,946</u>	<u>(571,922)</u>	<u>-</u>	<u>1,138,252</u>

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Notes to the financial statements
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16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	768,230	-	768,230
Current assets	471,630	2,500	474,130
Creditors due within one year	(56,646)	-	(56,646)
Creditors due in more than one year	(71,123)	-	(71,123)
Total	1,112,091	2,500	1,114,591

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	804,923	-	804,923
Current assets	487,645	1,500	489,145
Creditors due within one year	(61,777)	-	(61,777)
Creditors due in more than one year	(94,039)	-	(94,039)
Total	1,136,752	1,500	1,138,252

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(23,661)	158,024
Adjustments for:		
Depreciation charges	44,405	45,646
Dividends, interests and rents from investments	(560)	(3)
Decrease/(increase) in stocks	753	(1,811)
Decrease/(increase) in debtors	243,652	(239,552)
Increase/(decrease) in creditors	(5,135)	15,006
Net cash provided by/(used in) operating activities	259,454	(22,690)

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18. Analysis of cash and cash equivalents

	2022	<i>2021</i>
	£	£
Cash in hand	369,783	140,391
	<u>369,783</u>	<u>140,391</u>

19. Analysis of changes in net debt

	At 1 January 2022	Cash flows	Other non- cash changes	At 31 December 2022
	£	£	£	£
Cash at bank and in hand	140,391	229,392	-	369,783
Debt due within 1 year	(24,037)	(22,912)	22,908	(24,041)
Debt due after 1 year	(94,039)	-	22,916	(71,123)
	<u>22,315</u>	<u>206,480</u>	<u>45,824</u>	<u>274,619</u>

20. Operating lease commitments

At 31 December 2022 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	<i>2021</i>
	£	£
Not later than 1 year	4,060	3,154
Later than 1 year and not later than 5 years	6,343	280
	<u>10,403</u>	<u>3,434</u>

21. Related party transactions

The charitable company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charitable company at 31 December 2022.