

THE CHARNWOOD TRUST

England & Wales · Charity number 502610

Details

Status Registered

Legal form Other

Registered 1973-08-08

Register [View on the Charity Commission register](#)

Contact

Address Charnwood Nursery
St. Pauls Road
Stockport
SK4 4RY

Phone 01614427767

Email info@charnwoodnursery.org.uk

Website www.charnwoodnursery.org.uk

Activities

Objects: 3.(A) TO PROVIDE NURSERY SCHOOL EDUCATION FOR CHILDREN UP TO THE AGE OF SEVEN YEARS ESPECIALLY HANDICAPPED CHILDREN AND TO PROMOTE THE MATERIAL MENTAL AND SPIRITUAL WELFARE OF SUCH CHILDREN.(B) TO PROVIDE HELP AND SUPPORT FOR THE FAMILIES OF SUCH CHILDREN PROVIDING SUCH FAMILIES ARE IN NECESSITOUS CIRCUMSTANCES(C) TO PROCLAIM AND FURTHER THE GOSPEL OF GOD CONCERNING HIS SON JESUS CHRIST OUR LORD

Activities: Operation of an inclusive nursery school and family centre for children with all abilities, mainstream and SEND children. Based on the Christian belief in the value of every individual.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Disability
- **Who:** Children/young People, People With Disabilities

Geography

- Stockport

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£855,076	£949,934	£629,362	50
2023-08-31	£842,736	£907,617	£724,220	50
2022-08-31	£897,182	£836,492	£789,101	30
2021-08-31	£866,517	£825,039	£728,411	30
2020-08-31	£745,690	£767,607	£686,933	31

Trustees

Name	Role	Appointed
Catherine Helen Deed	Chair	2024-01-23
Anne Smith		2025-09-01
Clare Margaret Fay		2022-05-10
Damian Dallimore		2025-09-01
Dr Geryl Anne Whitaker		2022-05-10
Eileen O'Sullivan		2025-09-01
JEAN BAKER		2017-05-17
Simon Crane		2017-05-10
Simon Paul Forman		2018-11-28
Susan Ferns		2025-05-06

THE CHARNWOOD TRUST

England & Wales - Charity number 502610

Accounts

Charity registration number: 502610

ACCOUNTING PERIOD DATA REFRESH REQUIRED
Select the Refresh button on the Summary or Disclosure tab

The Charnwood Trust

Annual Report and Financial Statements
for the Year Ended 31 August 2024

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 J. Baker S. Crane N. Lawrinson S. Forman G.A. Whitaker C.M. Fay C Carr-Deed S. Ferns - appointed 06 May 2025
Charity Registration Number	502610
Principal Office	St Paul's Road Stockport Cheshire SK4 4RY
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 of the Charnwood Trust (Reg no. 502610) present their annual report together with the financial statements of the charity for the year ended 31 August 2024.

The Board of Trustees administer the Charnwood Trust and support the senior leadership team, who manage the charity from day to day.

Objectives

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

The Trust aims to:

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

The focus of the Trust's inclusion agenda has always been to provide holistic support to disadvantaged young children and their families. Disadvantaged children learn alongside their peers, and once again it has been humbling to witness the care and friendship established between the children. Disadvantaged children at Charnwood are those with additional support needs because of Special Educational Needs, other disability or medical conditions, and other children who are developmentally delayed because of social disadvantage; the trustees anticipate that this will continue to be a major factor in future activity. There is clear evidence from research that providing for pre-school children has a significant impact on improving future school achievement and the overall life chances of children from less advantaged environments.

Structure, Governance and Management

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

Existing trustees are responsible for the recruitment of new trustees, and the present board includes some with current and past teaching experience, some with experience in the Local Authority, faith or charity sector and diverse professional backgrounds (including in finance and administration); 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 trustees have sought to formalise and assign specific trustee roles and responsibilities during the year.

On 23 January 2024, we were delighted to welcome Cath Carr-Deed (former Charnwood Head of Education) to the Board of Trustees. We are greatly appreciating the contribution she is making and wealth of experience she brings.

The Charnwood Trust

Trustees' Report (continued)

Subsequent to the year-end, the trustees are pleased to welcome Susan Ferns as a new trustee. The trustees look forward to Susan's contributions, including adding further depth to the financial experience within the trustees.

During the year Jill Dring, our Head of Education, handed in her resignation, but remained at Charnwood for the full year. The trustees wish to express their gratitude to Jill for all that she did personally to advance the Charnwood ethos and sphere of influence for good. During Jill's tenure as Head, Charnwood was rightly re-recognised by OFSTED as 'outstanding'. We wish Jill all the best in her new position.

Jill had been ably supported throughout her tenure by Suzannah Gleaves - Deputy Head / SENCO. We were delighted that Suzannah agreed to take up the post of Acting Head Teacher effective from 1 August 2024. This created a vacancy for a new acting Deputy Head / SENCO. The trustees are also pleased to report that Beth Wilshaw was promoted from within the Charnwood staff family, taking up this role on 1 September 2024.

Also during the year, in May 2024, Julie Nowell left her position as Business Manager. The trustees thank Julie for her contributions. Julie remained a passionate advocate for Charnwood throughout, offering handover assistance even after she left with respect to the filing of the previous year's Annual Return and Annual Report and Financial Statement to the Charity Commission. Charnwood operated without a Business Manager for the remainder of the financial year although we were pleased to appoint a new Business Manager, starting 1 September 2024. The gapped Business Manager position for the final quarter of the year put substantial stress on a stretched team. Many people shared the load but the trustees wish to thank particularly Michelle Long, Finance & HR Officer.

Vanessa Orr - Family Support Lead, continues as highly experienced and valued member of the Senior Leadership Team. Along with other members of the senior leadership team, Vanessa consistently goes above and beyond in her care and support for Charnwood children and their families.

Across the year we had a total of 51 employees (equating to 29 full time equivalents), broadly consistent with the prior year (reduction of one full time equivalent due to gapped positions) - these include the 4 members of the senior leadership team, nursery floor and opportunity group staff, lunchtime staff, admin and other site support staff.

Risk Management

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

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

Universal early years free entitlement (FE) fees for 15 or 30 nursery hours each week continued to be a major source of income for the Trust. These are paid on the basis of occupancy. Unusually for Charnwood, places at the nursery were not fully subscribed for the opening term although during the year, this substantially returned to close to full occupancy.

Charnwood's provision accommodates this, while at the same time seeking to maintain a family focussed perspective where children and parents have the opportunity for time together.

The Charnwood Trust

Trustees' Report (continued)

One area of risk that the trustees continue to be mindful of, relates to dependence on a single source of income. For the provision of nursery places for children with special needs and additional services it provides beyond the Heaton Moor nursery setting, Charnwood continued to receive additional Local Authority funding in addition to standard FE fees. We remain conscious of the single source of income risk, especially in the context of not having this agreed more than one academic year in advance and funding that is effectively static or not increasing in line with wage and other cost inflation. We continue to explore other income opportunities.

Activities

To achieve its objectives, the Trust directly provides services itself and seeks to influence the provision offered to children and families who do not use Charnwood services. This year, Charnwood continued to run a nursery school and family centre in the Heaton Moor area of Stockport.

In our nursery settings, the Trust aims to support the development of each child's full potential by providing centres of excellence that deliver the highest quality nursery education and family support, and which can also be a reference point for other providers. The provision through the Heaton Moor nursery this past year included an inclusive Nursery School, additional physiotherapy, speech therapy and occupational therapy. We also offered a breakfast and after school club.

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

Charnwood continued to provide its stay-and-play-plus Opportunity Group in term time. Experienced staff assist parents with their children's development through play. The Opportunity Group also allows parents to borrow specialist resources or books for their child needing specific support as part of their development.

During the year, Charnwood Trust was also involved in training, providing opportunities for students and apprentices and continued its work with other nursery settings to share and encourage good practice. We continued to participate in research. We also provide training and support for Early Years professionals from other nurseries in the Stockport Local Authority Area, and audit Early Years provision across 11 sites on behalf of the Local Authority.

A restricted fund is held in memory of our longest serving Trustee, the late Arthur Cross. Arthur's fund is available to make small grants to help staff and families with specific needs and we remain alert to appropriate use of this fund to this end. There were further donations to this fund during the year and small grants made from this fund.

Achievements and Performance

Charnwood has an 'Outstanding' status following its most recent Ofsted inspection in July 2022, incorporating assessed outstanding quality of education, behaviour and attitudes, personal development, leadership and management. The following were just a select few of the comments made by Ofsted in their report:

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

The Charnwood Trust

Trustees' Report (continued)

We believe this continues to be true, testament to the quality and care of the Charnwood senior leadership team and indeed all the staff.

The Charnwood reach continue to extend far beyond the nursery provision at Heaton Moor.

On Mothering Sunday 2024, Charnwood featured in BBC's Songs of Praise.

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

Financial Review

Charnwood's net deficit for the year increased from £64,881 to £94,858. Specific causes for the current year deficit differed from the prior year and some appeared more 'one-off'. Nonetheless, the trustees are increasingly mindful of the need to return to a balanced budget and take action in the medium term to restore Charnwood's reserves.

Total income increased by £12,340 (1.5%) from £842,736 to £855,076. However, it was a disappointing year overall for donations and legacies income, which was down by £41,906 from £69,966 to £28,060. Donations and legacies are critical to support many of the additional support services that make Charnwood special, such as physiotherapy, speech therapy, the Opportunity Groups and general wider family support. During the year, Charnwood also extended this to include occupational therapy support but has made the difficult decision not to continue this.

Total expenditure increased by £42,317 (4.7%) from £907,617 to £949,934. The key factor in this increase was a £49,842 (6.8%) increase in total staff costs. This reflects national minimum wage increases and a competitive and challenging employment market in the sector.

Despite the deficit for the year and a reduction in working capital (net current assets), the trustees are pleased to report that cash at bank and in hand increased from £96,216 to £121,314 compared to the previous year-end.

Reserves Policy

The trustees consider that unrestricted funds not invested in tangible fixed assets or designated for specific purposes (the free reserves) should be around 3 months of the resources expended on a like-for-like basis, which equates to approximately £233,000 for the year ended 31 August 2024. 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. Our free reserves have fallen to £98,615, a substantial shortfall against our reserves policy.

We had previously indicated that we considered it might take a couple of years before we could restore our free reserves to meet our policy but remained committed to doing so in the medium term horizon.

We intend to enhance our focus on expanding Charnwood's other grants, donations and legacies' income streams and making it easier for organisations and people to partner financially with Charnwood. We are very dependent on these other sources of income to continue to deliver Charnwood Trust's aims. We had already taken the difficult decision not to renew occupational therapy service provision for the year ending 31 August 2025.

The Charnwood Trust

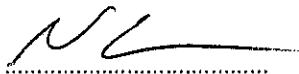
Trustees' Report (continued)

As a result of the these and other measures, and having considered forecasts up to August 2026, we are confident that the trust is a going concern.

The annual report was approved by the trustees of the charity on 25/6/25 and signed on its behalf by:



A. Graystone
Trustee



N. Lawrinson
Trustee

The Charnwood Trust

Statement of Trustees' Responsibilities

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

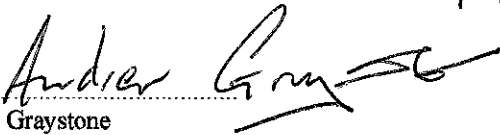
The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial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

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 25/6/25 and signed on its behalf by:



A. Graystone
Trustee



N. Lawrinson
Trustee

The Charnwood Trust

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

I report to the trustees on my examination of the accounts of The Charnwood Trust for the year ended 31 August 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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



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

Date: 26/6/25

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2024

	Note	Unrestricted £	Restricted £	Total 2024 £
Income and Endowments from:				
Donations and legacies	2	26,735	1,325	28,060
Charitable activities	3	806,132	-	806,132
Other trading activities	4	9,808	-	9,808
Investment income	5	1,076	-	1,076
Other income	6	10,000	-	10,000
Total income		<u>853,751</u>	<u>1,325</u>	<u>855,076</u>
Expenditure on:				
Raising funds		(549)	-	(549)
Charitable activities	7	<u>(948,030)</u>	<u>(1,355)</u>	<u>(949,385)</u>
Total expenditure		<u>(948,579)</u>	<u>(1,355)</u>	<u>(949,934)</u>
Net movement in funds		(94,828)	(30)	(94,858)
Reconciliation of funds				
Total funds brought forward		<u>719,479</u>	<u>4,741</u>	<u>724,220</u>
Total funds carried forward	18	<u><u>624,651</u></u>	<u><u>4,711</u></u>	<u><u>629,362</u></u>

The notes on pages 13 to 24 form an integral part of these financial statements.

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2024 (continued)

	Note	Unrestricted £	Restricted £	Total 2023 £
Income and Endowments from:				
Donations and legacies	2	66,658	3,308	69,966
Charitable activities	3	763,389	-	763,389
Other trading activities	4	9,197	-	9,197
Investment income	5	184	-	184
Total income		<u>839,428</u>	<u>3,308</u>	<u>842,736</u>
Expenditure on:				
Raising funds		(674)	-	(674)
Charitable activities	7	(903,605)	(3,213)	(906,818)
Other expenditure	8	(125)	-	(125)
Total expenditure		<u>(904,404)</u>	<u>(3,213)</u>	<u>(907,617)</u>
Net movement in funds		(64,976)	95	(64,881)
Reconciliation of funds				
Total funds brought forward		<u>784,455</u>	<u>4,646</u>	<u>789,101</u>
Total funds carried forward	18	<u>719,479</u>	<u>4,741</u>	<u>724,220</u>

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

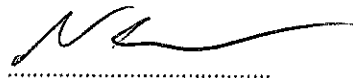
The funds breakdown for 2023 is shown in note 18.

The Charnwood Trust
(Registration number: 502610)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	526,036	539,664
Current assets			
Debtors	14	6,225	117,460
Cash at bank and in hand	15	<u>121,314</u>	<u>96,216</u>
		127,539	213,676
Creditors: Amounts falling due within one year	16	<u>(24,213)</u>	<u>(29,120)</u>
Net current assets		<u>103,326</u>	<u>184,556</u>
Net assets		<u>629,362</u>	<u>724,220</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		4,711	4,741
Unrestricted income funds			
Unrestricted funds		<u>624,651</u>	<u>719,479</u>
Total funds	18	<u>629,362</u>	<u>724,220</u>

The financial statements on pages 9 to 24 were approved by the trustees, and authorised for issue on 25/16/25 and signed on their behalf by:


A. Graystone
Trustee


N. Lawrinson
Trustee

The Charnwood Trust

Cash Flow Statement for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(94,858)	(64,881)
Adjustments to cash flows from non-cash items			
Depreciation	8	17,361	16,262
Investment income	5	(1,076)	(184)
Loss on disposal of tangible fixed assets		-	6,206
		<u>(78,573)</u>	<u>(42,597)</u>
Working capital adjustments			
Decrease/(increase) in debtors	14	111,235	(93,467)
(Decrease)/increase in creditors	16	<u>(4,907)</u>	<u>15,278</u>
Net cash flows from operating activities		<u>27,755</u>	<u>(120,786)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	1,076	184
Purchase of tangible fixed assets	13	<u>(3,733)</u>	<u>(15,977)</u>
Net cash flows from investing activities		<u>(2,657)</u>	<u>(15,793)</u>
Net increase/(decrease) in cash and cash equivalents		25,098	(136,579)
Cash and cash equivalents at 1 September		<u>96,216</u>	<u>232,795</u>
Cash and cash equivalents at 31 August		<u>121,314</u>	<u>96,216</u>

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

The notes on pages 13 to 24 form an integral part of these financial statements.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Accounting policies

Statement of compliance

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

Basis of preparation

The Charnwood Trust meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

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

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

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 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.

The depreciation rates are as follows:

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

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

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

Pensions and other post retirement obligations

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

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

Financial instruments

Classification

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

Recognition and measurement

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

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

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

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	14,860	-	14,860	6,634
Donations from individuals	11,679	200	11,879	8,580
Legacies	-	-	-	30,000
Gift aid reclaimed	196	-	196	146
Grants, including capital grants;				
Grants from other charities	-	1,125	1,125	24,206
Gifts in kind	-	-	-	400
	<u>26,735</u>	<u>1,325</u>	<u>28,060</u>	<u>69,966</u>

3 Income from charitable activities

	Unrestricted General £	Total 2024 £	Total 2023 £
EYPP	4,232	4,232	2,153
SEN Grant	359,163	359,163	373,631
Free Entitlement Grant	244,397	244,397	261,455
Additional Support	7,328	7,328	-
2 Year Old Offer	35,640	35,640	17,073
DAF - Disability Access Fund	12,740	12,740	12,224
DEP	1,925	1,925	2,214
Nursery Session	48,691	48,691	34,558
Lunch and snack fees	33,320	33,320	27,400
Woodies Fee	52,209	52,209	25,822
Extras and add ons	511	511	737
Opportunity Group Fees	5,976	5,976	6,122
	<u>806,132</u>	<u>806,132</u>	<u>763,389</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

4 Income from other trading activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Local fundraising and street collection income	6,653	6,653	6,126
Other income from other trading activities	3,155	3,155	3,071
	9,808	9,808	9,197

5 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income; Interest receivable on bank deposits	1,076	1,076	184
	1,076	1,076	184

6 Other income

	Unrestricted funds General £	Total 2024 £
Fees and supplies	10,000	10,000
	10,000	10,000

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

7 Expenditure on charitable activities

	Unrestricted		Total 2024 £	Total 2023 £
	General £	Restricted £		
Wages and salaries	706,390	-	706,390	665,104
Social security costs	41,606	-	41,606	36,055
Pension costs	29,947	-	29,947	27,314
Other staff costs	8,830	-	8,830	8,458
Establishment Costs	41,165	-	41,165	32,077
Cleaning	27,176	-	27,176	23,705
Office Expenses	11,611	-	11,611	12,664
Sundry and other costs	23,975	1,355	25,330	32,350
Physiotherapy, speech and occupational therapy costs	34,370	-	34,370	21,811
Depreciation, amortisation and other similar costs	17,361	-	17,361	22,469
Road repairs	-	-	-	19,555
Governance costs	5,599	-	5,599	5,256
	<u>948,030</u>	<u>1,355</u>	<u>949,385</u>	<u>906,818</u>

8 Other expenditure

	Total 2024 £	Total 2023 £
Other resources expended	-	125
	<u>-</u>	<u>125</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	1,100	1,100	1,065
Other fees paid to examiners	4,231	4,231	3,578
Other governance costs	268	268	613
	5,599	5,599	5,256

10 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.

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	706,390	665,104
Social security costs	41,606	36,055
Pension costs	29,947	27,314
Other staff costs	8,830	8,458
	786,773	736,931

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was 51 (2023: 50).

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

	2024 No	2023 No
Administrative staff	3	4
Teaching staff	26	26
	29	30

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

31 (2023 - 31) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £29,947 (2023 - £27,314).

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

12 Taxation

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

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2023	685,358	88,126	773,484
Additions	-	3,733	3,733
At 31 August 2024	<u>685,358</u>	<u>91,859</u>	<u>777,217</u>
Depreciation			
At 1 September 2023	149,670	84,150	233,820
Charge for the year	13,707	3,654	17,361
At 31 August 2024	<u>163,377</u>	<u>87,804</u>	<u>251,181</u>
Net book value			
At 31 August 2024	<u>521,981</u>	<u>4,055</u>	<u>526,036</u>
At 31 August 2023	<u>535,688</u>	<u>3,976</u>	<u>539,664</u>

14 Debtors

	2024 £	2023 £
Trade debtors	4,029	70,920
Prepayments and accrued income	1,214	45,607
Other debtors	982	933
	<u>6,225</u>	<u>117,460</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

15 Cash and cash equivalents

	2024	2023
	£	£
Cash on hand	3,495	2,606
Cash at bank	117,819	93,610
	121,314	96,216

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	5,578	12,182
Other taxation and social security	8,894	503
Other creditors	750	1,300
Pension scheme creditor	4,500	-
Accruals	4,491	15,135
	24,213	29,120

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Other		
Within one year	1,565	-
Between one and five years	3,912	21,909
	5,477	21,909

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

18 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Unrestricted				
General	719,479	853,751	(948,579)	624,651
Restricted				
Arthur's Fund	4,741	200	(230)	4,711
Groundworks UK	-	1,125	(1,125)	-
Total Restricted	4,741	1,325	(1,355)	4,711
Total funds	724,220	855,076	(949,934)	629,362
	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted				
General	784,455	839,428	(904,404)	719,479
Restricted				
Arthur's Fund	4,646	100	(5)	4,741
Opportunity Group	-	3,208	(3,208)	-
Total Restricted	4,646	3,308	(3,213)	4,741
Total funds	789,101	842,736	(907,617)	724,220

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

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

Groundworks UK awarded a grant from the Tesco Stronger Starts scheme towards the project Nurture Me, Feed Me, Teach Me that provides food and support to young people.

The Opportunity Group received a grant from The Co-op Local Community Fund in the previous financial year towards the costs of this group.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

19 Analysis of net assets between funds

	Unrestricted funds General	Restricted funds	Total funds at 31 August 2024
	£	£	£
Tangible fixed assets	526,036	-	526,036
Current assets	122,828	4,711	127,539
Current liabilities	(24,213)	-	(24,213)
Total net assets	624,651	4,711	629,362
	Unrestricted funds General	Restricted funds	Total funds at 31 August 2023
	£	£	£
Tangible fixed assets	539,664	-	539,664
Current assets	208,935	4,741	213,676
Current liabilities	(29,120)	-	(29,120)
Total net assets	719,479	4,741	724,220

20 Related party transactions

During the year the charity received aggregate donations totalling £1,000 from four trustees. There were no other related party transactions in the year.

THE CHARNWOOD TRUST

England & Wales - Charity number 502610

Accounts

Charity registration number: 502610

The Charwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2023

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 J. Baker S. Crane N. Lawrinson S. Forman G.A. Whitaker C.M. Fay C Carr-Deed
Charity Registration Number	502610
Principal Office	St Paul's Road Stockport Cheshire SK4 4RY
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 of the Charnwood Trust (Reg no. 502610) present their annual report together with the financial statements of the charity for the year ended 31 August 2023.

The Board of Trustees administer the Charnwood Trust and support the leadership team, who manage the charity from day to day. We have been encouraged as we reflect on developments during a year which has again seen increasing challenges for the voluntary and Early Years sectors. These challenges included particular financial challenges for Charnwood, its staff and the children and their families served by Charnwood as annual inflation (CPI) reached 11.1% in October 2022.

We reported in the prior year that the process of winding up The Charnwood Trust CIO (Reg no. 1168496) (dormant) was almost complete; this has now been completed.

Objectives

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

The Trust aims to:

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

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

Structure, Governance and Management

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

Existing trustees are responsible for the recruitment of new trustees, and the present board includes some with current and past teaching experience, and some with experience in the Local Authority, faith or charity sector; one is a recent Charnwood parent, and others have been in the past. All are people of faith from a range of Christian churches, and have a knowledge and understanding of the issues facing parents with young children, and an insight into the added pressures where there is a child with extra support needs.

Subsequent to the year-end, on 23 January 2024, we were delighted to welcome Cath Carr-Deed (former Charnwood Head of Education) to the Board of Trustees. We are already appreciating the contribution she is making and wealth of experience she brings.

The Charnwood Trust

Trustees' Report (continued)

Also subsequent to the year-end, on 11 October 2023, Julie-Ann McCulloch stepped down as trustee. We thank Julie-Ann for all her input and hard work over many years and know that Julie-Ann remains a passionate advocate for Charnwood.

The year ended 31 August 2023 was the second full year in post for our Head of Education, Jill Dring. Jill was supported throughout the year by Suzannah Gleaves - Deputy Head / SENCO, Julie Nowell - Business Manager and Vanessa Orr - Family Support Lead, who made up the Senior Leadership Team. Jill has continued to advance the Charnwood ethos and sphere of influence for good, ably supported by our incredible senior leadership team who consistently go above and beyond in their care and support for Charnwood children and their families.

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

Risk Management

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

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

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

One area of risk that the trustees continue to be mindful of, relates to dependence on a single source of income. For the provision of nursery places for children with special needs Charnwood continued to receive additional Local Authority funding in addition to standard FE fees. We remain conscious of the single source of income risk, especially in the context of not having this agreed more than one academic year in advance and funding that is effectively reduced, static or not increasing in line with wage and other cost inflation. We continue to explore other income opportunities.

Activities

To achieve its objectives, the Trust directly provides services itself and seeks to influence the provision offered to children and families who don't use Charnwood services. This year, Charnwood continued to run a nursery school and family centre in the Heaton Moor area of Stockport.

In our nursery settings, the Trust aims to support the development of each child's full potential by providing centres of excellence that deliver the highest quality nursery education and family support, and which can also be a reference point for other providers. The provision through the Heaton Moor nursery this past year included an inclusive Nursery School, additional physiotherapy, hydrotherapy, speech therapy and occupational therapy. We also offered a breakfast and after school club.

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

The Charnwood Trust

Trustees' Report (continued)

Charnwood continued to provide its stay-and-play-plus Opportunity Group in term time. Experienced staff assist parents with their children's development through play. The Opportunity Group also allows parents to borrow specialist resources or books for their child needing specific support as part of their development.

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

A restricted fund is held in memory of our longest serving Trustee, the late Arthur Cross. Arthur's fund is available to make small grants to help staff and families with specific needs and we remain alert to appropriate use of this fund to this end. There were further donations to this fund during the year.

The impact of Covid-19 continued to diminish but we remained cautious to any Covid-19 or other infection outbreaks. Staff continued to respond magnificently ensuring that they maintained contact and support with children and families who were not able to join us in nursery or were isolating.

Achievements and Performance

We remain delighted that we retained our overall 'Outstanding' status following Ofsted inspection in July 2022, incorporating assessed outstanding quality of education, behaviour and attitudes, personal development, leadership and management. The following were just a select few of the comments made by Ofsted in their report:

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

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

In June 2023, we had the joy of celebrating 50 years of Charnwood Trust. It was wonderful to hear so many stories from past and present of the difference that Charnwood has made and continues to make to children and their families.

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

The Charnwood Trust

Trustees' Report (continued)

Financial Review

Following two years of surpluses, Charnwood had an overall net deficit of £64,881 for the year. There were specific causes for this, which we are mindful of even if some of these should be considered 'one-offs' as set out below.

Total income fell by £54,446 from £897,182 to £842,736. This was the net effect of overall reduced income from charitable activities of £78,254 as partially offset by net other increases principally arising from an increase in donations and legacies. The largest components of income from charitable activities are Special Educational Needs grants and FE grants - actual income arising from these grants is dependent not just on any increase (if any) in grant rates but also on the number of children and the mix of those children including the numbers with Special Educational Needs and/or other additional needs that do not necessarily attract commensurate additional funding. A further reason for the reduction in income year on year was the end of a secondment arrangement with the Start Well Portage team associated with Stockport Council working with pre-school children with Special Educational Needs and/or Disabilities and their families, a valuable collaboration but one that presented a significant resource stretch to the senior leadership team of Charnwood.

Total expenditure increased by 8.4% from £836,363 to £906,818. This reflected general inflationary rises during the year including an overall 4.8% increase in gross wages and salaries. Another significant reason for the increase was a £19,555 quasi-exceptional cost for re-surfacing the shared private access road for which Charnwood is the last property at the end of the road - re-surfacing was considered necessary to enable children and their families to continue to safely access the nursery.

Cash at bank and in hand fell by £136,579 from £232,795 to £96,216, i.e. by significantly more than the net deficit for the year. This was principally due to a combination of:

- Amounts due from the Local Authority of £65,554 at the year-end, received in full after the year-end;
- A gift from legacy of £30,000 that passed through probate during the year but was not actually received after the year-end; as partially offset by
- Post year-end payments associated with the access road resurfacing and a new roof and solar panels for the nursery extension completed in August 2023 for which the full cost (or depreciation and equivalent expense) is recognised in the year.

Reserves Policy

The trustees consider that unrestricted funds not invested in tangible fixed assets or designated for specific purposes (the free reserves) should be around 3 months of the resources expended on a like-for-like basis, which equates to approximately £220,000 for the year ended 31 August 2023. 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. We had been pleased to report in the prior year that we had met our reserves policy at the year-end for the first time in several years but we cautioned that we were not complacent and anticipated erosion of our free reserves due to the expected cash outlays on the roof and shared private access road. For a combination of the reasons set out in the Financial Review above, our free reserves have fallen to £179,815, such that we are once again in a position where we are not meeting our reserves policy.


The Charnwood Trust

Trustees' Report (continued)

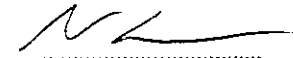
We anticipate that it might take a couple of years before we can restore our free reserves to meet our policy but remain committed to doing so in the medium term horizon. Whilst we are pleased that our partnership agreement with Stockport MBC has continued with our funding recently re-confirmed for 2024/25, rates are static. We continue to look for opportunities to expand Charnwood's other grants, donations and legacies' income streams. We are increasingly dependent on these other sources of income to continue to deliver Charnwood Trust's aims. During the year we celebrated 50 years of Charnwood Trust and post year-end, on Mothering Sunday 2024, Charnwood featured in BBC's Songs of Praise. We continue to look to build on the widespread goodwill there is towards Charnwood to facilitate and encourage others to partner with us, including financially.

As a result of these and other measures, and having considered forecasts up to August 2025, we are confident that the trust is a going concern.

The annual report was approved by the trustees of the charity on 26 June 2024 and signed on its behalf by:



.....
A. Graystone
Trustee



.....
N. Lawrinson
Trustee

The Charnwood Trust

Statement of Trustees' Responsibilities

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

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

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

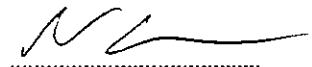
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 26 June 2024 and signed on its behalf by:



A. Graystone
Trustee



N. Lawrinson
Trustee

The Charnwood Trust

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

I report to the trustees on my examination of the accounts of The Charnwood Trust for the year ended 31 August 2023.

Responsibilities and basis of report

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

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


Independent examiner's statement

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

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

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

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


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

27 June 2024

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2023

	Note	Unrestricted £	Restricted £	Total 2023 £
Income and Endowments from:				
Donations and legacies	2	66,658	3,308	69,966
Charitable activities	3	763,389	-	763,389
Other trading activities	4	9,197	-	9,197
Investment income	5	184	-	184
Total income		<u>839,428</u>	<u>3,308</u>	<u>842,736</u>
Expenditure on:				
Raising funds		(674)	-	(674)
Charitable activities	7	(903,605)	(3,213)	(906,818)
Other expenditure	8	(125)	-	(125)
Total expenditure		<u>(904,404)</u>	<u>(3,213)</u>	<u>(907,617)</u>
Net movement in funds		(64,976)	95	(64,881)
Reconciliation of funds				
Total funds brought forward		<u>784,455</u>	<u>4,646</u>	<u>789,101</u>
Total funds carried forward	18	<u>719,479</u>	<u>4,741</u>	<u>724,220</u>

The notes on pages 13 to 23 form an integral part of these financial statements.

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2023 (continued)

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

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 is shown in note 18.

The Charnwood Trust

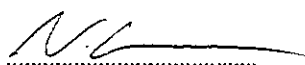
(Registration number: 502610)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	539,664	546,155
Current assets			
Debtors	14	117,460	23,993
Cash at bank and in hand	15	<u>96,216</u>	<u>232,795</u>
		213,676	256,788
Creditors: Amounts falling due within one year	16	<u>(29,120)</u>	<u>(13,842)</u>
Net current assets		<u>184,556</u>	<u>242,946</u>
Net assets		<u>724,220</u>	<u>789,101</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		4,741	4,646
Unrestricted income funds			
Unrestricted funds		<u>719,479</u>	<u>784,455</u>
Total funds	18	<u>724,220</u>	<u>789,101</u>

The financial statements on pages 9 to 23 were approved by the trustees, and authorised for issue on 26 June 2024 and signed on their behalf by:



A. Graystone
Trustee



N. Lawrinson
Trustee

The Charnwood Trust

Cash Flow Statement for the Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(64,881)	60,690
Adjustments to cash flows from non-cash items			
Depreciation	8	16,262	16,067
Investment income	5	(184)	(11)
Loss on disposal of tangible fixed assets		6,206	-
		<u>(42,597)</u>	<u>76,746</u>
Working capital adjustments			
(Increase)/decrease in debtors	14	(93,467)	39,428
Increase/(decrease) in creditors	16	15,278	(20,400)
Net cash flows from operating activities		<u>(120,786)</u>	<u>95,774</u>
Cash flows from investing activities			
Interest receivable and similar income	5	184	11
Purchase of tangible fixed assets	13	(15,977)	(3,465)
Net cash flows from investing activities		<u>(15,793)</u>	<u>(3,454)</u>
Net (decrease)/increase in cash and cash equivalents		(136,579)	92,320
Cash and cash equivalents at 1 September		<u>232,795</u>	<u>140,475</u>
Cash and cash equivalents at 31 August		<u>96,216</u>	<u>232,795</u>

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

The notes on pages 13 to 23 form an integral part of these financial statements.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

Statement of compliance

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

Basis of preparation

The Charnwood Trust meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

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

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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 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.

The depreciation rates are as follows:

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

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

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

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

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

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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.

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.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	3,426	3,208	6,634	1,000
Donations from individuals	8,480	100	8,580	11,729
Legacies	30,000	-	30,000	-
Gift aid reclaimed	146	-	146	787
Grants, including capital grants;				
Grants from other charities	24,206	-	24,206	18,724
Gifts in kind	400	-	400	-
	<u>66,658</u>	<u>3,308</u>	<u>69,966</u>	<u>32,240</u>

3 Income from charitable activities

	Unrestricted General £	Total 2023 £	Total 2022 £
EYPP	2,153	2,153	5,436
SEN Grant	373,631	373,631	416,786
Free Entitlement Grant	261,455	261,455	256,675
2 Year Old Offer	17,073	17,073	15,812
DAF - Disability Access Fund	12,224	12,224	14,275
DEP	2,214	2,214	-
Nursery Session	34,558	34,558	71,888
Lunch and snack fees	27,400	27,400	29,996
Woodies Fee	25,822	25,822	22,140
Extras and add ons	737	737	845
Opportunity Group Fees	6,122	6,122	5,210
Recharge of rent for opportunity group	-	-	2,580
	<u>763,389</u>	<u>763,389</u>	<u>841,643</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

4 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2022 £
Local fundraising and street collection income	6,126	6,126	3,669
Other income from other trading activities	3,071	3,071	1,449
	<u>9,197</u>	<u>9,197</u>	<u>5,118</u>

5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income; Interest receivable on bank deposits	184	184	11

6 Other income

	Total 2023 £	Total 2022 £
Fees and supplies	-	18,170

7 Expenditure on charitable activities

	Unrestricted		Total 2023 £	Total 2022 £
	General £	Restricted £		
Wages and salaries	665,104	5	665,109	634,464
Social security costs	36,055	-	36,055	33,662
Pension costs	27,314	-	27,314	25,778
Other staff costs	8,458	-	8,458	10,257
Establishment Costs	29,404	2,673	32,077	31,298
Cleaning	23,705	-	23,705	17,177
Office Expenses	12,664	-	12,664	12,105
Sundry and other costs	31,810	535	32,345	24,738
Physiotherapy and speech therapy	21,811	-	21,811	25,823
Depreciation, amortisation and other similar costs	22,469	-	22,469	16,067
Road repairs	19,555	-	19,555	-
Governance costs	5,256	-	5,256	4,994
	<u>903,605</u>	<u>3,213</u>	<u>906,818</u>	<u>836,363</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Other expenditure

	Unrestricted funds General £	Total funds £
Other resources expended	125	125
Total for 2023	125	125

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Independent examiner fees			
Examination of the financial statements	1,065	1,065	975
Other fees paid to examiners	3,578	3,578	3,453
Other governance costs	613	613	566
	5,256	5,256	4,994

10 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.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	665,109	634,464
Social security costs	36,055	33,662
Pension costs	27,314	25,778
Other staff costs	8,458	10,257
	736,936	704,161

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was 50 (2022: 49).

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

	2023 No	2022 No
Administrative staff	4	4
Teaching staff	26	26
	30	30

31 (2022 - 31) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £36,055 (2022 - £33,662).

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

12 Taxation

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

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2022	677,097	99,475	776,572
Additions	15,197	780	15,977
Disposals	(6,936)	(12,129)	(19,065)
At 31 August 2023	685,358	88,126	773,484
Depreciation			
At 1 September 2022	136,858	93,559	230,417
Charge for the year	13,541	2,721	16,262
Eliminated on disposals	(729)	(12,130)	(12,859)
At 31 August 2023	149,670	84,150	233,820
Net book value			
At 31 August 2023	535,688	3,976	539,664
At 31 August 2022	540,239	5,916	546,155

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Debtors

	2023 £	2022 £
Trade debtors	70,920	15,710
Prepayments and accrued income	45,607	7,497
Other debtors	933	786
	<u>117,460</u>	<u>23,993</u>

15 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	2,606	363
Cash at bank	93,610	232,432
	<u>96,216</u>	<u>232,795</u>

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	12,182	2,750
Other taxation and social security	503	-
Other creditors	1,300	1,000
Pension scheme creditor	-	3,812
Accruals	15,135	6,280
	<u>29,120</u>	<u>13,842</u>

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Other		
Between one and five years	<u>21,909</u>	<u>24,911</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

18 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted				
General	784,455	839,428	(904,404)	719,479
Restricted				
Arthur's Fund	4,646	100	(5)	4,741
Opportunity Group	-	3,208	(3,208)	-
Total Restricted	4,646	3,308	(3,213)	4,741
Total funds	789,101	842,736	(907,617)	724,220
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted				
General	724,720	879,747	(820,012)	784,455
Restricted				
Arthur's Fund	3,691	1,000	(45)	4,646
Sisters of St Joseph	-	10,000	(10,000)	-
Morrison's Foundation	-	6,435	(6,435)	-
Total Restricted	3,691	17,435	(16,480)	4,646
Total funds	728,411	897,182	(836,492)	789,101

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

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

In the year ended 31 August 2022, The Sisters of St Joseph of the Apparition have given a grant towards physiotherapy costs. They also gave a grant in the current year with no restrictions.

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

The Co-op Local Community Fund has given a grant towards the Opportunity Group.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

19 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2023 £
Tangible fixed assets	539,664	-	539,664
Current assets	208,935	4,741	213,676
Current liabilities	(29,120)	-	(29,120)
Total net assets	719,479	4,741	724,220
	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2022 £
Tangible fixed assets	546,155	-	546,155
Current assets	252,142	4,646	256,788
Current liabilities	(13,842)	-	(13,842)
Total net assets	784,455	4,646	789,101

THE CHARNWOOD TRUST

England & Wales - Charity number 502610

Accounts

Charity registration number: 502610

The Charnwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2022

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

The Charnwood Trust

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The Charnwood Trust

Reference and Administrative Details

Trustees	A. Graystone J.A. McCulloch A. Harris (resigned 18 May 2022) J. Baker S. Crane N. Lawrinson S. Forman G.A. Whitaker C.M. Fay
Charity Registration Number	502610
Principal Office	St Paul's Road Stockport Cheshire SK4 4RY
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 of the Charnwood Trust (Reg no. 502610) present their annual report together with the financial statements of the charity for the year ended 31 August 2022.

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

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

Objectives

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

The Trust aims to:

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

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

Structure, Governance and Management

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

Existing trustees are responsible for the recruitment of new trustees, and the present board includes some with current and past teaching experience, and some with experience in the Local Authority, faith or charity sector; one is a recent Charnwood parent, and others have been in the past. All are people of faith from a range of Christian churches, and have a knowledge and understanding of the issues facing parents with young children, and an insight into the added pressures where there is a child with extra support needs. During the year, Dr Helen Wilkins left the trustee board. She was an active and supportive trustee and we appreciated her service. We were pleased to welcome two new trustees in 2022. Dr Geryl Whitaker is a retired GP who brings local and medical experience. Clare Fay has had a career in administration, and brings lived experience of disability. We are already appreciating the contribution they are making.

The Charnwood Trust

Trustees' Report (continued)

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

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

Risk Management

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

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

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

One area of risk that the trustees continue to be mindful of, relates to dependence on a single source of income. For the provision of nursery places for children with special needs Charnwood continued to receive additional local authority funding in addition to standard FE fees. During the course of the year Charnwood worked closely with the Local Authority to establish a clearer framework for partnership working for the year commencing September 2022. We remain conscious of the single source of income risk, especially in the context of not having this agreed more than one academic year in advance, and continue to explore other income opportunities.

Activities

To achieve its objectives, the Trust directly provides services itself and seeks to influence the provision offered to children and families who don't use Charnwood services. This year, Charnwood continued to run a nursery school and family centre in the Heaton Moor area of Stockport.

In our nursery settings, the Trust aims to support the development of each child's full potential by providing centres of excellence that deliver the highest quality nursery education and family support, and which can also be a reference point for other providers. The provision through the Heaton Moor nursery this past year included an inclusive Nursery School, additional physiotherapy, hydrotherapy, speech therapy and occupational therapy. We also offer a breakfast and after school club.

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

The Charnwood Trust

Trustees' Report (continued)

A stay-and-play-plus Opportunity Group was open as six morning or afternoon sessions per week in term time (an increase of two compared to the previous year, partially supported by additional funding from the local authority). Experienced staff assist parents with their children's development through play. The Opportunity Group also allows parents to borrow specialist resources or books for their child needing specific support as part of their development.

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

A restricted fund is held in memory of our longest serving Trustee, the late Arthur Cross. Arthur's fund was able to make small grants to help staff and families with specific needs. We expect grants made from this fund to increase as the cost of living crisis bites.

The impact of Covid-19 was less than in the previous two years but we remained cautious. Staff continued to respond magnificently ensuring that they maintained contact and support with children and families who were not able to join us in nursery or were isolating.

Achievements and Performance

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

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

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

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

Financial Review

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

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

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

The Charnwood Trust

Trustees' Report (continued)

Reserves Policy

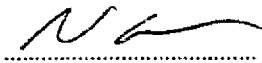
The trustees consider that unrestricted funds not invested in tangible fixed assets or designated for specific purposes (the free reserves) should be around 3 months of the resources expended on a like-for-like basis, which equates to approximately £202,000 for the year ended 31 August 2022. At this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

We are pleased that our partnership agreement with Stockport MBC has continued with our funding recently re-confirmed for 2023/24. We continue to collaborate with the local authority to support in the development of inclusive provision across the borough. As a result of these measures, and having considered forecasts up to August 2024, we are confident that the trust is a going concern.

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



A. Graystone
Trustee



N. Lawrinson
Trustee

The Charnwood Trust

Statement of Trustees' Responsibilities

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

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

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

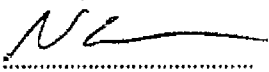
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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



A. Graystone
Trustee



N. Lawrinson
Trustee

The Charnwood Trust

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

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

Responsibilities and basis of report

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

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

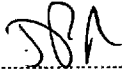
Independent examiner's statement

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

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

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

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


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

Date: 10/5/23

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2022

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

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

The Charnwood Trust

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

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

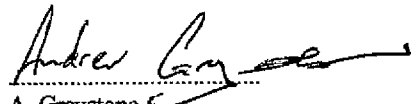
All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 16.

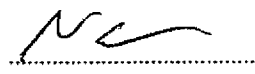
The Charnwood Trust

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

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

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


A. Graystone
Trustee


N. Lawrinson
Trustee

The Charnwood Trust

Cash Flow Statement for the Year Ended 31 August 2022

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

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

Statement of compliance

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

Basis of preparation

The Charnwood Trust meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

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

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Expenditure

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

Raising funds

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

The Charnwood Trust

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

Charitable activities

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

Support costs

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

Governance costs

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

Government grants

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

Taxation

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

Tangible fixed assets

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

Depreciation and amortisation

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

The depreciation rates are as follows:

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

The Charnwood Trust

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

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

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

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

Pensions and other post retirement obligations

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

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

Financial instruments

Classification

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The Charnwood Trust

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

Recognition and measurement

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

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

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

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

2 Income from donations and legacies

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

The Charnwood Trust

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

3 Income from charitable activities

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

4 Income from other trading activities

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

5 Investment income

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

The Charnwood Trust

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

6 Other income

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

7 Expenditure on charitable activities

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

8 Analysis of governance and support costs

Governance costs

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

The Charnwood Trust

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

9 Trustees remuneration and expenses

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

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

10 Staff costs

The aggregate payroll costs were as follows:

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

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

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

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

11 Taxation

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

The Charwood Trust

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

12 Tangible fixed assets

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

13 Debtors

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

14 Cash and cash equivalents

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

The Charnwood Trust

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

15 Creditors: amounts falling due within one year

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

16 Funds

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

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2021 £
Unrestricted					
General	<u>680,462</u>	<u>841,037</u>	<u>(791,916)</u>	<u>(4,863)</u>	<u>724,720</u>
Restricted					
Children in Need	3,105	24,800	(32,768)	4,863	-
Arthur's Fund	3,366	680	(355)	-	3,691
Total Restricted	<u>6,471</u>	<u>25,480</u>	<u>(33,123)</u>	<u>4,863</u>	<u>3,691</u>
Total funds	<u>686,933</u>	<u>866,517</u>	<u>(825,039)</u>	<u>-</u>	<u>728,411</u>

The Charnwood Trust

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

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

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

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

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

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

17 Analysis of net assets between funds

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

THE CHARNWOOD TRUST

England & Wales - Charity number 502610

Accounts

Charity registration number: 502610

The Charnwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2021

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

The Charnwood Trust

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The Charnwood Trust

Reference and Administrative Details

Trustees	A. Graystone J.A. McCulloch A Harris J Baker S Crane N Lawrinson S Forman
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 of the Charnwood Trust (Reg. no. 502610) present their annual report together with the financial statements of the charity for the year ended 31 August 2021.

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

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

Objectives

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

The Trust aims to:

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

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

Structure, Governance and Management

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

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

The Charnwood Trust

Trustees' Report

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

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

Risk Management

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

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

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

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

Activities

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

The Charnwood Trust

Trustees' Report

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

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

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

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

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

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

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

Achievements and Performance

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

Financial Review

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

The Charnwood Trust

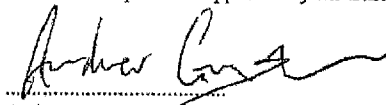
Trustees' Report

Reserves Policy

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

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

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



A. Graystone
Trustee

The Charnwood Trust

Statement of Trustees' Responsibilities

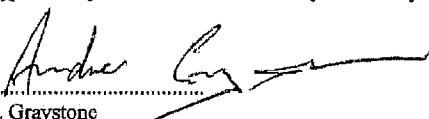
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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


.....
A. Graystone
Trustee

The Charnwood Trust

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

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

Respective responsibilities of trustees and examiner

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

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

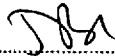
Independent examiner's statement

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

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

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

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



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

Date: 30/5/22

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2021

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

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2021

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

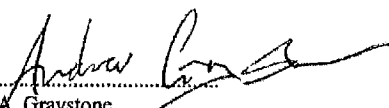
All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 16.

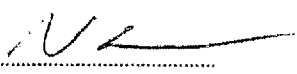
The Charnwood Trust

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

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

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


.....
A. Graystone
Trustee


.....
N Lawrinson
Trustee

The Charnwood Trust

Cash Flow Statement for the Year Ended 31 August 2021

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

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

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

The Charnwood Trust

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

1 Accounting policies

Statement of compliance

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

Basis of preparation

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

Going concern

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

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Expenditure

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

Raising funds

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

The Charnwood Trust

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

Charitable activities

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

Support costs

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

Governance costs

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

Government grants

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

Taxation

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

Tangible fixed assets

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

Depreciation and amortisation

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

The depreciation rates are as follows:

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

The Charnwood Trust

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

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

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

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

Pensions and other post retirement obligations

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

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

Financial instruments

Classification

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The Charnwood Trust

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

Recognition and measurement

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

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

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

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

2 Income from donations and legacies

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

The Charnwood Trust

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

3 Income from charitable activities

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

4 Income from other trading activities

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

5 Investment income

	Total 2021 £	Total 2020 £
Interest receivable and similar income;		
Interest receivable on bank deposits	-	8

The Charnwood Trust

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

6 Other income

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

7 Expenditure on charitable activities

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

8 Analysis of governance and support costs

Governance costs

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

The Charnwood Trust

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

9 Trustees remuneration and expenses

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

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

10 Staff costs

The aggregate payroll costs were as follows:

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

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

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

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

11 Taxation

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

The Charnwood Trust

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

12 Tangible fixed assets

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

13 Debtors

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

14 Cash and cash equivalents

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

The Charnwood Trust

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

15 Creditors: amounts falling due within one year

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

16 Funds

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

The Charnwood Trust

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

17 Analysis of net assets between funds

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

THE CHARNWOOD TRUST

England & Wales - Charity number 502610

Accounts

Charity registration number: 502610

The Charnwood Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2020

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 J.A. McCulloch A.P. Ruddick A Harris J Baker S Crane H Wilkins N Lawrinson S Forman
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 2020.

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

Our plan had been to transfer the resources and responsibilities of the existing Charnwood Trust to a new CIO. However, the task of transferring the new body is substantial, including transferring all staff and re-registering with OFSTED, which will mean losing our historic status. We have therefore left this plan on hold, and the Charnwood Trust CIO remains dormant.

Objectives

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

The Trust aims to:

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

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

Structure, Governance and Management

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

Existing trustees are responsible for the recruitment of new trustees, and the present board includes some with current and past teaching experience, and some with experience in the Local Authority, faith or charity sector; one is a recent Charnwood parent, and others have been in the past. All are people of faith from a range of Christian churches, and have a knowledge and understanding of the issues facing parents with young children, and an insight into the added pressures where there is a child with extra support needs.

During the year in question the work of the trust has been directed by Head Teacher Cath Carr-Deed, and the Deputy Head Teacher Suzannah Gleaves. In the course of the year we appointed Julie Nowell as Business Manager. Family Worker Vanessa Orr completes the leadership team. They are supported by part-time administrative staff and a number of teaching and nursery nurse staff, and other housekeeping staff. All of the leadership team and around a third of the rest of the staff team are members of Christian churches. The trustees are particularly grateful to Suzannah and the other staff for stepping up to maintain the provision at the highest standards whilst our Head Teacher was away during an extended period of illness.

Risk Management

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

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

A major source of income for the Trust is from universal early years free entitlement (FE) fees for 15 or 30 nursery hours each week. These are paid on the basis of occupancy, and overall, places at the three Charnwood nursery settings continued to be well subscribed during the year. Charnwood has adapted its provision to accommodate this, while at the same time sought to maintain a family focused perspective where children and parents have the opportunity for time together. The extension at Heaton Moor has allowed us to expand on that site, and also provided improved office space and a second exit from the upper floor.

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 was a challenge for Charnwood during the reporting year, as our income reduced, and the extent of local authority provision also fell.

Activities

To achieve its objectives, the Trust directly provides services itself and seeks to influence the provision offered to children and families who don't use Charnwood services. This year, Charnwood continued to run a nursery school and family centre in the Heaton Moor area of Stockport. At the start of the reporting year we also maintained two smaller sites in the adjacent areas of Belmont and Lancashire Hill in association with the local authority. During the year we closed the provision at Lancashire Hill. We did this with some regret, but the financial losses involved in working there were unsustainable in the longer term. We are pleased that we were able to continue much of our work with families, either from our base at Heaton Moor, or through our growing work with the Portage scheme.

In our nursery settings, the Trust aims to support the development of each child's full potential by providing centres of excellence that deliver the highest quality nursery education and family support, and which can also be a reference point for other providers. The provision through the Heaton Moor nursery

school and family centre this past year included an inclusive Nursery School, additional physiotherapy, hydrotherapy, speech therapy and occupational therapy. We also offer a breakfast and after school club, and a morning and afternoon Adventurers Club. This was an inclusive extended nursery provision where children could have a more informal extra session each week, extending some of the curriculum themes that were being covered in the nursery.

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

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

Our nursery settings were not inspected this year, but retain their 'outstanding' statuses.

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

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

In common with other settings, we were significantly impacted by Covid-19 in the latter part of the reporting year. The nurseries stayed open throughout, but during the Summer term we offered a substantially reduced service on-site. Some staff were placed on the governments employment support scheme (furlough). We were able to deliver nursery care at Heaton Moor for children of key workers and others with additional needs. Staff responded magnificently, creating safe environments at Heaton Moor and maintaining contact and support with children and families who were not able to join us.

Achievements and Performance

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

Financial Review

As set out in the Activities section above, the nursery provision at Lancashire Hill was closed during the year and the Trust was significantly impacted by Covid-19 in the latter part of the reporting year, being the principal reasons for the reduction in total income year on year. With offsetting cost reductions and use of the Coronavirus Job Retention Scheme there was a small overall net deficit, which we consider satisfactory in the circumstances.

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 £190,000. 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. Our reserves are currently somewhat lower than this, partly due to the capital expenditure we undertook in 2018, and partly due to extraordinary circumstances in 2020-21. However, we are content that we are holding adequate resources to cover our liabilities, and we aim to re-build our reserves over the next 4 years.

Update following the reporting period

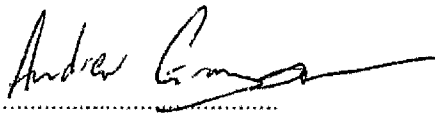
The reporting period for this report is September 2019 to August 2020. Since then we have seen a number of significant developments.

Covid-19 continues to affect our provision. We have remained open throughout, and are now offering a full service, with additional measures to ensure the safety of children and staff. A small number of staff remained on furlough until Easter 2021.

In common with other charities in the sector we have been financially stressed by the pandemic. As we emerge from the pandemic the trustees have determined to address the structural deficit in our finances and to rebuild our reserves. As a result, we made a decision to pass the provision at Belmont back to the local authority from Summer 2021. We have made two teacher posts redundant from August 2021. We are pleased to have negotiated a new Service Level Agreement with Stockport MBC and await their confirmation of it. As a result of these measures, we are confident that the trust is a going concern.

Our highly valued Head Teacher Cath Carr Deed gave notice of her intention to retire in the Summer of 2021. After a recruitment process we were delighted to appoint Jill Dring as Head Teacher elect. Jill has joined the staff from Easter 2021 to ensure a smooth handover.

The annual report was approved by the trustees of the charity on Tuesday 22nd June 2021 and signed on its behalf by:



Andrew Graystone, Chair of Trustees

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 22 June 2021 and signed on its behalf by:



A. Graystone
Trustee

The Charnwood Trust

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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 8 to 21.

Respective responsibilities of trustees and examiner

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

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

Independent examiner's statement

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

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

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

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



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

Date:..... 28/6/21

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2020

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

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

The Charnwood Trust

Statement of Financial Activities for the Year Ended 31 August 2020 19

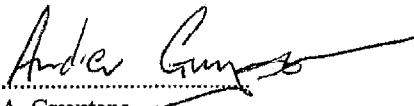
	Note	Unrestricted £	Restricted £	Total 2019 £
Income and Endowments from:				
Donations and legacies	2	35,039	57,050	92,089
Charitable activities	3	744,997	-	744,997
Other trading activities	4	12,906	-	12,906
Investment income	5	182	-	182
Total income		<u>793,124</u>	<u>57,050</u>	<u>850,174</u>
Expenditure on:				
Raising funds		(1,586)	-	(1,586)
Charitable activities	6	<u>(818,735)</u>	<u>(43,378)</u>	<u>(862,113)</u>
Total expenditure		<u>(820,321)</u>	<u>(43,378)</u>	<u>(863,699)</u>
Net movement in funds		(27,197)	13,672	(13,525)
Reconciliation of funds				
Total funds brought forward		<u>694,707</u>	<u>27,667</u>	<u>722,374</u>
Total funds carried forward	15	<u><u>667,510</u></u>	<u><u>41,339</u></u>	<u><u>708,849</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2019 is shown in note 15.


The Charnwood Trust
(Registration number: 502610)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	558,255	571,858
Current assets			
Debtors	12	27,762	26,034
Cash at bank and in hand	13	<u>113,338</u>	<u>221,774</u>
		141,100	247,808
Creditors: Amounts falling due within one year	14	<u>(12,422)</u>	<u>(110,817)</u>
Net current assets		<u>128,678</u>	<u>136,991</u>
Net assets		<u><u>686,933</u></u>	<u><u>708,849</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		6,471	41,339
Unrestricted income funds			
Unrestricted funds		<u>680,462</u>	<u>667,510</u>
Total funds	15	<u><u>686,933</u></u>	<u><u>708,849</u></u>

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 22 June 2021 and signed on their behalf by:



 A. Graystone
 Trustee



 N Lawrinson
 Trustee

The Charnwood Trust

Cash Flow Statement for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash expenditure		(21,917)	(13,525)
Adjustments to cash flows from non-cash items			
Depreciation		13,603	13,931
Investment income	5	<u>(8)</u>	<u>(182)</u>
		(8,322)	224
Working capital adjustments			
(Increase)/decrease in debtors	12	(1,728)	4,339
(Decrease)/increase in creditors	14	(5,626)	3,394
(Decrease)/increase in deferred income		<u>(92,768)</u>	<u>92,768</u>
Net cash flows from operating activities		<u>(108,444)</u>	<u>100,725</u>
Cash flows from investing activities			
Interest receivable and similar income	5	8	182
Purchase of tangible fixed assets	11	<u>-</u>	<u>(21,089)</u>
Net cash flows from investing activities		<u>8</u>	<u>(20,907)</u>
Net (decrease)/increase in cash and cash equivalents		(108,436)	79,818
Cash and cash equivalents at 1 September		<u>221,774</u>	<u>141,956</u>
Cash and cash equivalents at 31 August		<u><u>113,338</u></u>	<u><u>221,774</u></u>

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

Statement of compliance

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

Basis of preparation

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

Going concern

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

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

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.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

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.

Government grants

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

Taxation

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

Tangible fixed assets

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

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% straight line
Land and buildings	Straight line over remaining years of lease at time of addition

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Fund structure

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

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

Pensions and other post retirement obligations

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

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

Financial instruments

Classification

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

Recognition and measurement

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

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

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

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

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	16,110	-	16,110	12,500
Donations from individuals	10,293	56	10,349	18,632
Legacies	-	-	-	1,386
Gift aid reclaimed	931	5	936	3,171
Grants, including capital grants;				
Government grants	20,027	-	20,027	-
Grants from other charities	-	24,300	24,300	56,400
	47,361	24,361	71,722	92,089

The government grant income included above is income receivable under the Coronavirus Job Retention Scheme.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

3 Income from charitable activities

	Unrestricted General £	Total 2020 £	Total 2019 £
EYPP	3,168	3,168	2,792
SEN Grant	217,499	217,499	217,499
Free Entitlement Grant	241,381	241,381	255,569
Additional Support	35,538	35,538	27,927
2 Year Old Offer	80,719	80,719	101,699
DAF - Disability Access Fund	14,760	14,760	15,990
Pen Green Payments	-	-	1,037
Associate Partner Initiative	-	-	12,000
Nursery Session	24,869	24,869	34,520
Lunch and snack fees	14,807	14,807	22,269
Woodies Fee	15,044	15,044	27,724
Adventurers Fee	12,388	12,388	7,699
Extras and add ons	731	731	1,061
Holiday Club	540	540	6,135
Opportunity Group Fees	6,007	6,007	11,076
	<u>667,451</u>	<u>667,451</u>	<u>744,997</u>

4 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2019 £
Local fundraising and street collection income	2,225	2,225	6,808
Other income from other trading activities	4,284	4,284	6,098
	<u>6,509</u>	<u>6,509</u>	<u>12,906</u>

5 Investment Income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	8	8	182
	<u>8</u>	<u>8</u>	<u>182</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

6 Expenditure on charitable activities

	Unrestricted		Total 2020 £	Total 2019 £
	General £	Restricted £		
Wages and salaries	566,908	31,219	598,127	660,467
Social security costs	25,496	2,505	28,001	33,135
Pension costs	23,539	1,524	25,063	26,102
Other staff costs	11,055	-	11,055	8,342
Establishment Costs	21,904	-	21,904	37,569
Cleaning	7,823	-	7,823	12,467
Office Expenses	11,183	217	11,400	12,902
Sundry and other costs	19,123	4,014	23,137	31,768
Physiotherapy and speech therapy	-	22,750	22,750	20,268
Depreciation, amortisation and other similar costs	13,604	-	13,604	13,930
Governance costs	4,329	-	4,329	5,163
	<u>704,964</u>	<u>62,229</u>	<u>767,193</u>	<u>862,113</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2020 £	Total 2019 £
	Independent examiner fees		
Examination of the financial statements	950	950	900
Other fees paid to examiners	2,958	2,958	2,828
Legal fees	-	-	1,140
Other governance costs	421	421	295
	<u>4,329</u>	<u>4,329</u>	<u>5,163</u>

8 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.

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

9 Staff costs

The aggregate payroll costs were as follows:

	2020	2019
	£	£
Staff costs during the year were:		
Wages and salaries	598,127	660,467
Social security costs	28,001	33,135
Pension costs	25,063	26,102
Other staff costs	11,055	8,342
	<u>662,246</u>	<u>728,046</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:

	2020	2019
	No	No
Administrative staff	4	4
Teaching staff	<u>27</u>	<u>30</u>
	<u>31</u>	<u>34</u>

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

10 Taxation

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

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2019	<u>667,353</u>	<u>100,093</u>	<u>767,446</u>
At 31 August 2020	<u>667,353</u>	<u>100,093</u>	<u>767,446</u>
Depreciation			
At 1 September 2019	99,817	95,771	195,588
Charge for the year	<u>9,957</u>	<u>3,646</u>	<u>13,603</u>
At 31 August 2020	<u>109,774</u>	<u>99,417</u>	<u>209,191</u>
Net book value			
At 31 August 2020	<u>557,579</u>	<u>676</u>	<u>558,255</u>
At 31 August 2019	<u>567,536</u>	<u>4,322</u>	<u>571,858</u>

12 Debtors

	2020 £	2019 £
Trade debtors	19,620	23,033
Prepayments	2,647	2,794
Other debtors	<u>5,495</u>	<u>207</u>
	<u>27,762</u>	<u>26,034</u>

13 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	372	480
Cash at bank	<u>112,966</u>	<u>221,294</u>
	<u>113,338</u>	<u>221,774</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,491	8,791
Other creditors	1,850	2,000
Pension scheme creditor	3,629	4,115
Accruals	5,452	3,143
Deferred income	<u>-</u>	<u>92,768</u>
	<u>12,422</u>	<u>110,817</u>

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

15 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2020 £
Unrestricted					
General	<u>667,510</u>	<u>721,329</u>	<u>(705,378)</u>	<u>(2,999)</u>	<u>680,462</u>
Restricted					
Children in Need	5,335	24,300	(26,530)	-	3,105
Arthur's Fund	3,405	61	(739)	639	3,366
Silvia Adams Fund	<u>32,600</u>	-	<u>(34,960)</u>	<u>2,360</u>	-
Total Restricted	<u>41,340</u>	<u>24,361</u>	<u>(62,229)</u>	<u>2,999</u>	<u>6,471</u>
Total funds	<u>708,850</u>	<u>745,690</u>	<u>(767,607)</u>	<u>-</u>	<u>686,933</u>
	Balance at 1 September 2018 £	Incoming resources £	Resources expended £		Balance at 31 August 2019 £
Unrestricted					
General	<u>694,707</u>	<u>793,124</u>	<u>(820,321)</u>		<u>667,510</u>
Restricted					
Children in Need	1,802	23,800	(20,268)		5,334
Arthur's Fund	3,365	650	(610)		3,405
Silvia Adams Fund	<u>22,500</u>	<u>32,600</u>	<u>(22,500)</u>		<u>32,600</u>
Total Restricted	<u>27,667</u>	<u>57,050</u>	<u>(43,378)</u>		<u>41,339</u>
Total funds	<u>722,374</u>	<u>850,174</u>	<u>(863,699)</u>		<u>708,849</u>
Unrestricted funds					

The Charnwood Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

16 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2020 £
Tangible fixed assets	558,255	-	558,255
Current assets	134,629	6,471	141,100
Current liabilities	<u>(12,422)</u>	<u>-</u>	<u>(12,422)</u>
Total net assets	<u>680,462</u>	<u>6,471</u>	<u>686,933</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2019 £
Tangible fixed assets	571,858	-	571,858
Current assets	206,469	41,339	247,808
Current liabilities	<u>(110,817)</u>	<u>-</u>	<u>(110,817)</u>
Total net assets	<u>667,510</u>	<u>41,339</u>	<u>708,849</u>