

COMPANY REGISTRATION NUMBER: 02343769
CHARITY REGISTRATION NUMBER: 701229

The John Thornhill Memorial Trust
Company Limited by Guarantee
Financial Statements
31 March 2021

MCABA Limited t/a Mitchells
Chartered Accountants
91-97 Saltergate
Chesterfield
Derbyshire
S40 1LA

The John Thornhill Memorial Trust

Company Limited by Guarantee

Financial Statements

Year Ended 31 March 2021

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The John Thornhill Memorial Trust
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year Ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

Chair's report

Purpose and impact

Thornhill House continues to prioritise safety and care for their residents from the local community and has again been fully occupied during this year. The residents mix include those receiving Residential Care, those requiring Nursing Care and some qualifying for Continuing Healthcare. Unfortunately, because of Covid restrictions we were not able to offer any periods of Respite Care or Daycare during the year. Thornhill House continued to serve the community during the past year by offering an increased number of Meals on Wheels to isolating members of the local and nearby villages.

Challenge of Coronavirus

For the whole of the last financial year, the world was engulfed with the Coronavirus pandemic which has had a devastating impact across the country as a whole and specifically the Care Sector. Thornhill House had, and continues to cope with the constant threat of the Covid-19 virus entering the home, as has happened in a lot of the country.

A large number of precautions, policies and practices were put in place to protect residents and staff. The inhouse staff trainer ensures all carers are constantly upskilled on best practice in infection control, barrier nursing etc, and all residents, staff and visitors undergo regular PCR and/or lateral flow testing.

Matron maintains almost weekly contact with relatives via emails, newsletters etc keeping them informed at every step of the pandemic about the current restrictions and the constantly changing government / CQC guidance especially with regard to visiting or contact options etc.

The Home closed to all visitors, non-essential workers and daycare residents in March 2020. Extra PPE, cleaning materials and additional equipment were purchased, and strict infection control measures are adhered to. Wearing of PPE and social distancing is practised by all including now allowed visitors..

The emotional, as well as physical, welfare of residents and staff is a vital concern, and additional resources are provided to support the holistic whole-person and mental well-being, including purchasing additional IT resources including ipads for residents to stay in touch with relatives and friends, additional entertainers performing outdoors in the garden of the home subject to government

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

guidance and making confidential telephone counselling support available. When restricted visiting was allowed, we erected a covid secure visitor pod whereby residents could enjoy a visitor in a safe and socially distanced environment.

Matron works closely with the CCG and local government with regard to Infection Control, PCR and rapid flow testing, bed management, best practice etc to adhere to all government guidelines. This was, and continues to be an onerous, but very necessary process which has become imbedded into daily life at Thornhill House.

Residents are PCR tested monthly, with staff taking a weekly PCR test and a lateral flow test everyday they came into Thornhill House.

Thornhill House has received £49k of grants to cover the cost of additional PPE, staffing during shielding and awaiting testing results etc and additional operating costs to maintain exceptional levels of care and infection control to all residents in a safe and caring environment.

TH has had no home-grown cases of Covid 19 among the residents in the home. The Trustees applaud the dedication and commitment of Matron and her team of dedicated nurses, carers and support staff which ensured that no agency staff were needed to be engaged to cope with the additional workloads, and nurses covered for external professionals in the initial phase of total lockdown so the risk to all residents and staff were minimised at all times.

Fortunately there has been no real negative financial impact of the pandemic, occupancy remains at almost 100% and all additional covid related expenditure have been covered by the government grants received. However, we are aware of the continued challenges ahead of us, and the need to maintain sufficient levels of PPE, cleaning materials, support equipment and safe staffing levels, with no guarantee of future government funding to cover these costs.

However, as a prudent measure, and being conscious that costs could escalate if we had to employ additional staffing (including agency which we have not had to do to date) or if income was to fall as a result of vacancies, the Trustees have decided to add an additional £20k to the Covid 19 Designated Fund created last year to provide all the resources necessary.

In the year ahead (and likely beyond that) we will continue to face challenges dealing with the effects of the pandemic and living with the restrictions imposed by it.

Values and ways of working

We have a strong staff team with very low staff turnover, which is largely due to exceptional leadership from our Matron and a great collective team spirit. A small team of bank staff compliments the permanent staff members, ensuring all care staff at all times have in depth knowledge of residents.

We employ an inhouse trainer to ensure all training undertaken not only meets all covid requirement and CQC standards and is based upon Skills for Care code of conduct but is also tailored to our residents' and employees' individual needs and promotes best practice and person-centred care.

Our activities coordinator organises a full programme of activities and entertainments, which by nature of the pandemic was totally internally based during the year with no opportunity to undertake the usual outings, visits from community groups and speakers etc, but when lockdown restrictions allowed entertainers performed outside in the garden for the residents enjoyment. Staff have worked especially hard to be innovative to provide a tailored and stimulating environment whilst adhering to best practise social distancing restrictions.

Thornhill House also benefits from the support of several volunteers who help with various activities

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

and tasks. These includes a Support Committee, which in pre-covid times would lead on fundraising and activities support, as well as providing ad-hoc support to Matron and the Home. During the past year they have provided invaluable support writing to the residents, providing quizzes etc to stimulate and entertain and have worked at a social distance enhancing the external environment for the residents to enjoy looking at from inside their home.

Reference and administrative details

Registered charity name The John Thornhill Memorial Trust

Charity registration number 701229

Company registration number 02343769

Principal office and registered office Thornhill House
Church Lane
Great Longstone
Bakewell
Derbyshire
DE45 1TB

The trustees

Mrs L Wright (Chair)
Mr R J Thornhill (Vice Chairman)
Mr R P Thornhill
Mr J Duncan
Ms S J Kenning
Mr J P Wright
Dr L Thornhill
Mrs S Thornhill
Mrs H Hull

Auditor MCABA Limited t/a Mitchells
Chartered Accountants & statutory auditor
91-97 Saltergate
Chesterfield
Derbyshire
S40 1LA

Bankers Yorkshire Bank
14 Vicar Lane
Chesterfield
Derbyshire
S40 1PY

The John Thornhill Memorial Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

Structure, governance and management

Governing document

The John Thornhill Memorial Trust ("the Trust") was incorporated as a company limited by guarantee (company registration number 02343769) on 6th February 1989. The company was registered with the Charity Commission (registration number 701229) on 16th February 1989.

Background and history

The aim of the Trust is to provide residential and community care primarily for the inhabitants of the Ecclesiastical Parishes of Ashford, Sheldon and Longstone in the county of Derbyshire, or of the parents, brothers, sisters or children of any inhabitants of the Parishes who are unable to look after themselves by reason of old age, infirmity, disablement, mental or physical handicap.

The Parishes of Ashford, Sheldon and Longstone

These Parishes are in Derbyshire, about fifteen miles from Sheffield. In the year 2000 they had about 1,700 inhabitants, many of whom are over the age of sixty. About 730 people live in the largest settlement, the village of Great Longstone. The remainder live in the village of Ashford-in-the-Water and the hamlets of Little Longstone, Rowland, Hassop, Wardlow, Sheldon and Brushfield.

A significant number of people have lived in the Parishes for many years, many of them for all of their lives. There is a strong sense of community.

Trustees and directors

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees. The trustees and directors who held office during the year are listed on page 3.

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making progress, the budget and business plan and recent financial performance of the charity. During the induction they meet the Matron and her team, and other trustees.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

Structure, governance and management *(continued)*

Risk management

Pre Covid, the trustees regularly assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems are in place to mitigate exposure to the major risks. These systems are periodically reviewed to ensure they continue to meet the needs of the company.

Since March 2020, in the initial stages of the pandemic, the Covid Committee made up of Trustees and senior management met weekly to assess the risks associated with the Coronavirus pandemic and were informed with CCG and government guidance and care sector best practice. Since autumn 2020 this group now meets formally as and when needed, although Matron updates them on a weekly basis of any changes or risk to the home. This is reviewed at quarterly Trustee meeting (held over zoom during the pandemic).

Weekly covid reporting to relevant bodies is undertaken, and all government requirements re:risk are assessed, implemented and monitored.

Trustees have formally discussed risk in association with the insurance industry's removal of cover for transmissible diseases and any potential impact on Thornhill House.

Organisational structure

The Trust has a board of nine trustees who meet quarterly and are responsible for the strategic direction and policy of the Trust. A sub-group of trustees form a Budget group to develop the annual budget. A full time Matron along with an accounts manager and a team of nurses and carers manage the day-to-day running of the home. The trustees delegate to a Support Committee which meets monthly to more regularly oversee and support the management and staff.

Objectives and activities

The original concept

To build Thornhill House, a place where elderly people no longer able to live independently may spend their days, in their own community, amongst family and friends.

The ongoing commitment

To provide residential, nursing and day care accommodation in a place which will be a home from home, not an institution.

To sustain and nurture the local community relationships which elderly people have built up over their lives - with family and friends, with their own primary health care team, with their local church and the community as a whole.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

Objectives and activities *(continued)*

The source of the vision

If you have ever felt the fate of the elderly in our society was sometimes less than generous, you will understand why the people of a small, caring rural community are determined to ensure that the last years of their friends and neighbours are lived out in comfort and confidence among those dear to them.

Too often when older people can no longer look after themselves, or the burden of care is too great for their families, they are uprooted from their communities for residential or nursing care far from home. At a time when they are most vulnerable, when they most need the sustenance of familiar faces, they are set down in an unfamiliar and often upsetting world.

Our project would end all that painful and damaging experience for people from the immediately surrounding Parishes, and would allow them to be cared for amongst all that is familiar and reassuring; near to home and somewhere as near to being home as possible.

It is a unique project - community care in the fullest sense: provided by the concern of the local community for those who have spent their lives in it.

Thornhill House arose out of a positive expression of the concern of the people of Longstone for their fellows, and is a memorial to John Thornhill who lived in Great Longstone all his life until his death in 1983. He was a local employer in his capacity as Managing Director of J. Thornhill and Sons Limited, had been a Churchwarden and a Founding Governor of the village primary school.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

Achievements and performance

Thornhill House provides a safe, caring and stimulating environment for residents. The usual pre-covid wide-ranging programme of activities, including group and individual trips to local events and places of interest, ongoing series of quizzes, physical activities (both games and chair based), creative projects, talks, demonstrations, slide shows given by external speakers, and concerts by singers and musicians were severely limited during the year due to the pandemic. The activity co-ordinator and carers worked hard to replace these with socially distanced, and safe, activities the nature of which were dictated by every changing government restrictions during the year, but included quizzes, physical chair-based activities, craft sessions and garden based musicians etc.

In early lockdown we purchased items to enable social distancing to be maintained, such as individual parasols enabling residents to sit separately in the garden. This allowed some social contact and a space for entertainments in a safe environment, helping to maintain residents' physical and mental health. Social games have been adapted to eliminate contact, e.g. residents have their own dice for games such as Snakes and Ladders, the Racehorse game and Holiday Beetle etc.

With limited visiting from family and friends during the year, these activities which are designed to provide a good quality of life and promote good health and wellbeing, to create conversations and a sense of shared community and purpose within Thornhill House were of great importance.

The facilities in the large sitting room, especially the television with sensory functions is used as a stimulus tool and for film show afternoons, proved very popular once residents were allowed to socialise again. The You Tube function has been very useful enabling us to show relaxing landscape films and informational films which we tailor to the interests and requirements of the residents.

In March 2020 life in Thornhill House changed significantly. The resident's links to the community and their families were initially severed at the beginning of the Covid 19 crises as all visitors and non-essential staff and professionals were stopped from entering. Matron and the team working within the covid restrictions were able to maintain resident contact and apart from the first lockdown (when specially purchased ipads etc enable virtual visits) some form of physical visiting throughout the year. Once the first lockdown was loosened, the garden proved a wonderful meeting place where a limited number of residents at any one time were able to meet their families whilst social distancing.

This progressed as the weather declined from sitting in the garden sunshine last summer to sitting in two marquees specially purchased for the purpose to the second lockdown where we had a bespoke visitor's pod constructed on the side of the home so the residents could enjoy regular safe and warm visiting on an appointment system basis with lateral flow tested and PPE clad relatives and friends.

During the pandemic Thornhill House built on its strong local ties, and so remains part of the community. It reached out to local residents who were shielding in their own homes by providing an extended hot 'meals on wheels' service which were delivered by local volunteers and staff. Numbers of meals delivered daily almost trebled during the year.

Our weekly faith service re-commenced as soon as was allowed, providing spiritual comfort for the residents who wish to participate in a socially distanced manner.

The John Thornhill Memorial Trust

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

Financial review

Review of activities and update of affairs

Total income for the year of £1,007,978 (2020: £933,123) has increased this year by £75k (8.0%). This included £49.3k (2020: £0) of government Covid support and grants, with revenue generated from care fee income of £950k up by £30k (3.3%), mainly due to change in resident mix and an inflationary increase in fees, offsetting a net £2.6k fall in donations, legacies and bank interest in the period.

Direct costs and overheads (excluding depreciation and loss on disposal of tangible fixed assets) of £915k (2020: £833k) have increased by £82k (9.8%) on prior year. During the year, additional resources were expended on training and fairly rewarding the staff (TH pays in excess of national living wage). Once again, this year there was no need to use agency workers to booster the dedicated care team.

Depreciation charges of £31k were £2k (61%) lower than prior year reflecting the review of depreciation policy and writing off obsolete assets undertaken in 2019.

Together these changes have resulted in a £18,475 (27%) lower surplus this year of £49,036 (2020: £67,511).

The Trust's income and expenditure account is shown on page 16 and the statement of financial position on page 17. The trustees are satisfied with the financial health of the Trust as at 31 March 2021.

Investment policy

During the year the trustees considered that it was appropriate for the working capital funds of the Trust to be retained in a bank current account in order to meet the potential covid financial implications (as government financial support is very limited in range and short term in its nature, and not guaranteed beyond any current short funding period) as well as daily expenditure requirements of the Trust and negate risk. They are however mindful of very limited opportunities to maximum the potential of this positive level of working capital and reviewed this and other opportunities during the financial year.

Reserves policy

The trustees consider that there should be sufficient reserves to cover 4 - 6 months of overheads should there be a significant reduction in income, over a prolonged period.

The charity is building up reserves for future capital projects, and these are held in a separate £400k designated Building Fund.

This year, in response to the Coronavirus pandemic, Trustees have added £20k to the designated Covid Fund to respond to any future challenges arising from the pandemic which may not be met by government financial support .

The John Thornhill Memorial Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

Plans for future periods

The trustees will continue to run Thornhill House on a not-for-profit basis with the best interests of the residents and local community as the main focus. They are also planning future investment in the fabric of the nursing home in order to continue providing high quality care in an economic manner for the long term.

Trustees' responsibilities statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The John Thornhill Memorial Trust

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31 March 2021

The trustees' annual report was approved on 25/10/21..... and signed on behalf of the board of trustees by:

L. M. Wright

Mrs L Wright (Chair)
Trustee

The John Thornhill Memorial Trust

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Independent Auditor's Report to the Members of The John Thornhill Memorial Trust

Year Ended 31 March 2021

Opinion

We have audited the financial statements of Derbyshire Districts Citizens Advice Bureau (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The John Thornhill Memorial Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The John Thornhill Memorial Trust (continued)

Year Ended 31 March 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors reports and take advantage of the small companies exemption from the requirement to prepare a strategic report.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The John Thornhill Memorial Trust (continued)

Year Ended 31 March 2021

Responsibilities of trustees

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

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

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Independent Auditor's Report to the Members of The John Thornhill Memorial Trust (continued)

Year Ended 31 March 2021

Auditor's responsibilities for the audit of the financial statements

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

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

Auditor's responsibilities for detecting irregularities, including fraud

The objectives of our audit are: to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the following laws and regulations were most significant; the Companies Act 2006 and the Charities SORP (FRS 102).
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks by making inquiries to relevant members of the management team. We corroborated our inquiries through our review of board minutes (where applicable) and inquiry into legal fees incurred in the year.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying the controls management has in place to prevent and detect fraud and assessing the operation of these controls
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process
 - Identifying and testing journal entries, in particular any journal entries that were large or unusual in nature
 - Assessing the extent of compliance with the relevant laws and regulations governing the charity and the sector it operates within. This included a review of any potential breaches during and since the year end; and
 - Challenging assumptions and judgements made by management in its significant accounting estimates.

The John Thornhill Memorial Trust

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Independent Auditor's Report to the Members of The John Thornhill Memorial Trust *(continued)*

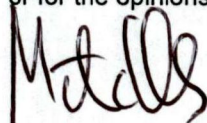
Year Ended 31 March 2021

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



MCABA Limited t/a Mitchells
Chartered Accountants & statutory auditor
91-97 Saltergate
Chesterfield
Derbyshire
S40 1LA

The John Thornhill Memorial Trust
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year Ended 31 March 2021

		2021		2020
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	5	57,979	57,979	11,261
Charitable activities	6	949,999	949,999	919,846
Investment income	7	—	—	2,016
Total income		<u>1,007,978</u>	<u>1,007,978</u>	<u>933,123</u>
Expenditure				
Expenditure on charitable activities	8,9	952,537	952,537	865,612
Other expenditure	11	6,405	6,405	—
Total expenditure		<u>958,942</u>	<u>958,942</u>	<u>865,612</u>
Net income and net movement in funds		<u>49,036</u>	<u>49,036</u>	<u>67,511</u>
Reconciliation of funds				
Total funds brought forward		748,340	748,340	680,829
Total funds carried forward		<u>797,376</u>	<u>797,376</u>	<u>748,340</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 19 to 26 form part of these financial statements.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	17	316,602	342,133
Current Assets			
Stocks	18	—	450
Debtors	19	43,708	41,826
Cash at bank and in hand		624,066	540,669
		<u>667,774</u>	<u>582,945</u>
Creditors: amounts falling due within one year	20	<u>187,000</u>	<u>176,738</u>
Net Current Assets		<u>480,774</u>	<u>406,207</u>
Total Assets Less Current Liabilities		<u>797,376</u>	<u>748,340</u>
Net Assets		<u>797,376</u>	<u>748,340</u>
Funds of the Charity			
Unrestricted funds		<u>797,376</u>	<u>748,340</u>
Total charity funds	23	<u>797,376</u>	<u>748,340</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 25/10/21, and are signed on behalf of the board by:

L. M. Wright

Mrs L Wright (Chair)
Trustee

Company number: 02343769

The notes on pages 19 to 26 form part of these financial statements.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Statement of Cash Flows

Year Ended 31 March 2021

	2021 £	2020 £
Cash Flows from Operating Activities		
Net income	49,036	67,511
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	31,017	32,885
Government grant income	(49,312)	—
Other interest receivable and similar income	—	(2,016)
Loss on disposal of tangible fixed assets	6,405	—
Accrued expenses	6,295	65,009
<i>Changes in:</i>		
Stocks	450	—
Trade and other debtors	(1,882)	(32,789)
Trade and other creditors	3,967	28,062
Cash generated from operations	45,976	158,662
Interest received	—	2,016
Net cash from operating activities	<u>45,976</u>	<u>160,678</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(11,890)	(11,934)
Net cash used in investing activities	<u>(11,890)</u>	<u>(11,934)</u>
Cash Flows from Financing Activities		
Government grant income	49,312	—
Net cash from financing activities	<u>49,312</u>	<u>—</u>
Net Increase in Cash and Cash Equivalents	83,398	148,744
Cash and Cash Equivalents at Beginning of Year	540,669	391,925
Cash and Cash Equivalents at End of Year	<u>624,067</u>	<u>540,669</u>

The notes on pages 19 to 26 form part of these financial statements.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Thornhill House, Church Lane, Great Longstone, Bakewell, Derbyshire, DE45 1TB.

2. Statement of compliance

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

The charity meets the definition of a public benefit entity under FRS 102.

3. Accounting policies

Company status

The charity is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in Sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

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

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

3. Accounting policies *(continued)*

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2.5% straight line
Fixtures and Fittings	- 10% to 33.3% straight line
Medical Equipment	- 20% straight line
Computer Equipment	- 33.3% straight line
Soft Furnishings	- 10% to 20% straight line

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Limited by guarantee

The John Thornhill Memorial Trust is a company limited by guarantee, and accordingly does not have any share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations, gifts, and fund-raising events	8,667	8,667	11,261	11,261
Grants				
Government grant income	49,312	49,312	—	—
	<u>57,979</u>	<u>57,979</u>	<u>11,261</u>	<u>11,261</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Nursing home fees	949,999	949,999	919,846	919,846

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	—	—	2,016	2,016

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Nursing home operation	817,179	817,179	717,489	717,489
Support costs	135,358	135,358	148,123	148,123
	<u>952,537</u>	<u>952,537</u>	<u>865,612</u>	<u>865,612</u>

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Nursing home operation	817,179	121,203	938,382	850,020
Governance costs	—	14,155	14,155	15,592
	<u>817,179</u>	<u>135,358</u>	<u>952,537</u>	<u>865,612</u>

10. Analysis of support costs

	Nursing home operation	Total 2021	Total 2020
	£	£	£
Premises	60,304	60,304	75,217
Communications and IT	11,506	11,506	8,753
General office	49,393	49,393	48,561
Governance costs	14,155	14,155	15,593
	<u>135,358</u>	<u>135,358</u>	<u>148,124</u>

11. Other expenditure

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	6,405	6,405	—	—

12. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	31,017	32,885
Loss on disposal of tangible fixed assets	<u>6,405</u>	<u>—</u>

13. Auditors remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>3,500</u>	<u>—</u>

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year Ended 31 March 2021

14. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	—	2,700

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	666,530	586,676
Social security costs	48,261	36,575
Employer contributions to pension plans	7,452	5,674
	722,243	628,925

The average head count of employees during the year was 42 (2020: 43). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Care and nursing staff	31	32
Administration and support	3	3
Ancillary	8	8
	42	43

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

17. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Medical equipment £	Computer equipment £	Soft furnishings £	Total £
Cost						
At 1 Apr 2020	644,288	126,406	9,417	11,373	19,845	811,329
Additions	—	6,032	3,680	2,178	—	11,890
Disposals	(6,470)	(2,176)	—	—	—	(8,646)
At 31 Mar 2021	637,818	130,262	13,097	13,551	19,845	814,573
Depreciation						
At 1 Apr 2020	370,086	67,542	9,125	9,688	12,755	469,196
Charge for the year	15,946	11,963	590	887	1,631	31,017
Disposals	(66)	(2,176)	—	—	—	(2,242)
At 31 Mar 2021	385,966	77,329	9,715	10,575	14,386	497,971
Carrying amount						
At 31 Mar 2021	251,852	52,933	3,382	2,976	5,459	316,602
At 31 Mar 2020	274,202	58,864	292	1,685	7,090	342,133

18. Stocks

	2021 £	2020 £
Raw materials and consumables	—	450

19. Debtors

	2021 £	2020 £
Trade debtors	38,920	32,359
Prepayments and accrued income	4,788	9,467
	43,708	41,826

20. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	20,687	15,679
Accruals and deferred income	116,858	110,563
Social security and other taxes	13,068	31,814
Other creditors	36,387	18,682
	187,000	176,738

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £7,452 (2020: £5,674).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021 £	2020 £
Recognised in income from donations and legacies:		
Government grants income	<u>49,312</u>	<u>—</u>

23. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Unrestricted Fund - including fixed assets	285,048	1,007,978	(958,942)	(20,000)	314,084
Designated Covid-19 fund	40,000	—	—	20,000	60,000
Designated Benevolent fund	23,292	—	—	—	23,292
Designated Building fund	400,000	—	—	—	400,000
	<u>748,340</u>	<u>1,007,978</u>	<u>(958,942)</u>	<u>—</u>	<u>797,376</u>

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted Fund - including fixed assets	257,847	932,813	(865,612)	(40,000)	285,048
Designated Covid-19 fund	—	—	—	40,000	40,000
Designated Benevolent fund	22,982	310	—	—	23,292
Designated Building fund	400,000	—	—	—	400,000
	<u>680,829</u>	<u>933,123</u>	<u>(865,612)</u>	<u>—</u>	<u>748,340</u>

The John Thornhill Memorial Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

24. Designated funds

The Designated Benevolent fund is money set aside to fund care for residents who cannot afford to pay their fees. It is used at the discretion of the Trustees.

The Designated Building fund is money set aside to fund planned future improvements to the home.

The Designated Covid fund is money set aside to respond to any future challenges arising from the pandemic.

25. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	2021 £
Tangible fixed assets	316,002	316,002
Current assets	667,774	667,774
Creditors less than 1 year	(187,000)	(187,000)
Net assets	<u>796,776</u>	<u>796,776</u>

	Unrestricted Funds	Total Funds
	£	2020 £
Tangible fixed assets	342,133	342,133
Current assets	582,945	582,945
Creditors less than 1 year	(176,738)	(176,738)
Net assets	<u>748,340</u>	<u>748,340</u>

26. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	<u>540,669</u>	<u>83,397</u>	<u>624,066</u>

27. Related parties

During the year the charity employed one of the trustees to perform a Safe Key Lines of Enquiry audit at a fee of £200.