

Company registration number: 07952016

Charity registration number: 1146301

Think Children

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2020

Community Accounting Plus
Units 1 & 2
North West
41 Talbot Street
Nottingham
NG1 5GL

Think Children

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Reference and Administrative Details

Trustees	Jenny Gadsby Hazel Parsons Sarah Toft-Brown Jim Gould Christine Snowdin John Fuller Rebecca Maxwell Adam Littler
Senior Management Team	Chris Maxwell, Quality Assurance Manager (Clinical Lead) Cathy Bow, Resources Manager (Finance & Deployment) Sara Habermass, Marketing Manager (Website, Media, Social Media) Wendy Walton-Towle, Development Manager (Grant Making Trusts, Schools, Areas)
Principal Office	10 Albert Street Newark Nottinghamshire NG24 4BJ
Company Registration Number	07952016
Charity Registration Number	1146301
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

Think Children

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2020.

Trustees

Ian Collinson, Chair (resigned 1 April 2020)

Richard Stone, Company Secretary (resigned 17 July 2019)

Jenny Gadsby, Treasurer

Hazel Parsons

Sarah Toft-Brown

Jim Gould

Christine Snowdin

John Fuller

Rebecca Maxwell

Adam Littler

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 16/02/2012. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Recruitment and appointment of trustees

Think Children is pro-active in seeking out suitable potential Directors through a wide range of methods such as word of mouth or advertising. Our aim is always to achieve a diverse team with an appropriate skills mix but recruitment will always be on the basis of merit. All potential candidates are interviewed by the Chair and if suitable, the Chair will make a recommendation to the board. If approved, the Chair will then arrange for co-option/election at the earliest opportunity consistent with the articles.

Our effective system of integrated governance, as demonstrated by our externally-verified NCVO Trusted Charity kite mark, enables directors and staff to make informed decisions by providing them with an overview of the organisation's key objectives, the management systems needed to achieve them and the risks that might impact upon them.

Objectives and activities

Objects and aims

Think Children's aim is to improve the emotional resilience of vulnerable children who are struggling to cope with emerging social, emotional and/or behavioural issues that fall below statutory intervention levels. Our charity provides early help before their problems escalate and potentially become harder to solve and threaten to block their development, educational achievement and social integration.

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Trustees' Report

Objectives, strategies and activities

Think Children provides effective help in the form of confidential one-to-one sessions in which the children are able to use the safety of the imaginary world of play to explore painful or perplexing issues from the real world, release pent up emotions and build resilience.

The Carl Rogers model of Non-Directive Person Centred Counselling Skills underpins the Emotional Well-being Sessions that Think Children facilitators deliver in primary schools. All our facilitators and practice tutors receive rigorous in-house training and are subject to an enhanced DBS check. We offer each child a minimum of 12 one-to-one sessions in the safe and familiar environment of their primary school. Our drop-in sessions in some schools also give children the opportunity to talk through issues of immediate concern either alone or as a group of friends. A Think Children worker neither diagnoses nor treats children. The objective is to establish a trusting non-judgemental, non-stigmatising relationship to help the child develop the skills to cope better with challenges that they may be experiencing in their lives, whether at school, home or in the wider community.

Public benefit

Our service fills a gap in local services for families who often do not know where to turn for help and has evolved from listening to parents/carers who told us that nobody wants to know until it's too late. It is preventive rather than reactive support that prevents the problem from deteriorating to the point where expensive specialists are needed. The public benefit of our service is to raise aspirations and improve the life chances of disadvantaged children so that their negative experiences do not translate into poor outcomes. Extensive research shows that children are less likely to suffer from serious mental health difficulties in later life if they receive support at an early age, often saving the far higher costs of engaging statutory mental health services. The knock-on effect of a child who has been enabled to cope better emotionally and socially can impact positively on the child's siblings, classmates, sometimes the whole school, parents and teachers and even the wider community.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Think Children supported 319 new children, delivering 3,527 sessions of one-to-one emotional well-being facilitation into 44 primary schools across the City and County of Nottingham. A further 34 children had extra sessions, making a total of 353 blocks of 12 sessions overall. An attendance rate of 95% shows the regard the children have for the service. 176 lunch-time drop-in sessions were delivered across 7 primary schools.

Statistics show that the majority of children continue to show improvement three months after the sessions have ended— demonstrating that these are fundamental, long-lasting changes that can help a child reach their full potential.

We measure the impact of our service using evidence from:

- key school staff who measure the degree of change (measured against initial reason for referral) to determine how the child has responded. This is repeated three months after sessions have ended to evaluate lasting changes;
- a child-friendly feedback form;
- a simple star chart has been introduced to enable children to record their feelings at the beginning and end of sessions;
- written and telephone communication from teachers, parents and facilitators;
- written feedback from our Emotional Well-being Facilitators on completion of the sessions with a child.

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Trustees' Report

Sample Case Histories

At referral	Degree of change after 12 Sessions	Changes seen	Degree of change 12 weeks after sessions finish
Child A: Very teary about not being around any more	Major	No tears, very sociable	Major
Child B: Struggles to control anger / annoy	Slight	Less incidents in	Slight
Child C: Will sometimes talk about harmful things. Presents as having low self-esteem and self-worth	Significant	No mention of these issues for a long time	Significant
Child D: Behaviour at school and some can be verbally and physically aggressive	Slight	Issues remain but have improved	Slight
Child E: Presents as very low mood	Significant	Generally more positive and bright	Significant
Child F: Verbally and physically aggressive	Slight	Issues remain but have improved	Slight
Child G: Frustration	Major	Issues resolved	Major
Child H: School refuser	Major	Now attends	Significant
Child I: Highly anxious about religious activities	Major	Virtually resolved	Major

Key to Degree of Change:

Slight - Problems reduced but persist

Significant - Good progress and prognosis

Major - Virtually resolved

Some recent quotes from our service users demonstrate the positive benefit of our support :-

Children's feedback:-

"I get to speak about things that I don't want to tell my teachers."

"I feel sad when I'm not with Think Children."

Parent/Carer feedback:-

"As a parent I feel it has massively helped as ... does not like talking to us or his teachers, until the only option left is to talk, but by that stage things could be quite escalated."

Schools feedback:-

"We have many pupils across our school who need a safe space and trusted adult due to extremely difficult and challenging circumstances in their lives. Many of these children would be ineligible for other support, or it would take a long time to receive. The work is vital to ensure our pupils can learn in school and be happy, confident children."

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Trustees' Report

"We have many children that are entering school with higher anxiety levels. We are also seeing more family breakdowns and families in crisis. These children have needed a safe space to express themselves."

"Think Children make a huge difference with the children they work with, providing them with nurture and a time to talk and reflect; the children are far more aware of their emotions and become more able to self-regulate and are more confident."

Increased awareness in emotional well-being issues continues along with evidence of how neglect of these issues at an early stage can have a devastating effect on a child's long-term mental health. Half of all mental health problems manifest by the age of 14 and one in eight children have a diagnosable mental health disorder (roughly 3 children in every classroom).

We have successfully forged links with the 'Mentally Healthy Schools' programme in our local trailblazer areas as well as the Anna Freud National Centre for Children and Families' Link Programme, to ensure we continue to play a key part in a whole school approach to mental health provision. The benefit of services like ours was summed up by the Children's Commissioner for England recently when she said, "Providing support in this way provides a wide range of benefits. It relieves pressure on specialist CAMHS services, it enables children to learn and engage in the classroom, and it reduces disruptive behaviour. But, more than anything, it helps children. It gives them better emotional regulation, higher well-being and better prospects to succeed in education and in later life." (The State of Children's Mental Health Services, 2020).

Think Children would like to thank all our funders and supporters during 2019/2020. We are reliant more than ever on their generosity and this has enabled us to continue to provide a cost-effective, vital service for local children.

As always we strive to secure as many funding streams as possible in order to reduce risk by not depending on one source of income. This year has been particularly successful in this regard and we are happy to report funding from a wide and diverse range of both new and existing funders such as grant making trusts, school partnerships, corporate sponsors and individual donations. We are very grateful to have had continued fundraising support from local community organisations such as Farndon WI, Newark Rotary Club and Kirkby-in-Ashfield Inner Wheel, as well as being chosen by UK Top 10 accounting and professional services company, Mazars, to benefit from corporate support in 2020.

Other activities include:-

- Fundraising events such as the Great Notts Bike Ride and a Fiction Masterclass last summer helped boost our profile in the local area and generate additional much-needed funds.
- Thanks to pro bono support from our volunteer Geoff Bow and Nottingham-based design studio The Big Idea, we launched both a brand new website and an updated logo. These better reflect the service we provide and our professionalism.
- Our bi-annual Think Children newsletter containing news, events and up to date information about the charity continues to be received very positively by funders, donors, supporters, schools, statutory services and many other partners.
- The maintenance and development of our social media channels have seen increases in reach and traffic, and has become an essential part of providing information.
- Links with local children's charities has continued where possible and means we can take advantage of any fundraising event opportunities and/or joint bids if they arise.

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Trustees' Report

We were honoured to be shortlisted in the Social Enterprise/Charity category of the annual Newark Business Awards - from over 200 nominations - and received a 'Highly Commended' certificate in recognition of our service.

Our trusted relationship with schools, parents and statutory services, which hold us in high-esteem, remains key to our effective service. Unfortunately waiting lists for mental health services such as CAMHS are still too long and this year we have continued to see children with more complex issues and our service has had to adapt to meet this higher level of need. Without our help the consequences to both the individual and society as a whole are costly however, the funding to sustain and develop our service to meet the growing needs of this very vulnerable section of the community is continuous.

Perhaps Think Children's biggest challenge to date has been the COVID-19 pandemic which forced Think Children to temporarily close its Newark office in March 2020 with home-working and furloughing becoming the norm. Crucially we end the financial year focussed on preparing and adapting the organisation to further meet the inevitably increased demand for our service due to the widespread negative effects of the pandemic on young children. Telephone helplines and online services have already seen a rise in numbers seeking help and we expect this to be mirrored in our crucial face to face work in schools moving forward.

Financial review

Think Children has proved yet again that it is financially resilient thanks to the diversity of funding that supports its activities and would like to thank all the Grant Making Trusts, and other organisations who have provided funds, or individuals who have fundraised for us, this year. We truly value these partners and place great importance to good communications and supply of quality feedback. We are pleased to have attracted new funding partners to strengthen this strategy.

At year end with the country in lockdown due to the COVID-19 pandemic and schools closed to all but a few children, the vehicle for our service delivery was severely compromised and so the decision to furlough facilitators working in schools was taken until a thorough risk assessment could be completed. This will effect our financial activities during 2020/21 and so a decision to redesignate the 'redundancy' reserve to the 'employee retention' reserve was passed at board level. It is anticipated that this reserve will be called upon to safeguard our highly skilled workforce during the next financial year.

Policy on reserves

The directors will hold designated reserves against the following risks, which they consider to be of potential high impact.

As a minimum:

- a designated reserve to cover the cost of retaining our highly skilled workforce during this current Coronavirus crisis when schools are closed and to safeguard against increased costs, yet unknown, to provide a safe return to work once schools re-open;
- a designated IT reserve to cover the costs of upgrading our 10 year old computers with Solid State Drive storage capacity and replacing an even older Laptop;
- a designated Training reserve to upskill the work-force to meet the challenging demands and possible new delivery of service once children return to school.

For the financial year 2020/21 there will be the following designated funds:

Employee Retention reserve £60,000

IT upgrade reserve £2,040

Training reserve £5,000

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Trustees' Report

All reserves are to be maintained in a reasonably readily realisable form.

Procedure

The calculation of the required level of reserves will be an integral part of the organisation's planning, budget and forecast cycle and is the responsibility of the directors taking into account the advice of the staff team. It will be reviewed annually as soon as practicable after the end of each financial year.

Any need for movements in designated funds will be reported by the Resources Manager to the directors at Company Directors Meetings or sooner, if necessary, to the Treasurer or Chair.

The Resources Manager will keep and report to the directors up-to-date best estimates of potential liabilities for employee retention or redundancy with regard to current employment legislation and size of eligible workforce.

It is expressly forbidden for any director or member of staff to enter into any contract, whether written or implied, which would result in the reserve designated for legal liability being otherwise committed or expended.

Target

To hold unrestricted, undesignated reserves equivalent to 3 months expenditure within 4 years, at current levels this equates to £35,500. Currently £16,153 is held.

Principal risks and uncertainties

Future funding

We have sufficient restricted reserves and pledged grants moving forward to face no immediate financial risk but like many charities uncertainty of sustained future funding creates risk. Our current financial model relating to our core service is advantageous as it ensures that approximately 42% of the full cost of the service is met by schools; the remaining 58% is raised through grants, donations and fundraising.

Redundancy

Although the total reserves look very healthy the organisation has a very stable, aging, long serving workforce. The redundancy liability should the charity fail to continue to secure adequate funding to finance the core project is considerable, currently £58,000.

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Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Think Children for the purposes of company law) 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.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies provision statement

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

The annual report was approved by the trustees of the charity on ~~6th May 2020~~ and signed on its behalf by:

Jim Gould

.....
Jim Gould
Trustee

Think Children

Independent Examiner's Report to the trustees of Think Children

Independent examiner's report to the trustees of Think Children ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2020.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

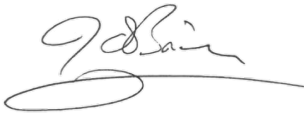
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.



.....
John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2
North West
41 Talbot Street
Nottingham
NG1 5GL

Date:..13th July 2020.....

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Statement of Financial Activities for the Year Ended 31 March 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	2	2,617	-	2,617	33,364
Charitable activities	3	66,866	60,243	127,109	110,365
Other trading activities	5	6,007	-	6,007	2,134
Investment income	6	727	-	727	826
Other income	7	6,722	-	6,722	6,399
Total Income		<u>82,939</u>	<u>60,243</u>	<u>143,182</u>	<u>153,088</u>
Expenditure on:					
Charitable activities	8	<u>(86,351)</u>	<u>(55,417)</u>	<u>(141,768)</u>	<u>(141,378)</u>
Total Expenditure		<u>(86,351)</u>	<u>(55,417)</u>	<u>(141,768)</u>	<u>(141,378)</u>
Net (expenditure)/income		<u>(3,412)</u>	4,826	1,414	11,710
Net movement in funds		(3,412)	4,826	1,414	11,710
Reconciliation of funds					
Total funds brought forward		<u>86,605</u>	<u>18,741</u>	<u>105,346</u>	<u>93,636</u>
Total funds carried forward	16	<u><u>83,193</u></u>	<u><u>23,567</u></u>	<u><u>106,760</u></u>	<u><u>105,346</u></u>

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

The funds breakdown for the period is shown in note 16.

Think Children

Statement of Financial Activities for the Year Ended 31 March 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	2	33,364	-	33,364
Charitable activities	3	57,151	53,214	110,365
Other trading activities	5	2,134	-	2,134
Investment income	6	826	-	826
Other income	7	6,399	-	6,399
Total income		<u>99,874</u>	<u>53,214</u>	<u>153,088</u>
Expenditure on:				
Charitable activities	8	<u>(94,031)</u>	<u>(47,347)</u>	<u>(141,378)</u>
Total expenditure		<u>(94,031)</u>	<u>(47,347)</u>	<u>(141,378)</u>
Net income		<u>5,843</u>	<u>5,867</u>	<u>11,710</u>
Net movement in funds		5,843	5,867	11,710
Reconciliation of funds				
Total funds brought forward		<u>80,762</u>	<u>12,874</u>	<u>93,636</u>
Total funds carried forward	16	<u><u>86,605</u></u>	<u><u>18,741</u></u>	<u><u>105,346</u></u>

Think Children

(Registration number: 07952016) Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Current assets			
Debtors	12	3,102	668
Cash at bank and in hand		<u>114,116</u>	<u>128,936</u>
		117,218	129,604
Creditors: Amounts falling due within one year	13	<u>(10,458)</u>	<u>(24,258)</u>
Net assets		<u>106,760</u>	<u>105,346</u>
Funds of the charity:			
Restricted funds			
		23,567	18,741
Unrestricted income funds			
Unrestricted funds		<u>83,193</u>	<u>86,605</u>
Total funds	16	<u>106,760</u>	<u>105,346</u>

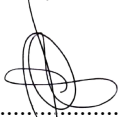
For the financial year ending 31 March 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 10 to 23 were approved by the trustees, and authorised for issue on 6th May 2020... and signed on their behalf by:


.....
Jenny Gadsby
Trustee

Think Children

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

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Think Children 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 financial statements have been prepared on a going concern basis.

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

Exemption from preparing a cash flow statement

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

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 are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Think Children

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

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.

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.

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.

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 trade debtors is established when there is objective evidence that the charity 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.

Think Children

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

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 charity 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.

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

Restricted income funds are those grants 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 for employees. The assets of the scheme are held separately from those of the charity. Pension costs charges in the Statement of Financial Activities represent the contributions payable by the charity during the year.

2 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Donations and legacies;			
Donations from companies, trusts and similar proceeds	1,882	1,882	27,623
Legacies	-	-	5,000
Gift aid reclaimed	735	735	741
	<u>2,617</u>	<u>2,617</u>	<u>33,364</u>

3 Income from charitable activities

	Unrestricted funds			
	General	Restricted	Total	
	£	funds	2020	
		£	£	
			Total	
			2019	
			£	
Activity fees from schools	66,866	-	66,866	57,151
Grants & donations	-	60,243	60,243	53,214
	<u>66,866</u>	<u>60,243</u>	<u>127,109</u>	<u>110,365</u>

Think Children

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

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Garfield Weston	-	7,500	7,500
The Chetwode Foundation	-	6,567	6,567
Nottinghamshire County Council	-	5,350	5,350
Souter Charitable Trust	-	5,000	5,000
The Jones 1986 Charitable Trust	-	4,000	4,000
Castle Cavendish	-	3,150	3,150
Sir John Eastwood Foundation	-	3,000	3,000
Mary Robertson Trust	-	3,000	3,000
Farnsfield Trust	-	2,000	2,000
Nottingham Soroptimist Trust	-	2,000	2,000
Winnifred Potter Charitable Trust	-	2,000	2,000
DCR Allen Charitable Trust	-	2,000	2,000
Mary Potter Convent Hospital Trust	-	2,000	2,000
Municipal General Charity	-	1,176	1,176
Zobel Charitable Trust	-	1,000	1,000
James Henry Blake's Charity	-	1,000	1,000
The Charles Littlewood Hill Trust	-	1,000	1,000
Lindhurst Windfarm Community Fund	-	1,000	1,000
Whitaker Charitable Trust	-	1,000	1,000
Ella Kirk Charitable Foundation	-	1,000	1,000
Helen Jean Cope Charitable Trust	-	1,000	1,000
Michael Cornish Charitable Trust	-	1,000	1,000
Anonymous	-	850	850
The Hugh Neill Charity	-	500	500
Thoresby Charity	-	500	500
Amanda Lee Charitable Trust	-	500	500
The Gray Trust	-	500	500
Inner Wheel Club	-	450	450
Focus on Young People in Bassetlaw	-	200	200
Sundry donations	1,882	-	1,882
	<u>1,882</u>	<u>60,243</u>	<u>62,125</u>

Think Children

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

5 Income from other trading activities

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Fundraising income	5,627	5,627	1,774
Membership fees	380	380	360
	<u>6,007</u>	<u>6,007</u>	<u>2,134</u>

6 Investment income

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Interest receivable and similar income; Interest receivable on bank deposits	727	727	826
	<u>727</u>	<u>727</u>	<u>826</u>

7 Other income

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
School partnership subscriptions	4,866	4,866	4,267
Room hire	1,856	1,856	2,132
	<u>6,722</u>	<u>6,722</u>	<u>6,399</u>

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

8 Expenditure on charitable activities

	Unrestricted funds		Restricted funds £	Total 2020 £	Total 2019 £
	Designated £	General £			
Communications	-	891	9	900	798
Equipment, repairs & renewals	-	923	-	923	535
Governance	856	141	-	997	1,010
Insurance & subscriptions	952	685	106	1,743	1,713
Premises	2,130	4,320	700	7,150	7,344
Printing & stationery	350	235	383	968	913
Fundraising & publicity	-	24	-	24	420
Refreshments	-	38	-	38	17
Bank charges	-	60	-	60	60
Toy kit	-	184	771	955	631
Training	-	586	-	586	479
Travel	326	3,263	3,773	7,362	7,219
Wages, NI & pension	10,886	59,501	49,675	120,062	120,239
	<u>15,500</u>	<u>70,851</u>	<u>55,417</u>	<u>141,768</u>	<u>141,378</u>

9 Trustees remuneration and expenses

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

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

10 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2020 £	2019 £
Independent examination	820	810
	<u>820</u>	<u>810</u>

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

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	114,103	114,535
Social security costs	1,584	1,410
Pension costs	4,375	4,294
	<u>120,062</u>	<u>120,239</u>

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

	2020 No	2019 No
The average number of employees during the year was	<u>15</u>	<u>15</u>

6 (2019 - 6) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £4,375 (2019 - £4,294).

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

The total employee benefits of the key management personnel of the charity were £64,937 (2019 - £64,113).

12 Debtors

	2020 £	2019 £
Trade debtors	113	-
Prepayments	687	668
Other debtors	2,302	-
	<u>3,102</u>	<u>668</u>

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	8,496	9,051
Other taxation and social security	978	935
Other creditors	984	972
Deferred income	-	13,300
	<u>10,458</u>	<u>24,258</u>

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

14 Taxation

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

15 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

16 Funds

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
<i>General</i>					
General Fund	11,105	82,939	(70,851)	(7,040)	16,153
<i>Designated</i>					
Exit & redundancy reserve	60,000	-	-	(60,000)	-
Employee retention reserve	-	-	-	60,000	60,000
Grants & donations held for 2019/20	15,500	-	(15,500)	-	-
I.T. upgrade & website development	-	-	-	2,040	2,040
Training fund	-	-	-	5,000	5,000
	<u>75,500</u>	<u>-</u>	<u>(15,500)</u>	<u>7,040</u>	<u>67,040</u>
Total Unrestricted funds	<u>86,605</u>	<u>82,939</u>	<u>(86,351)</u>	<u>-</u>	<u>83,193</u>
Restricted funds					
Toy kits	771	-	(771)	-	-
Multi Deprivation project	10,996	-	-	(10,996)	-
High Deprivation project	3,500	-	-	(3,500)	-
Deprivation projects	-	30,267	(26,696)	14,496	18,067
County	2,000	23,826	(21,326)	-	4,500
City	1,474	4,150	(4,624)	-	1,000
Girls Only Project	-	2,000	(2,000)	-	-
	<u>18,741</u>	<u>60,243</u>	<u>(55,417)</u>	<u>-</u>	<u>23,567</u>
Total restricted funds	<u>18,741</u>	<u>60,243</u>	<u>(55,417)</u>	<u>-</u>	<u>23,567</u>
Total funds	<u>105,346</u>	<u>143,182</u>	<u>(141,768)</u>	<u>-</u>	<u>106,760</u>

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

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
<i>General</i>					
General Fund	3,262	84,374	(87,531)	11,000	11,105
<i>Designated</i>					
Exit & redundancy reserve	51,000	-	-	9,000	60,000
Core activity & exit reserve	20,000	-	-	(20,000)	-
Grants & donations held for 2018/19	6,500	-	(6,500)	-	-
Grants & donations held for 2019/20	-	15,500	-	-	15,500
	<u>77,500</u>	<u>15,500</u>	<u>(6,500)</u>	<u>(11,000)</u>	<u>75,500</u>
Total unrestricted funds	<u>80,762</u>	<u>99,874</u>	<u>(94,031)</u>	<u>-</u>	<u>86,605</u>
Restricted funds					
Toy kits	374	1,000	(603)	-	771
Multi Deprivation project	-	20,990	(9,994)	-	10,996
High Deprivation project	3,000	5,000	(4,500)	-	3,500
Gedling (Thomas Farr)	6,500	1,000	(7,500)	-	-
County	3,000	12,000	(13,000)	-	2,000
City	-	11,224	(9,750)	-	1,474
Girls Only Project	-	2,000	(2,000)	-	-
Total restricted funds	<u>12,874</u>	<u>53,214</u>	<u>(47,347)</u>	<u>-</u>	<u>18,741</u>
Total funds	<u><u>93,636</u></u>	<u><u>153,088</u></u>	<u><u>(141,378)</u></u>	<u><u>-</u></u>	<u><u>105,346</u></u>

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

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

Restricted funds:

Toy Kits: Replaced worn out and provide new items for Play Kits used by facilitators;

Deprivation Projects is the combination of the funds brought forward from the Multiple Deprivation Project and the High Deprivation Project last year.

Multiple Deprivation Project: This works with children from areas classed as the most deprived in the country (top 30%) using the 2015 multiple deprivation tables;

High Deprivation Project: This works with children from areas either with very high levels of crime, unemployment, free school meals or classed as deprived (top 40%) using the 2015 multiple deprivation tables;

City: work with children living in the City of Nottingham;

County: work with children living in Nottinghamshire county;

Girls only project: To be used solely to finance sessions for girls.

Designated funds:

Exit & Redundancy funds have been moved into a new designated fund called the Employee Retention Reserve: these designated funds are to be used towards ensuring staff retention during business interruption for example during the Covid-19 crisis;

I.T. upgrade & website development fund: these are funds put aside to be able to upgrade I.T. in the near future;

Training fund: these funds have been put aside to ensure that training is available to upskill current, and potentially train new, facilitators as well as paying associated costs;

Grants & donations held for 2019/20: These are grants received last year but are not to be spent until the following financial year this current year the funds to be spent in 20/21 are the closing balances on the restricted funds.

The transfer from the General fund is to set up 2 new designated funds for I.T. development and training.

The transfers from the High Deprivation Fund and the Multiple Deprivation Fund to the Deprivation Project Fund was done to combine these 2 restricted funds.

17 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	2020 Total funds
	General £	Designated £	£	£
Current assets	26,611	67,040	23,567	117,218
Current liabilities	(10,458)	-	-	(10,458)
Total net assets	<u>16,153</u>	<u>67,040</u>	<u>23,567</u>	<u>106,760</u>

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

	Unrestricted funds		Restricted funds £	2019 Total funds £
	General £	Designated £		
Current assets	35,363	75,500	18,741	129,604
Current liabilities	<u>(24,258)</u>	<u>-</u>	<u>-</u>	<u>(24,258)</u>
Total net assets	<u>11,105</u>	<u>75,500</u>	<u>18,741</u>	<u>105,346</u>

18 Related party transactions

There were no related party transactions in the year.