

Think Children
(Company number 07952016, charity number 1146301)
Financial statements
for the year ended 31 March 2016

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Think Children

Directors' report (incorporating the Trustees' annual report) for the year ended 31 March 2016

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements for the year ended 31 March 2016. The Board have adopted the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015). The accounts have been prepared in accordance with the Companies Act 2006.

Full name Think Children

Registered charity number 1146301
Registered company number 07952016

Address of registered office
10 Albert Street, Newark, Nottinghamshire, NG24 4BJ

Directors (Trustees)

Terence McDonald, Chair	Rebecca Maxwell
Richard Stone, Company Secretary	John Fuller
Jim Gould, Treasurer, from 14/10/15	Sarah Toft-Brown
Jane Rigby	Christine Snowdin
Hazel Parsons	Ian Collinson
Jane Gadsby, from 14/10/15	

Independent examiner

John O'Brien, employee of Community Accounting Plus, 7 Mansfield Road, Nottingham, NG1 3FB

Governance and management

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 16/02/12. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Think Children is very pro-active in seeking out suitable potential Directors through a wide range of local and national channels. 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 proceeding, the Chair will then arrange for co-option/election at the earliest opportunity consistent with the articles.

Objectives and activities

Think Children provides effective, early help for vulnerable children across Nottinghamshire who are struggling to cope with a wide range of emotional, social or behavioural issues often due to circumstances such as parental separation, family break-up, bullying, bereavement, domestic violence and low self-esteem.

Our objective is to improve the emotional wellbeing of children often living in areas of multiple deprivation who fall below statutory intervention levels and provide support before their problems escalate and threaten to block their development and prevent a tragic waste of human potential. The whole ethos 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.

Think Children

In carrying out its objectives, the Company shall promote equality of opportunity and oppose any form of discrimination on grounds of race, ethnic origin, gender, sexual orientation, age, disability or religion.

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Summary of the main activities undertaken for the public benefit

Think Children offers an early intervention service for vulnerable children aged 4-11 with emerging emotional, social and/or behavioural issues. Parent/carers have told us that nobody wants to know until it's too late.

The children we support within the local community are often at risk from exclusion and educational marginalisation, where the emotional strain of everyday life can block their ability to concentrate, achieve academically and integrate socially, resulting in a tragic waste of human potential.

We provide early intervention at the onset of the problem with low level, low key, non-stigmatising school-based support for children who fall below the threshold for statutory intervention and for whom there is often little or no other help available. The children referred have access to up to 12 one to one emotional well-being sessions with a trained Think Children facilitator where they can explore, through play, the issues and anxieties that are worrying them.

Our aim is to help these children before their issues - such as family breakdown, social isolation, bullying, drug/alcohol misuse in the family, low self-esteem, bereavement or loss, domestic violence - have a significant impact on their mental health. Sessions enable the children to build emotional resilience and move forward with new coping strategies.

The consequences of neglecting these issues can be serious for both the child and for society. Think Children's service has proven long-term benefits not only for the children but also the school, the family and the wider community in which they live. Lack of effective early intervention can incur substantial costs for the education, benefits, health, social work, police and justice services. There can also be knock on effects for the next generation. Changed attitudes, and improved resilience & coping skills, are fundamental changes with far reaching implications for future lifestyles.

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Benefits to the Children

Independent Professional Assessments show that the majority of children responded positively to our intervention. A child is assessed by the SENCo or class teacher before sessions commence, when sessions are completed and three months after completion of sessions, demonstrating that our early intervention service brings long lasting changes, such as:-

- Increased confidence/self-esteem;
- Belief they can take responsibility even when living in challenging circumstances;
- Emotional resilience/understanding that they can cope with adversity;
- Ability to reflect on situations rather than reacting inappropriately;
- Helps them to engage in education, meaning better training/employment prospects;
- Develops positive relationships;
- Bridges the gap between home and school life.

Child Quote: "It has made me feel better with school. It has helped me with my home life. I liked how she understood how I felt. She also made me feel happy."

Benefits to Schools

Teachers and the other children in the school benefit indirectly when a child is less disruptive/withdrawn in the classroom and in the playground.

Quote from school:- "As a school we are glad to have someone available to us whose job it is to help our children explore their feelings. The fact that these children are feeling happier has an impact on the whole life of the school"

Benefits for Parents/Carers and family life

Many of the parents/carers feel that our service provides their child with a safe environment in which to face their worries. They feel their children are not singled out in anyway and that there has been an improvement in the child's emotional wellbeing.

Parent/Carer Quotes:- "The sessions were extremely valuable for my daughter. she was able to talk about issues knowing it was confidential and this allowed her to be honest."

"..... is now a happy and content child and life has become so much better for all of us as a family"

Summary of the achievements and performance during the period

During the year 378 new children were referred to the Think Children emotional wellbeing facilitation service with an additional 39 sets of extra sessions delivered.

4,576 sessions of one-to-one facilitation were provided within 60 primary schools throughout the City and County of Nottingham.

During 2015/16 we continued to have well-established relationships with schools, parents/carers, health services, statutory services and attend a number of regular key inter-agency forums, conferences and presentations to promote our service, enhance existing relationships and develop new relationships in a challenging and changing climate. In March 2016, we also reformed a fundraising collaboration with three other children's charities to pool resources, raise funds and reach a wider audience.

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Think Children strive to secure a diverse mix of income streams such as grant making trusts, government tenders, school partnerships, corporate sponsorship, individual giving, and community fundraising events in order to ensure sustainability.

We would like to thank all our many funders and volunteers. Without their regular, continued support, many of whom do so on a regular basis, we would undoubtedly struggle to meet the needs of our local community.

Financial review

Risk Analysis

We face no immediate financial risk but like many charities uncertainty of sustained future funding creates risk when looking forward. Our current financial model relating to our core service is advantageous as it ensures that approximately 50% of the full cost of the service is met by schools; the remaining 50% is raised through one off grants and fundraising. However for the past 3 years expenditure has exceeded income; the margin of loss has decreased each year and it is anticipated that in 2016/17 a breakeven point can be reached.

The charity's policy on reserves

Definition

Our reserves consist of those assets in the unrestricted fund of the charity which the charity directors have, or can make, available to apply for all or any of its purposes, once they have provided for the commitments of the charity and its other planned expenditure.

Policy

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 for redundancy and other associated costs for which trustees, as employers, would be legally liable should the charity have to lay off employees;
- a designated reserve equal to the service level that has been committed to schools.

As an aspiration, a designated reserve to enable Think Children's core activity to continue during a period of unforeseen difficulty and to provide a crisis intervention ability i.e. to be able to respond to unplanned demand arising from an unforeseen event within a family, school or community.

The directors will also designate a reserve for training and development, to ensure the workforce have continued on-going learning opportunities to meet the needs of the community.

For the financial year 2016/17 there will be the following designated funds:

Redundancy reserve	£46,402
Service level commitment	£15,200
Core Activity reserve	£4,800
Development reserve	£1,000
Training reserve	£2,000

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.

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It will be reviewed, at least, 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 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 reserves equivalent to 12 months expenditure within 5 years, at current levels this equates to £142,000. This very ambitious level will only be reached if we increase our fundraising, membership and corporate income streams considerably. Another solution would be to find a venture philanthropist willing to support our cause.

Exemptions

The trustees have taken advantage of the exemptions available to small companies, including the audit exemption (see statement on balance sheet).

Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the trustees are required to: select suitable accounting policies, as described on page 10, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The members of the Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which 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. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Small company provisions:

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees:

Signed _____ Date _____
Terence McDonald, Director

**Independent examiner's report to the trustees of
Think Children
for the year ended 31 March 2016**

I report on the accounts of the charity, which are set out on pages 8 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed _____ Date _____
John O'Brien MSc, FCCA, FCIE, DChA
Employee of Community Accounting Plus

Think Children
Statement of financial activities
(incorporating the income and expenditure account)
for the year ended 31 March 2016

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
Note	£	£	£	£
Income from:				
Activity fees from schools	71200	-	71200	78629
Bank interest	1665	-	1665	1668
Fundraising	1141	-	1141	882
Grants & donations	4 9775	47207	56982	36939
Partnership & membership fees	7123	-	7123	7025
Room hire	1200	-	1200	2135
Sundry income	479	-	479	78
Total	<u>92583</u>	<u>47207</u>	<u>139790</u>	<u>127356</u>
Expenditure on:				
Communications	1042	798	1840	2076
Equipment, repairs & renewals	125	-	125	84
Governance	1021	14	1035	935
Insurance & subscriptions	936	459	1395	1466
Premises	5904	1266	7170	7203
Publicity	207	-	207	410
Refreshments	7	-	7	76
Sundry expenditure	1	-	1	-
Toy kit	137	246	383	1507
Training	1143	387	1530	1726
Travel	6093	1887	7980	7579
Wages, NI & pension	7 92529	28399	120928	117919
Total	<u>109145</u>	<u>33456</u>	<u>142601</u>	<u>140981</u>
Net income/(expenditure)	(16562)	13751	(2811)	(13625)
Reconciliation of funds:				
Total funds brought forward	110509	1910	112419	126044
Total funds carried forward	<u>93947</u>	<u>15661</u>	<u>109608</u>	<u>112419</u>

All the activities of the charitable company are classed as continuing
The notes on pages 10 to 14 form part of these financial statements

**Think Children
Balance sheet
at 31 March 2016
Company number 07952016**

	Note	£	2016 £	2015 £
Current assets:				
Debtors	2	1653		605
Cash at bank and in hand		118628		123263
<i>Total current assets</i>		120281		123868
Liabilities:				
Creditors:	3			
Amounts falling due within one year		(10673)		(11449)
Total net assets or liabilities			109608	112419
The funds of the charity				
Restricted income funds			15661	1910
Unrestricted funds			93947	110509
Total charity funds			109608	112419

Exemption from audit

For the year ending 31/03/16 the company 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 company to obtain an audit of its accounts for the year in question in accordance with section 476;*
- *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 company's regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The trustees declare that they have approved the accounts above.
Signed on behalf of the charity's trustees:

Signed _____ Dated _____
Jim Gould, Director

Think Children
Notes to the accounts
for the year ended 31 March 2016

1. Accounting policies

Basis of the preparation of the accounts

The financial statements have been prepared under the historical cost convention, with the exception of listed investments which are included at their market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

Incoming resources

All material incoming resources have been included on a receivable basis – i.e. they are included if the date receivable falls within the period covered by these accounts.

Pension costs

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. Debtors

	<i>2016</i>	<i>2015</i>
	£	£
Trade debtors	1031	-
Prepayments & accrued income	622	605
	<u>1653</u>	<u>605</u>

3. Creditors - amounts falling due within one year

	<i>2016</i>	<i>2015</i>
	£	£
Trade creditors	8533	9612
Taxation & social security	1161	916
Other creditors	979	921
	<u>10673</u>	<u>11449</u>

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4. Grants & Donations

	Unrestricted funds £	Restricted funds £	Total funds £	2015 £
Newark & Sherwood CCG	-	10000	10000	-
The Thomas Farr Charity	-	6500	6500	5000
The Chetwode Foundation	-	5036	5036	-
The Jones 1986 Charitable Trust	-	4000	4000	-
Castle Cavendish	-	3500	3500	3000
Charles Hayward Foundation	-	3000	3000	-
Charles Littlewood Hill Trust	3000	-	3000	3000
Souter Charitable Trust	-	2500	2500	-
Bassetlaw District Council	-	2500	2500	-
The Magdalen Hospital Trust	-	2000	2000	-
Truemark Trust	2000	-	2000	-
Mary Potter Convent Hospital Trust	-	2000	2000	-
The Winnifred Potter Charitable Trust	-	1994	1994	1996
Cllrs Divisional Fund	-	1125	1125	1220
Felicity Wilde Charitable Trust	-	1000	1000	-
Anonymous	-	1000	1000	-
Michael Cornish Charitable Trust	1000	-	1000	-
Sir John Eastwood Foundation	1000	-	1000	1000
G T Littlefair Trust fund	600	-	600	-
MVM Charitable Trust	-	500	500	-
Thoresby Charitable Trust	500	-	500	-
Marsh Christian Trust	400	-	400	-
Emma Stamp Charitable Trust	-	320	320	-
Ashfield District Council	-	232	232	998
Gift aid	207	-	207	-
Sundry donations	1068	-	1068	4232
Boots Charitable Trust	-	-	-	9993
Ella Kirk Charitable Foundation	-	-	-	2000
Toy Trust	-	-	-	1500
J N Derbyshire	-	-	-	1000
Lloyds Community Fund	-	-	-	1000
Municipal General Charity	-	-	-	1000
	9775	47207	56982	36939

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5. Movements in funds

	Balances brought forward £	Income £	Expenditure £	Transfers £	Balances carried forward £
Unrestricted funds					
General Fund	43607	92583	(108294)	(3351)	24545
Designated Funds					
Redundancy	41402	-	-	5000	46402
Core activity & exit reserve	20000	-	-	-	20000
Development fund	1000	-	-	-	1000
Publicity	500	-	-	(500)	-
Recruitment & training	4000	-	(851)	(1149)	2000
	110509	92583	(109145)	-	93947
Restricted funds					
Premises refurbishment	182	-	-	-	182
Toy kits	247	-	(247)	-	-
2016/17 projects	-	12994	-	-	12994
Newark & Sherwood CCG	-	10000	(10000)	-	-
Ashfield District Council	-	232	(232)	-	-
Bassetlaw District Council	-	2500	(2500)	-	-
Chetwode	-	5036	(5036)	-	-
Gedling	624	-	(624)	-	-
(Thomas Farr)					
Newark	304	-	(304)	-	-
(Municipal General Charity)					
Newark	553	-	(553)	-	-
(Winnifred Potter Charitable Trust)					
Area 4	-	3500	(3500)	-	-
(Castle Cavendish)					
County	-	3000	(1066)	-	1934
(Charles Hayward)					
Ollerton	-	320	(320)	-	-
(Emma Stamp)					
Gedling	-	1000	(449)	-	551
(Felicity Wilde)					
City	-	1000	(1000)	-	-
(Anonymous)					
County Schools	-	2000	(2000)	-	-
(Magdalen Hospital Trust)					
City Schools	-	3125	(3125)	-	-
(Mary Potter & Cllr Divisional Fund)					
(Souter)	-	2500	(2500)	-	-
	1910	47207	(33456)	-	15661

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6. Analysis of net assets by fund

	Unrestricted funds £	Restricted funds £	Total funds £
Debtors	1653	-	1653
Cash at bank and in hand	102967	15661	118628
Creditors: Amounts falling due within one year	<u>(10673)</u>	<u>-</u>	<u>(10673)</u>
	<u>93947</u>	<u>15661</u>	<u>109608</u>

7. Staff costs and numbers

	2016 £	2015 £
Wages and salaries	115796	113639
Social security costs	2112	1471
Pension	<u>3020</u>	<u>2809</u>
	<u>120928</u>	<u>117919</u>

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

The average number of employees during the year was 19 (2015: 22).

8. Trustees' remuneration, benefits and expenses

None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity or a related entity.

9. Related party transactions

There have been no related party transactions during the period.

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:

	2016 £	2015 £
Independent examination	<u>816</u>	<u>768</u>
	<u>816</u>	<u>768</u>

11. Pension commitments

The Charity operates a defined contribution pension scheme, during the year the Charity made contributions to the scheme of £3,020 (2015: £2,809). At 31 March 2016 there was no outstanding liability.

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12. Comparative information

For comparison purpose, the Statement of financial activities for the year-ended 31/03/2015 is presented as below:

	Unrestricted Funds £	Restricted Funds £	2015 Total Funds £
Incoming resources			
Activity fees from Schools	78629	-	78629
Bank interest	1668	-	1668
Fundraising	882	-	882
Grants & donations	8232	28707	36939
Partnership & membership fees	7025	-	7025
Room hire	2135	-	2135
Sundry income	78	-	78
Total incoming resources	<u>98649</u>	<u>28707</u>	<u>127356</u>
Resources expended			
Communications	1167	909	2076
Equipment, repairs & renewals	-	84	84
Governance	845	90	935
Insurance & subscriptions	644	822	1466
Premises	5762	1441	7203
Publicity	410	-	410
Refreshments	76	-	76
Toy kit	-	1507	1507
Training	841	885	1726
Travel	5192	2387	7579
Wages, NI & pension	93919	24000	117919
Total resources expended	<u>108856</u>	<u>32125</u>	<u>140981</u>
Net income/(expenditure)	(10207)	(3418)	(13625)
Total funds brought forward	<u>120716</u>	<u>5328</u>	<u>126044</u>
Total funds carried forward	<u>110509</u>	<u>1910</u>	<u>112419</u>