

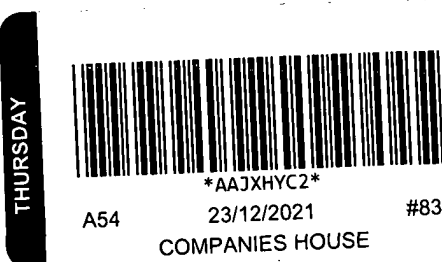
Chapeltown Community Nursery

Charity number 1011670

A company limited by guarantee number 02704190

Annual Report and Financial Statements

for the year ended 31 March 2021



Chapelton Community Nursery

Annual Report and Financial Statements for the year ended 31 March 2021

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Prepared by West Yorkshire Community Accounting Service

Chapeltown Community Nursery

Trustees' report for the year ended 31 March 2021

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Stuart Hodgkinson	Chair	
Megan Waugh	Vice chair	Resigned November 2020
Nicholas Oakshett	Trustee	
Nikolai Berkoff	Trustee / Treasurer	Appointed 12 November 2020
Joanne Kiernan	Trustee	
Ruth Matthews	Trustee/Vice Chair	
Lisa Labate	Trustee	
Angela Daniel	Trustee	Appointed 16 April 2021
Rebecca Thompson	Trustee	Appointed 12 April 2021
Geraldine Montgomerie	Trustee / Secretary	
Esta Yemaya Edwards	Trustee	Appointed 13 July 2021

Charity number 1011670 Registered in England and Wales

Company number 02704190 Registered in England and Wales

Registered and principal address	Bankers
Reginald Street	CAF Bank Ltd
Chapeltown	25 Kings Hill Avenue
Leeds	Kings Hill
LS7 3HL	West Malling
	Kent ME19 4JQ

Independent examiner

Claire Welling

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a company limited by guarantee and was formed on 6 Apr 1992. It is governed by a memorandum and articles of association. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

Method of recruitment and appointment of trustees

The trustees of the charity are also the directors for the purposes of company law and are appointed by the members at the AGM.

Chapelton Community Nursery

Trustees' report (continued) for the year ended 31 March 2021

Objectives and activities

The charity's objects

To promote the physical mental and social well being of children resident in the area of benefit.

The charity's main activities

We provide day care facilities for children aged 20 months to 5 years in Chapelton and its vicinity. Apart from providing full day childcare 5 days a week from 8am to 6pm, the nursery also has on-site catering facilities and outdoor play spaces.

We offer opportunities to stimulate the growth and development of children through play as well as providing facilities for recreation and other leisure time occupation which will improve their conditions of life.

We work in partnership with parents, community members and local organisations to promote good community relations; for example offering our facilities to benefit people in our locality, including offering out-of-hours use of our kitchen to a local parent since May 2020.

We offer our facilities to benefit people in our locality including offering our kitchen to a local parent since May 2020-2021.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the advancement of education and the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

Achievements and performance

We have remained open and available to every parent that needed nursery provision within the restrictions we have needed to operate within.

During the pandemic we have explored new approaches to engaging children in play remotely such as through creating mini play boxes to benefit local children in addition to those attending our nursery.

We have supported donation drives with Freedom for Girls, food parcel delivery with Leeds Dads and The Real Junk Food Project and engaged local artists in our activities such as Rasta Claus' appearance at our Christmas celebrations.

We have continued to consult with our families and key stakeholders about our activities such as our organisational restructure and redesign of our outdoors play area with Hyde Park Source.

Despite the challenges of the pandemic we have been able to reduce costs and secure a range of grants to ensure that we did not make a loss and have been in a position to rebuild our reserves.

Financial review

The net income for the year was £26,918, including net income of £13,712 on unrestricted funds and net income of £13,206 on restricted funds.

As part of our Management Committee meetings, we carry out a monthly assessment of the nursery's financial position. This process involves examining an itemised income/expenditure list and profit and loss statement for each month. We use comparison documents to compare to the same month of the previous year and use a cashflow forecast tool.

As is always the case our biggest item of expenditure is our staff wage costs. As a result of our consultation and restructure process in October 2020, we now employ three staff members on a term-time-only contract to minimise costs where possible, whilst still meeting our current childcare demand.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £37,969.

The charity trustees have not adopted a formal reserves policy.

Chapeltown Community Nursery

Trustees' report (continued) for the year ended 31 March 2021

Covid 19 and going concern

As we have achieved some significant successes with regards to grant funding, we have sufficient reserves to be able to last for the next 12 months based on our projected income and expenditure. Unfortunately, as our income is dependent on demand for the nursery, this can be difficult to predict. However, we are confident based on previous years that we will have sufficient demand for us to be able to break even. We are also exploring new ways to increase our income, such as renting rooms of the nursery out to different businesses and groups for their own use.

Statement of trustees' responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the trustees to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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;

prepare the accounts on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial accounts 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.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS102)), and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees on 25/11/2021

Signed: Nikolai Berkoff (Trustee)

Name: NIKOLAI BERKOFF

Chapeltown Community Nursery

Independent examiner's report to the trustees of Chapeltown Community Nursery

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 March 2021, which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity's trustees of the charitable 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 charitable 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 ('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 material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the 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.

Signed: Name: Claire Welling

Date:

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Chapeltown Community Nursery
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 March 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income from:					
Grants and donations	(2)	85,236	51,864	137,100	83,864
Fee income		44,109	-	44,109	66,152
Other earned income		4,738	-	4,738	3,197
Bank interest		323	-	323	163
Insurance claim		5,233	-	5,233	-
Total income		139,639	51,864	191,503	153,376
Expenditure on:					
Salaries NI and pensions	(3)	92,392	29,738	122,130	150,623
Payroll charges		1,019	-	1,019	1,189
Agency staff		4,949	-	4,949	19,771
Staff travel and other staff costs		8,567	-	8,567	93
Staff training		760	-	760	1,404
Food and subsistence		1,096	920	2,016	5,176
Toys and materials		1,839	1,900	3,739	4,437
Trips and activities		-	-	-	86
Photography		-	-	-	86
Advertising and publicity		113	345	458	80
Memberships and subscriptions		796	-	796	656
Rates and insurance		2,199	214	2,413	3,464
Heat and light		4,579	2,490	7,069	6,926
Cleaning and waste		2,412	728	3,140	2,492
Security and fire protection		644	-	644	1,225
Repairs and maintenance		2,175	663	2,838	4,955
Office and other costs		685	475	1,160	1,168
Phone, internet and website		611	765	1,376	1,333
Independent examination		660	-	660	660
Legal and professional fees		-	420	420	1,980
Bank charges		69	-	69	76
Depreciation		362	-	362	483
Total expenditure		125,927	38,658	164,585	208,363
Net movement in funds		13,712	13,206	26,918	(54,987)
Fund balances brought forward		25,342	997	26,339	81,326
Fund balances carried forward	(4)	39,054	14,203	53,257	26,339

All incoming resources and resources expended derive from continuing activities.

Chapeltown Community Nursery

Balance sheet

as at 31 March 2021

		2021	2021	2021	2020
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Fixed assets					
Tangible assets	(5)	1,085	-	1,085	1,447
Total fixed assets		<u>1,085</u>	<u>-</u>	<u>1,085</u>	<u>1,447</u>
Current assets					
Debtors and prepayments	(6)	2,820	307	3,127	2,342
Cash at bank and in hand	(7)	36,053	13,896	49,949	23,210
Total current assets		<u>38,873</u>	<u>14,203</u>	<u>53,076</u>	<u>25,552</u>
Current liabilities:					
amounts falling due within one year					
Creditors and accruals	(8)	904	-	904	660
Total current liabilities		<u>904</u>	<u>-</u>	<u>904</u>	<u>660</u>
Net current assets		<u>37,969</u>	<u>14,203</u>	<u>52,172</u>	<u>24,892</u>
Net assets		<u>39,054</u>	<u>14,203</u>	<u>53,257</u>	<u>26,339</u>
Funds					
Unrestricted funds		39,054	-	39,054	25,342
Restricted funds		-	14,203	14,203	997
Total funds		<u>39,054</u>	<u>14,203</u>	<u>53,257</u>	<u>26,339</u>

For the year ending 31 March 2021 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who also the directors for the purposes of company law) 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 and with FRS 102 (effective January 2019).

The financial statements were approved by the board of trustees on 25/11/2021

Signed:  (Trustee)

Name: NIKOLAI BERKOFF

Chapeltown Community Nursery

Notes to the accounts

for the year ended 31 March 2021

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No other changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a reducing balance basis over their expected useful economic lives as follows:

Equipment: 25%

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Chapeltown Community Nursery

Notes to the accounts continued

for the year ended 31 March 2021

1 Accounting policies continued

Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

2 Grants and donations

	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	funds	funds	funds	funds
	£	£	£	£
Leeds City Council				
Nursery Education Grant	79,974	-	79,974	74,791
Deprivation uplift	4,425	-	4,425	5,746
Milk subsidy	412	-	412	899
Other small grants	-	1,010	1,010	-
National Lottery Community Fund	-	10,000	10,000	-
Leeds Community Foundation	-	21,106	21,106	-
Aviva Community Fund	-	1,156	1,156	-
Sylvia Adams Charitable Trust	-	3,000	3,000	-
HMRC Coronavirus Job Retention Scheme	-	15,592	15,592	-
Donations	425	-	425	2,428
	<u>85,236</u>	<u>51,864</u>	<u>137,100</u>	<u>83,864</u>

3 Staff costs and numbers

	2021	2020
	£	£
Gross salaries	116,855	140,978
Social security costs	3,671	6,559
Pensions	1,604	3,086
	<u>122,130</u>	<u>150,623</u>

The average number employees during the year was 6.6, being an average of 5.5 full time equivalent (2020: 6.3, 4.8 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2021	2020
	£	£
Costs of the scheme to the charity for the year	1,604	3,086

Chapeltown Community Nursery

Notes to the accounts continued

for the year ended 31 March 2021

4 Restricted funds	Balance b/f	Incoming	Outgoing	Balance c/f
	£	£	£	£
National Lottery grant 2018	997	-	-	997
National Lottery grant 2020	-	10,000	10,000	-
Jimbo's Fund	-	12,106	-	12,106
MICE grant	-	200	-	200
Leeds Inspired Grant	-	810	-	810
Aviva Crowdfunder	-	1,156	1,066	90
Sylvia Adams	-	3,000	3,000	-
Leeds Community Resilience grant	-	9,000	9,000	-
Job Retention Scheme	-	15,592	15,592	-
	<u>997</u>	<u>51,864</u>	<u>38,658</u>	<u>14,203</u>

Fund name	Purpose of restriction
National Lottery grant 2018	For the Making Space project to increase opportunities for the nursery to be used by a wider range of age groups and community members, including improving facilities for younger children and out-of-hours bookings.
National Lottery grant 2020	Towards advertising and marketing, play boxes, running costs and staff costs during Covid 19.
Jimbo's Fund	To redesign nursery outdoor area.
MICE grant	To design, build and create a little free library to keep on the nursery grounds.
Leeds Inspired Grant	To offer a community photography day as well as a photo workshop with children attending the nursery on another day.
Aviva Crowdfunder	To purchase and improve variety of resources offered at the nursery both indoors and outdoors.
Sylvia Adams	To provide funding for core costs to increase sustainability over initial lockdown period.
Leeds Community Resilience grant	To support general running costs as well as staff costs, in particular those of our Nursery Manager and Deputy Manager to explore ways of becoming more sustainable in the future.
Job Retention Scheme	For staff who have been furloughed due to Covid-19.

5 Tangible assets	Equipment	Total
Cost	£	£
At 1 April 2020	<u>31,734</u>	<u>31,734</u>
At 31 March 2021	<u>31,734</u>	<u>31,734</u>
Depreciation		
At 1 April 2020	30,287	30,287
Charge for year	<u>362</u>	<u>362</u>
At 31 March 2021	<u>30,649</u>	<u>30,649</u>
Net book value		
At 31 March 2021	<u>1,085</u>	<u>1,085</u>
At 31 March 2020	<u>1,447</u>	<u>1,447</u>

In recent years the land and buildings have been stated as nil value on the Balance sheet.
The trustees are seeking to establish the correct value of the land and buildings owned by the charity.

Chapelton Community Nursery

Notes to the accounts continued

for the year ended 31 March 2021

6 Debtors and prepayments	2021	2020
	£	£
Debtors	2,395	1,521
Prepayments	732	821
	<u>3,127</u>	<u>2,342</u>
 7 Cash at bank and in hand	 2021	 2020
	£	£
Cash at bank	49,872	23,132
Cash in hand	77	78
	<u>49,949</u>	<u>23,210</u>
 8 Creditors and accruals	 2021	 2020
	£	£
Creditors	244	-
Accruals	660	660
	<u>904</u>	<u>660</u>

9 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

No trustee received any remuneration or benefit during this or the previous year.

Remuneration and benefits received by key management personnel

The key management personnel of the charity comprises the Nursery Manager only. The total employee benefits received by the Chief Officer were £32,975 (previous year: £20,485).

No trustee received any remuneration or benefit in this capacity during this or the previous year.

Chapelton Community Nursery

Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 March 2021

	2021 Unrestricted funds £	2020 Unrestricted funds £	2021 Restricted funds £	2020 Restricted funds £	2021 Total funds £	2020 Total funds £
Income						
Grants and donations	85,236	83,864	51,864	-	137,100	83,864
Fee income	44,109	66,152	-	-	44,109	66,152
Other earned income	4,738	3,197	-	-	4,738	3,197
Bank interest	323	163	-	-	323	163
Insurance claim	5,233	-	-	-	5,233	-
Total income	139,639	153,376	51,864	-	191,503	153,376
Expenditure						
Salaries NI and pensions	92,392	150,623	29,738	-	122,130	150,623
Payroll charges	1,019	1,189	-	-	1,019	1,189
Agency staff	4,949	19,771	-	-	4,949	19,771
Staff travel and other staff costs	8,567	93	-	-	8,567	93
Staff training	760	1,404	-	-	760	1,404
Food and subsistence	1,096	5,176	920	-	2,016	5,176
Toys and materials	1,839	826	1,900	3,611	3,739	4,437
Trips and activities	-	86	-	-	-	86
Photography	-	86	-	-	-	86
Advertising and publicity	113	80	345	-	458	80
Memberships and subscriptions	796	656	-	-	796	656
Rates and insurance	2,199	3,464	214	-	2,413	3,464
Heat and light	4,579	6,926	2,490	-	7,069	6,926
Cleaning and waste	2,412	2,210	728	282	3,140	2,492
Security and fire protection	644	1,225	-	-	644	1,225
Repairs and maintenance	2,175	60	663	4,895	2,838	4,955
Office and other costs	685	1,168	475	-	1,160	1,168
Phone, internet and website	611	1,333	765	-	1,376	1,333
Independent examination	660	660	-	-	660	660
Legal and professional fees	-	1,980	420	-	420	1,980
Bank charges	69	76	-	-	69	76
Depreciation	362	483	-	-	362	483
Total expenditure	125,927	199,575	38,658	8,788	164,585	208,363
Net movement in funds	13,712	(46,199)	13,206	(8,788)	26,918	(54,987)
Fund balances brought forward	25,342	71,541	997	9,785	26,339	81,326
Fund balances carried forward	39,054	25,342	14,203	997	53,257	26,339