

**HAWTHORN TREE COMMUNITY CHILDREN'S  
CENTRE  
(LIMITED BY GUARANTEE)**

**Company Number 09351488 (England & Wales)  
Charity Number 1161751**

**DIRECTORS' AND TRUSTEES' REPORT  
AND ACCOUNTS FOR THE YEAR ENDED  
31 DECEMBER 2018**

Dexter & Sharpe  
Chartered Certified Accountants  
The Old Vicarage  
Church Close  
Boston  
Lincolnshire  
PE21 6NA

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# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

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# **HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE**

## **COMPANY INFORMATION**

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**Directors and Trustee:**

Mrs E Burnsell  
Mrs S M Gaunt  
Mr S P Griffiths  
Mrs S M C Scott

**Registered Office**

Hawthorn Tree Community Children's Centre  
Toot Lane  
Boston  
Lincolnshire  
PE21 0PT

**Company Number**

09351488 (England & Wales)

**Charity Number**

1161751

## **HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE**

### **DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of 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).

#### **OBJECTIVES AND ACTIVITIES**

The Charity was formed to provide childcare and education facilities for children aged 0 to 11 years. The governing document is the PPA Playgroup Constitution 1992 which was adopted 16 July 2001. The charitable company was incorporated on 11 December 2014 and commenced trading on 1 May 2016, at which point all the assets and liabilities from the unincorporated charity were transferred across.

In setting our objectives and planning our activities our Trustees have given careful consideration to the Charity Commission's general guidance on public benefits.

During the year the main source of income continued to be from the Nursery Education Grant and parents' fees.

Various fund raising activities were also held, and other small amounts of income were received as detailed in the notes to the accounts.

#### **FINANCIAL REVIEW**

The balance sheet as at 31 December 2018 shows unrestricted reserves of £596,638 and restricted reserves of £3,750. The trustees consider this to be adequate to continue the charity's current level of activity.

#### **FUTURE PLANS**

The charity will continue to provide childcare facilities.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Directors and trustees**

All directors of the company are also trustees of the charity, and there are no other trustees. The board has the power to appoint additional trustees as it considers fit to do so.

##### **Risk management**

The trustees actively review the major risks which the charity faces on a regular basis and, combined with an annual review of the controls over key financial systems, they believe the charity could provide sufficient resources in the event of adverse conditions.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

09351488 (England and Wales)

##### **Registered Charity number**

1161751

**Registered office**

Hawthorn Tree Community Children's Centre  
Toot Lane  
Boston  
Lincolnshire  
PE21 0PT

**Trustees**

Mrs E Burnsell  
Mrs S M Gaunt  
Mr S P Griffiths  
Mrs S M C Scott

The report was approved by the board of directors on 28 August 2019 and signed on their behalf



Mr Stuart Griffiths  
**Treasurer**

**HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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I report on the accounts of the company for the year ended 31 December 2018 set out on pages 6 to 13.

**Respective responsibilities of Council of Management and examiner**

The trustees (who are also the directors for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the Charities Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

**Basis of the 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 Sections 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have 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.



**NICOLA LENTON FCCA**  
**Independent Examiner**  
**Dexter & Sharpe**  
**Chartered Certified Accountants**  
**The Old Vicarage**  
**Church Close**  
**Boston**  
**Lincolnshire**  
**PE21 6NA**

**28 August 2019**

**HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

Notes	Unrestricted Fund £	Restricted Fund £	2018 Total Funds £	2017 Total Funds £
<b>Income and endowments from:</b>				
3 Donations and legacies	28,442	-	28,442	55,456
4 Charitable activities	237,030	-	237,030	192,730
Investments	56	-	56	41
<b>Total</b>	<b>265,528</b>	<b>-</b>	<b>265,528</b>	<b>248,227</b>
<b>Expenditure:</b>				
5 Charitable activities	196,620	-	196,620	185,572
Governance costs	1,320	-	1,320	1,404
<b>Total</b>	<b>197,940</b>	<b>-</b>	<b>197,940</b>	<b>186,976</b>
<b>Profit for the year</b>	<b>67,588</b>	<b>-</b>	<b>67,588</b>	<b>61,251</b>
<b>Reconciliation of Funds</b>				
7 Funds brought forward	528,903	3,750	532,653	472,240
Expense from unincorporated charity	-	-	-	(838)
<b>12 Total Funds Carried Forward</b>	<b>596,491</b>	<b>3,750</b>	<b>600,241</b>	<b>532,653</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes on pages 8 to 13 form part of these accounts

**HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE**  
**COMPANY NUMBER: 302819 (LIMITED BY GUARANTEE)**

**BALANCE SHEET AS AT 31 DECEMBER 2018**

Notes	Unrestricted Fund £	Restricted Fund £	2018 Total Funds £	2017 Total Funds £
<b>Fixed Assets</b>				
8 Tangible Assets	397,275	-	397,275	394,839
<b>Current Assets</b>				
9 Debtors	6,126	-	6,126	3,835
10 Cash at Bank and in Hand	<u>194,894</u>	<u>3,750</u>	<u>198,644</u>	<u>136,248</u>
	201,020	3,750	204,770	140,083
<b>Creditors</b>				
11 Amounts falling due within one year	<u>(1,804)</u>	<u>-</u>	<u>(1,804)</u>	<u>(2,269)</u>
<b>Net Current Assets</b>	<u>199,216</u>	<u>3,750</u>	<u>202,966</u>	<u>137,814</u>
<b>Net Assets</b>	<u>596,491</u>	<u>3,750</u>	<u>600,241</u>	<u>532,653</u>
<b>12 Funds</b>				
Unrestricted Funds	596,491	-	596,491	528,903
Restricted Funds	<u>-</u>	<u>3,750</u>	<u>3,750</u>	<u>3,750</u>
	<u>596,491</u>	<u>3,750</u>	<u>600,241</u>	<u>532,653</u>

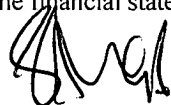
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements were approved by the Board of Trustees on 28 August 2019 and were signed on its behalf by:



Mr Stuart Griffiths  
**Treasurer**

The notes on pages 8 to 13 form part of these accounts



# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Property – Nil

Plant and Machinery – 20% Reducing balance

Play Equipment – 20% Reducing balance

#### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

#### **Administration expenditure**

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes costs of running the office premises, and governance costs and are allocated to expenditure on the raising of funds or charitable activities as appropriate.

# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

## NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018.

	Unrestricted 2018 £	Restricted 2018 £	Total Funds 2018 £	Total Funds 2017 £
3. DONATIONS AND LEGACIES				
LCC-Funding	25,422	-	25,422	42,609
Inclusion Funding	3,020	-	3,020	1,865
EYPP Funding	-	-	-	6,617
Disability Access Funding	-	-	-	615
Equipment Grant	-	-	-	3,750
	<u>28,442</u>	<u>-</u>	<u>28,442</u>	<u>55,456</u>

### 4. INCOME - CHARITABLE ACTIVITIES

Fees	86,910	-	86,910	92,266
LCC – Nursery Grant	148,456	-	148,456	98,892
Fundraising	1,502	-	1,502	1,455
Photograph commission	162	-	162	117
	<u>237,030</u>	<u>-</u>	<u>237,030</u>	<u>192,730</u>

### 5. RESOURCES EXPENDED - CHARITABLE ACTIVITIES

Wages	164,975	-	164,975	154,403
Provisions and Resources	12,381	-	12,381	9,725
Travelling	220	-	220	329
Electricity	2,149	-	2,149	1,702
Water	622	-	622	1,719
Insurance	2,276	-	2,276	1,748
Telephone and Postage	996	-	996	1,027
Cleaner	3,351	-	3,351	3,050
Repairs and Maintenance	3,959	-	3,959	4,140
Rent	2,186	-	2,186	2,153
Sundries	1,707	-	1,707	1,890
Professional Fees	386	-	386	148
Pension	784	-	784	-
Uniforms	261	-	261	1,242
Course Fees	210	-	210	1,239
Depreciation	157	-	157	164
Fundraising Costs	-	-	-	167
Outside Agency Fees	-	-	-	726
	<u>196,620</u>	<u>-</u>	<u>196,620</u>	<u>185,572</u>

# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

## NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017	
6. STAFF COSTS	No.	No.	
The average monthly number of employees during the year was as follows:	<u>18</u>	<u>17</u>	
	£	£	
The total salaries paid to employees during the year was as follows:	<u>168,326</u>	<u>157,453</u>	
7. COMPARITIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES			
	Unrestricted Period to 31.12.2017 £	Restricted Period to 31.12.2017 £	Total Funds Period to 31.12.2017 £
Income and endowments from:			
Donations and legacies	51,706	3,750	55,456
Charitable activities	192,730	-	192,730
Investments	41	-	41
Total	<u>244,477</u>	<u>3,750</u>	<u>248,227</u>
Expenditure:			
Charitable activities	185,572	-	185,572
Governance costs	1,404	-	1,404
Total	<u>186,976</u>	<u>-</u>	<u>186,976</u>
Profit for the year	57,501	3,750	61,251
Reconciliation of Funds			
Transfer between funds	472,240	-	472,240
Funds transferred from unincorporated charity	(838)	-	(838)
Total Funds Carried Forward	<u>528,903</u>	<u>3,750</u>	<u>532,653</u>

# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

## NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED TO 31 DECEMBER 2018

### 8. TANGIBLE FIXED ASSETS

	Play Equipment £	Plant and Machinery £	Freehold Property £	Totals £
<b>Cost</b>				
At January 2018	641	180	394,182	395,003
Additions	-	125	2,468	2,593
At 31 December 2018	<u>641</u>	<u>305</u>	<u>396,650</u>	<u>397,596</u>
<b>Depreciation</b>				
At January 2018	128	36	-	164
Charge for the year	103	54	-	157
At 31 December 2018	<u>231</u>	<u>90</u>	<u>-</u>	<u>321</u>
<b>Net Book Value</b>				
At 31 December 2018	<u>410</u>	<u>215</u>	<u>396,650</u>	<u>397,275</u>
At 31 December 2017	<u>513</u>	<u>144</u>	<u>394,182</u>	<u>394,839</u>

### 9. DEBTORS DUE WITHIN ONE YEAR

	2018 £	2017 £
Fees	4,743	2,883
Prepayments	1,383	952
	<u>6,126</u>	<u>3,835</u>

### 10. CASH AT BANK

	2018 £	2017 £
Business Account	75,715	44,962
30 Day Notice Account	-	5
Fundraising Account	3,336	1,857
Build Account	105,608	75,560
Reserve Account	10,009	10,005
Savings Account	3,753	3,750
Cash	223	109
	<u>198,644</u>	<u>136,248</u>

# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

## NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
<b>11. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Trade Creditors	-	566
Accruals	1,798	1,693
Other Creditors	6	-
Bank overdraft	-	10
	<u>1,804</u>	<u>2,269</u>

## 12. TOTAL FUNDS

£	Unrestricted £	Restricted £	Total £
<b>At 1 January 2018</b>	528,903	3,750	532,653
Movement in year	67,588	-	67,588
Transfer between funds	-	-	-
<b>At 31 December 2018</b>	<u>596,491</u>	<u>3,750</u>	<u>600,241</u>

# HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

## DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED TO 31 DECEMBER 2018

	2018 £	2017 £
<b>Donations and legacies</b>		
LCC –Funding	25,422	42,609
Inclusion Funding	3,020	1,865
EYPP Funding	-	6,617
Disability Access Funding	-	615
Equipment Grant	-	3,750
	<b>28,442</b>	<b>55,456</b>
<b>Charitable activities</b>		
Fees	86,910	92,266
LCC – Nursery Grant	148,456	98,892
Fundraising	1,502	1,455
Photograph commission	162	117
	<b>237,030</b>	<b>192,730</b>
<b>Investment Income</b>		
Bank interest received	56	41
<b>TOTAL INCOME</b>	<b>265,528</b>	<b>248,227</b>
<b>Charitable Expenditure</b>		
Wages	164,975	154,403
Provisions and Resources	12,381	9,725
Travelling	220	329
Electricity	2,149	1,702
Water	622	1,719
Insurance	2,276	1,748
Telephone and Postage	996	1,027
Cleaner	3,351	3,050
Repairs and Maintenance	3,959	4,140
Rent	2,186	2,153
Sundries	1,707	1,890
Professional Fees	386	148
Pension	784	-
Uniforms	261	1,242
Course Fees	210	1,239
Depreciation	157	164
Fundraising Costs	-	167
Outside Agency Fees	-	726
	<b>196,620</b>	<b>185,572</b>
<b>Governance Costs</b>		
Accountancy	1,320	1,404
<b>TOTAL EXPENDITURE</b>	<b>197,940</b>	<b>186,976</b>
<b>PROFIT FOR THE YEAR</b>	<b>67,588</b>	<b>61,251</b>

This page is for information purposes and does not form part of the accounts