
BLACKSHAW NURSERY
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

BLACKSHAW NURSERY
(A company limited by guarantee)

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BLACKSHAW NURSERY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

A Erauncetamurguil, Chair
R Bolland
J Gallagher
N Walters
C Gill
S Quilty

Company registered number

2680299

Charity registered number

1011623

Registered office

St. George's Hospital, Blackshaw Road, London, SW17 0QT

Company secretary

Mary Ellis

Chief executive officer

Alicia Erauncetamurguil

Independent Examiner

Peter R Willans, 26 Burney Street, London, SE10 8EX

Bankers

HSBC Bank plc, 117 Balham High Street, London, SW12

BLACKSHAW NURSERY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements for the period 1 April 2020 to 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

a. Objectives and principal activity to demonstrate public benefit

The main objectives of the Charity are to advance the education of children of parents in Wandsworth and surrounding areas, and to provide facilities for the recreation and other leisure time activities with a view to improving their conditions of life. The Charity aims to fulfil this by the continued provision of nursery care and education in collaboration with St George's University Hospitals NHS Foundation Trust, Tooting.

The directors have paid due regard to guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake, and, in particular, the special guidance on charities for the advancement of education.

To meet these objectives the Charity ensures the following activities are carried out.

- 1) That play areas are maintained so that the children can explore and play in safety.
- 2) That the required ratio of Nursery staff to children is maintained so that each child receives proper attention.
- 3) The children receive proper rest times
- 4) The children receive a varied diet of meals that will promote health and physical development.

The Management Committee and Trustees would like to express their gratitude for the continued support of St. George's University Hospital NHS Foundation Trust and to all those concerned with arranging the various grants and donations to the Nursery.

b. Investment policy and performance

The Charity invests any monies not immediately required for its purposes in short term deposits with the Bank of Scotland and HSBC. The Investment return is minimal which, in the recent economic climate, is only considered to be expected. However, the Management Committee are confident that the funds are secure.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE

a. Key financial performance indicators

The Charity considers that the key financial performance indicator to be the level of take-up on the nursery places available. This determines the level of income, supplemented by a few grants, needed to meet the nursery overheads a certain percentage of which are fixed.

The largest item of expenditure is staff and so the Nursery uses a mixture of permanent staff and agency staff to ensure the correct level of quality care when place take-up is low.

Taking the above into consideration there are two Designated Reserves maintained by the Charity. These are the Fees Reserve, used to cover loss of income through lower take-up of place, and the Contingency Reserve, used to defray the cost of additional staff.

b. Review of activities

The Nursery cares for up to 58 children aged 1 to 5 years whilst their parents continue with their careers.

To help support the cost of this provision the Nursery receives grants from St. George's University Hospitals NHS Foundation Trust to fund an agreed number of places for their employees.

The Nursery continues to issue Newsletters, by e-mail, to parents in an effort to keep them informed of nursery events and to increase communication

This year produced an overall surplus of £73,147, (2020 - £42,326 surplus). Of this surplus, £84,580 was attributable to the Unrestricted Funds and the Restricted Fund produced a deficit of £11,433 (2020 - £9,750 deficit).

Although there has been a reduction in income due to the impact of the Coronavirus Pandemic it was more than compensated for by careful management of the nursery finances. There was a reduction in wages, general savings in overheads as well as a payout for loss of profits through an insurance policy held by the nursery. The deficit on the Restricted Fund is due to the continued refurbishment works under way throughout the year.

The long term future of the Nursery continues to be under review and discussions are in progress with St. George's University Hospitals NHS Foundation Trust. It has been decided that the Nursery continues as a Self Governing Charity.

c. Future activities

The major redecoration of the Nursery which commenced during the year ended 31 March 2020 has now been completed. Consideration is being given to refurbishing the bathrooms but no contracts have been entered into to date. These major projects along with other smaller ones will help maintain the level of service the Nursery offers to the children in its care. The general nursery activities remain unchanged from the current year activities.

It is hoped that negotiations will continue with the landlord concerning the extension of the lease which expired on 11 May 2021, a draft of the proposed new lease is currently under review.

Coronavirus

The nursery is now once again fully open to children from both NHS key workers and the private sector. As Lockdown continues to ease more places are being filled. As required by government the Nursery made sure that they had a comprehensive risk assessment completed to ascertain the risks involved. This included those

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

procedures necessary to follow government guidelines to ensure the safety of those children and parents who make use of Nursery facilities as well as all staff working within the Nursery.

FINANCIAL REVIEW

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The Trustees have considered the impact of Coronavirus on the Nursery as a whole. There has been a loss of income due to unfilled places arising from either children or their parents having to isolate. However, the charity has designated reserves, comprising the fee reserve and contingency reserve, set up to deal with this type of situation. Consequently through forward planning the Trustees have secured the financial security of the Nursery.

In order to ensure the long term viability of the nursery transfers have been made from the General Fund to various Designated Funds as considered appropriate by the Board of Trustees. Designated funds balances at 31 March 2021 comprise a total of £100,000 for the Contingency Reserve and the Maintenance Reserve. £10,000 in the Toy Reserve and a Fees Reserve of £63,024. Consequently, the Designated Reserves total £173,024 within 4 separate funds which should provide financial security especially if the Coronavirus Pandemic continues.

b. Reserves policy

The Trustees endeavour to retain sufficient unrestricted funds to cover approximately three months running costs. This later sum amounts to £149,218 excluding depreciation, (2020 - £165,501). The unrestricted funds, classified as General Funds, excluding the revaluation reserve, at the end of the year amounted to £381,433 (2020 - £296,853) which exceeds the Trustees target for reserves. The level of reserves will continue to be kept under close review. In addition, as the majority of the reserves are held in cash the Trustees consider the position satisfactory.

Based on the results the trustees have decided to make the following transfers to Designated Reserves.

A transfer of £45,613 will be made to the Fees Reserve. This is a departure from the usual policy but it was consider prudent to increase the Fees Reserve when considering the present Coronavirus Pandemic. Its impact on future Nursery Fees cannot be determined at present. This transfer will increase the balance on that reserve to £63,024 which may be needed to reduce the impact of income lost through the ongoing Coronavirus Pandemic.

An additional £18,000 will be transferred to the Contingency Reserve to increase the reserve to £50,000 which can be used to meet the future costs of any contingency the nursery may have to face in the future. This results in the Maintenance and the Contingency Reserves having a total of £100,000 available to meet future emergencies from whatever source. This will greatly contribute to the financial security of the Nursery.

The Toys Reserve will receive a transfer of £8,779 increasing its fund balance to £10,000. Because there has been little expenditure on toys in recent years the transfer of this size is considered prudent.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 23 January 1992 the same day it was registered as a charity its number being 1011623.

The principal object of the company is to advance the education of children of parents in Wandsworth and surrounding areas, and to provide facilities for recreation and other leisure time activities with a view to improving their conditions of life.

b. Method of appointment or election of trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association. During the year a revised and modernised Memorandum and Articles of Association were filed with the appropriate authorities.

Existing trustees of the charity ensure that new trustees become familiar with their responsibilities and duties.

c. Organisational structure and decision making

The Charity is administered by a Committee of Management which makes decisions on a majority basis.

The members of the Management Committee are elected at the Annual General Meeting.

This report was approved by the Trustees, on 30 June 2021 and signed on their behalf by:

Mary Ellis
Company Secretary

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

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

Company law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting 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 financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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.

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BLACKSHAW NURSERY (the 'company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the company (and 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 the company's accounts 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

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

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:

Dated: 30 June 2021

P.R.Willans B. Sc.(hons) F.C.A.

Landergan & Company Limited,
26 Burney Street,
London,
SE10 8EX

BLACKSHAW NURSERY
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	2	10,583	823	11,406	10,583
Charitable activities	4	-	632,975	632,975	728,858
Investments	3	-	838	838	1,252
Other income	5	-	40,504	40,504	404
TOTAL INCOME		10,583	675,140	685,723	741,097
EXPENDITURE ON:					
Charitable activities:					
Direct Childcare	6,7	-	451,890	451,890	538,080
Childcare Support	6,7	22,016	131,529	153,545	153,650
Governance	8	-	7,141	7,141	7,041
TOTAL EXPENDITURE	9	22,016	590,560	612,576	698,771
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(11,433)	84,580	73,147	42,326
NET MOVEMENT IN FUNDS		(11,433)	84,580	73,147	42,326
RECONCILIATION OF FUNDS:					
Total funds brought forward		76,866	296,853	373,719	331,393
TOTAL FUNDS CARRIED FORWARD		65,433	381,433	446,866	373,719

The notes on pages 10 to 21 form part of these financial statements.

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REGISTERED NUMBER: 2680299

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	12		14,179		29,698
CURRENT ASSETS					
Debtors	13	80,337		91,928	
Cash at bank and in hand		493,690		358,107	
		<u>574,027</u>		<u>450,035</u>	
CREDITORS: amounts falling due within one year	14	(141,340)		(106,014)	
NET CURRENT ASSETS			432,687		344,021
NET ASSETS			<u>446,866</u>		<u>373,719</u>
CHARITY FUNDS					
Restricted funds	15		65,433		76,866
Unrestricted funds	15		381,433		296,853
TOTAL FUNDS			<u>446,866</u>		<u>373,719</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 30 June 2021 and signed on their behalf, by:

A Erauncetamurguil, Chair

The notes on pages 10 to 21 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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) and the Companies Act 2006.

Blackshaw Nursery 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.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1 . In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property	-	Straight-line over the period of the individual lease
Plant & machinery	-	20.0% reducing balance

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company has a Group Personal Pension Scheme for all permanent employees under auto-enrolment regulations. The employer contribution is 3% of gross salary and the employee can select their level of contribution as long as auto-enrolment regulations are met. All contributions are charged to the Statement of Financial Activities when due. No material liability for contributions existed at the end of the year.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
WBC - Inclusion Grant	-	823	823	-
Grants	10,583	-	10,583	10,583
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	10,583	823	11,406	10,583
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2020</i>	10,583	-	10,583	
	<hr/>	<hr/>	<hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. INVESTMENT INCOME

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	-	838	838	1,252
<i>Total 2020</i>	-	1,252	1,252	

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Direct Childcare	-	538,238	538,238	634,121
St George's - Educational Grant	-	94,737	94,737	94,737
	-	632,975	632,975	728,858
<i>Total 2020</i>	-	728,858	728,858	

5. OTHER INCOMING RESOURCES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Insurance Claim/Miscellaneous Grants	-	40,504	40,504	404
<i>Total 2020</i>	-	404	404	

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**NOTES TO THE FINANCIAL STATEMENTS
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6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Direct Childcare	22,016	429,874	451,890	691,730
Childcare Support	-	153,545	153,545	-
	22,016	583,419	605,435	691,730
<i>Total 2020</i>	<i>19,835</i>	<i>671,895</i>	<i>691,730</i>	

7. CHARITABLE ACTIVITIES

	Direct Childcare £	Childcare Support £	Total 2021 £	Total 2020 £
Office costs	-	3,980	3,980	3,934
Bank Charges	-	273	273	363
Postage	-	5,209	5,209	5,009
Staff recruitment	-	238	238	720
Staff training	7,900	-	7,900	1,440
Repairs	3,857	-	3,857	5,132
Nursery running costs	25,570	-	25,570	28,941
Premises	60,414	3,180	63,594	72,569
Wages and salaries	291,023	125,913	416,936	500,995
National insurance	23,126	8,528	31,654	27,510
Pension cost	23,583	2,737	26,320	26,425
Depreciation	16,417	3,487	19,904	18,692
	451,890	153,545	605,435	691,730
<i>Total 2020</i>	<i>538,080</i>	<i>153,650</i>	<i>691,730</i>	

Expenditure is allocated between Direct Childcare and Support on an actual basis with the exception of certain costs comprising premises and depreciation which are apportioned on the basis of a combination of approximate square footage of building used and equipment contained therein.

The expenditure from the Capital Fund is from a fund restricted to Building Maintenance and the purchase of Plant & Machinery used by the Nursery.

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**NOTES TO THE FINANCIAL STATEMENTS
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8. GOVERNANCE COSTS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Independent Examiner's fees	-	5,500	5,500	5,400
Trustee indemnity insurance	-	1,641	1,641	1,641
	-	7,141	7,141	7,041

9. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Direct Childcare	337,732	16,417	97,741	451,890	538,080
Childcare Support	137,178	3,487	12,880	153,545	153,650
Charitable activities	474,910	19,904	110,621	605,435	691,730
Expenditure on governance	-	-	7,141	7,141	7,041
	474,910	19,904	117,762	612,576	698,771
<i>Total 2020</i>	<i>554,930</i>	<i>18,692</i>	<i>125,149</i>	<i>698,771</i>	

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets:		
- owned by the charity	19,904	18,692
Independent Examiners Fees	5,500	5,400

During the year, no Trustees received any remuneration (2020 - £NIL).
During the year, no Trustees received any benefits in kind (2020 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2020 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	416,936	500,995
Social security costs	31,654	27,510
Other pension costs	26,320	26,425
	<u>474,910</u>	<u>554,930</u>

The average number of persons employed by the company during the year was as follows:

	2021 No.	2020 No.
Direct Childcare	15	14
Childcare Support	5	6
	<u>20</u>	<u>20</u>

No employee received remuneration amounting to more than £60,000 in either year.

Included in wages and salaries is £99,419 (2020 - £125,858) in respect of agency staff used to supplement childcare workers and childcare support when needed. These positions are temporary and consequently have not been included within the average number of employees during the year.

12. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & machinery £	Total £
Cost			
At 1 April 2020	374,224	42,206	416,430
Additions	-	4,385	4,385
At 31 March 2021	<u>374,224</u>	<u>46,591</u>	<u>420,815</u>
Depreciation			
At 1 April 2020	357,626	29,106	386,732
Charge for the year	16,596	3,308	19,904
At 31 March 2021	<u>374,222</u>	<u>32,414</u>	<u>406,636</u>
Net book value			
At 31 March 2021	<u>2</u>	<u>14,177</u>	<u>14,179</u>
At 31 March 2020	<u>16,598</u>	<u>13,100</u>	<u>29,698</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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12. TANGIBLE FIXED ASSETS (continued)

The Blackshaw Road site consists of two leaseholdings. The Nursery, when incorporated, held a 40 year lease on one with effect from 11th May 1981 and a 10 year lease on the other with effect from 11th May 1991 (renewed for 20 years to 10th March 2021). The latter lease has a break clause entitling the landlords to revocation with six months notice.

A rent review was due on 11 May 2011 on the lease starting 11 May 1981 but did not take place. Rent has been accrued at an annual rent charge of £5,147. No further adjustment has been made to the open market rent since the landlord has previously indicated that it is agreeable not to charge what is thought to be a significantly higher open market rent.

All the above assets are used for the direct furtherance of the Charity's objects namely the running of the Nursery.

13. DEBTORS

	2021 £	2020 £
Trade debtors	59,016	77,628
Prepayments and accrued income	21,321	14,300
	<u>80,337</u>	<u>91,928</u>

14. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	48,851	46,566
Other taxation and social security	4,332	-
Other creditors	21,893	5,442
Accruals and deferred income	66,264	54,006
	<u>141,340</u>	<u>106,014</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds					
Fees Reserve	17,411	-	-	45,613	63,024
Toy Reserve	1,221	-	-	8,779	10,000
Contingency Reserve	32,000	-	-	18,000	50,000
Maintenance Reserve	50,000	-	-	-	50,000
	<u>100,632</u>	<u>-</u>	<u>-</u>	<u>72,392</u>	<u>173,024</u>
General funds					
General Funds - all funds	196,221	675,140	(590,560)	(72,392)	208,409
Total Unrestricted funds	<u>296,853</u>	<u>675,140</u>	<u>(590,560)</u>	<u>-</u>	<u>381,433</u>
Restricted funds					
Capital Fund	76,866	10,583	(22,016)	-	65,433
Total of funds	<u>373,719</u>	<u>685,723</u>	<u>(612,576)</u>	<u>-</u>	<u>446,866</u>

Unrestricted Designated Funds have transfers to and from them at the trustees discretion and will be determined by the following parameters:-

The Fee Reserve represents monies put to one side to cover any potential bad debts or material drop in fee income. In the past the net transfer to the general fund would normally comprise a transfer in of 1% of fee income netted against an estimate in respect of income lost through unfilled nursery places during the year. In the face of the current Coronavirus Pandemic it was decided that the 2021 transfer should represent the gross profit lost through the reduction in nursery fee income. Grants being excluded from the calculation. The transfer of £45,613 to the fund provides the nursery with a healthy reserve for the future if the pandemic continues. The fund balance now stands at £63,024.

The Toy Reserve represents the surplus monies received from fund raising set aside for the purchase of toys, equipment and outings less the monies spent on these items during the year. There was no movement on the Toy Reserve during the year and any expenditure on toys during the year was met by the General Fund. It was decided to increase the toy reserve to £10,000 to provide adequate funds for the future and this was achieved by a transfer of £8,779 to the Toy Reserve from the General Fund.

The Contingency Reserve and the Maintenance Reserve represents money set aside to cover any future eventualities not met from any other funds, a transfer of £18,000 has been made from the General Fund to the Contingency Reserve this year. Both reserves if taken together total £100,000 at 31 March 2021 and place the nursery in a strong position as far as maintaining the property and meeting the costs of any emergencies arising due to the Coronavirus Pandemic.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. STATEMENT OF FUNDS (continued)

Restricted Funds

Restricted Funds comprise:-

A Capital Fund which has been set up to receive gifts given for capital equipment and major repairs and renewals.

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2020 £</i>
Designated funds					
Fees Reserve	8,641	-	-	8,770	17,411
Toy Reserve	1,221	-	-	-	1,221
Contingency Reserve	32,000	-	-	-	32,000
Maintenance Reserve	24,000	-	-	26,000	50,000
	<u>65,862</u>	<u>-</u>	<u>-</u>	<u>34,770</u>	<u>100,632</u>
General Funds - all funds	<u>179,413</u>	<u>730,514</u>	<u>(678,936)</u>	<u>(34,770)</u>	<u>196,221</u>
Restricted funds					
Capital Fund	<u>86,118</u>	<u>10,583</u>	<u>(19,835)</u>	<u>-</u>	<u>76,866</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	12,164	2,015	14,179
Current assets	53,269	520,758	574,027
Creditors due within one year	-	(141,340)	(141,340)
	<u>65,433</u>	<u>381,433</u>	<u>446,866</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	10,818	18,880	29,698
Current assets	66,048	383,987	450,035
Creditors due within one year	-	(106,014)	(106,014)
	<u>76,866</u>	<u>296,853</u>	<u>373,719</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	73,147	42,326
Adjustment for:		
Depreciation charges	19,904	18,692
Decrease/(Increase) in debtors	11,591	(2,309)
Decrease in creditors	35,326	33,870
Purchase of fixed assets	(4,385)	(5,549)
Net cash provided by operating activities	<u>135,583</u>	<u>87,030</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	135,583	87,030
Total	<u>135,583</u>	<u>87,030</u>

19. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £26,320 (2020 - £26,425). There were no arrears of contributions at the year end (2020 - £nil).

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NOTES TO THE FINANCIAL STATEMENTS
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20. OPERATING LEASE COMMITMENTS

At 31 March 2021 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts payable:		
Within 1 year	5,197	5,197

The Operating lease is in respect of two leases to properties occupied by the nursery. Both lease expired on 11 May 2021 and have not yet been renewed. However, the nursery has received the draft of a new lease which is currently under review and so the nursery continues to occupy the buildings.

21. MANAGEMENT COMMITTEE MEMBERS REMUNERATION

There were no amounts paid to members of the Management Committee in the year either as remuneration or reimbursed expenses. An amount of £1,641 (2020 - £1,641) was paid for an insurance policy to protect the Charity against claims for wrongful actions of negligence by employees and officers of the Company including Management Committee members.

22. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

The Company is under the control of the Management Committee who have no financial interest in the Company, as it is a registered charity.