
BLACKSHAW NURSERY
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022**

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

R Bolland resigned as a trustee on 1 July 2021.

**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 2022

The Trustees present their annual report together with the financial statements of the Company for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

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.

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. Strategies for achieving objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

c. Activities undertaken to achieve objectives

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 to 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

d. Volunteers

Due to level of skills required by law to look after and manage children the Nursery does not make use of volunteers.

Achievements and performance

a. Main achievements of the Company

The Nursery was able to meet all its objectives despite the pandemic and any limitations imposed.

b. Key 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

c. 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 £26,952, (2021 - £73,147 surplus). Of this surplus, £19,347 was attributable to the Unrestricted Funds and the Restricted Fund produced a deficit of £7,605 (2021 - £11,433 deficit).

There has been a reduction in income due to the impact of the Coronavirus Pandemic, as this year no Covid based grants were received. Unfortunately there has been an increase in staff costs, including agency staff which has attributed to the reduction in the surplus for 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.

d. Fundraising activities and income generation

During the year ended 31 March 2022 the Nursey relied on Nursery Fees and specific grants to fund operations. No fund-raising activities were undertaken.

e. 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.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

b. Reserves policy

The Trustees endeavour to retain sufficient unrestricted funds to cover approximately three months running costs. This later sum amounts to £161,602 excluding depreciation, (2021 - £149,218). The unrestricted funds, classified as General Funds, excluding the revaluation reserve, at the end of the year amounted to £401,132 (2021 - £381,433) 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 £6,976 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 and its aftermath.

Its impact on future Nursery Fees cannot be determined precisely. This transfer will increase the balance on that reserve to £70,000 which may be needed to reduce the impact of income lost through a continuation of the Coronavirus Pandemic.

No transfers are to be made to the other Designated Fund Reserves as it is considered that they are considered sufficient to meet their stated purpose when necessary.

A new Designated Fund called The Building Fund Reserve was set up on completion of the 2022 Financial Statements to recognise that the Nursery Buildings are now fully amortised and that a fund will be needed to budget for the potential replacement, refurbishment or replacement of the Nursery buildings or substantial parts of the buildings. In order to ensure that the charity retains sufficient General Reserves to meet its stated policy the fund will be built up by transfers scheduled over a number of years. This year an amount of £50,000 has been transferred.

c. Principal risks and uncertainties

There are two principal risks and areas of uncertainty which are as follows:-

- a) A significant reduction in children attending the Nursery and its effect on income.
- b) Availability of staff that have the appropriate skills and qualifications.

The Nursery makes use of a limited number of Staff Agencies who will provide the appropriate staff on a daily basis which enables the hiring of a limited number of core employees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

a. Constitution

Blackshaw Nursery 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. Methods 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 of Association.

c. Organisational structure and decision-making policies

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.

d. Trustees' indemnities

An amount of £200 (2021 - £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 and Trustees.

Plans for future periods

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.

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 but has not yet been approved.

Coronavirus

The nursery remains fully open to children from both NHS key workers and the private sector although there are spare places. As required by government the Nursery made sure that they had a comprehensive risk assessment completed to ascertain the risks involved. This included those 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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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 Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

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

Approved by order of the members of the board of Trustees on 29 June 2022 and signed on their behalf by:

A Erauncetamurguil
(Chair of Trustees)

BLACKSHAW NURSERY
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

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 2022.

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 (enter body here), which is one of the listed bodies.

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

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: 29 June 2022

Peter R Willans B.Sc. (Hons) F.C.A.

Chartered Accountant

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 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from:					
Donations and legacies	3	10,583	-	10,583	11,406
Charitable activities	4	-	665,411	665,411	632,975
Investments	5	-	435	435	838
Other income	6	-	-	-	40,504
Total income		10,583	665,846	676,429	685,723
Expenditure on:					
Charitable activities	7	2,978	646,499	649,477	612,576
Total expenditure		2,978	646,499	649,477	612,576
Total transfers		-	-	-	-
Net movement in funds		7,605	19,347	26,952	73,147
Reconciliation of funds:					
Total funds brought forward		65,433	381,433	446,866	373,719
Net movement in funds		7,605	19,347	26,952	73,147
Total funds carried forward		73,038	400,780	473,818	446,866

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 13 to 27 form part of these financial statements.

BLACKSHAW NURSERY
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REGISTERED NUMBER: 2680299

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	12,277	14,179
		<u>12,277</u>	<u>14,179</u>
Current assets			
Debtors	13	109,460	80,337
Cash at bank and in hand		498,801	493,690
		<u>608,261</u>	<u>574,027</u>
Creditors: amounts falling due within one year	14	(146,720)	(141,340)
Net current assets		461,541	432,687
Total assets less current liabilities		<u>473,818</u>	<u>446,866</u>
Net assets excluding pension asset		<u>473,818</u>	<u>446,866</u>
Total net assets		<u><u>473,818</u></u>	<u><u>446,866</u></u>
Charity funds			
Restricted funds	16	73,038	65,433
Unrestricted funds	16	400,780	381,433
Total funds		<u><u>473,818</u></u>	<u><u>446,866</u></u>

BLACKSHAW NURSERY
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REGISTERED NUMBER: 2680299

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees on 29 June 2022 and signed on their behalf by:

A Erauncetamurguil
(Chair of Trustees)

The notes on pages 13 to 27 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	6,104	139,130
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,428)	(4,385)
Net cash used in investing activities	(1,428)	(4,385)
Cash flows from financing activities		
Interest Received	435	838
Net cash provided by financing activities	435	838
Change in cash and cash equivalents in the year	5,111	135,583
Cash and cash equivalents at the beginning of the year	493,690	358,107
Cash and cash equivalents at the end of the year	498,801	493,690

BLACKSHAW NURSERY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Blackshaw Nursery is a company, registered at Companies House number 2680299, and is limited by guarantee. It is also a registered charity, registered with The Charity Commission number 1011623.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), 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.

2.2 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

2.3 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.3 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.4 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 institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £750 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

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

2.6 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.

2.7 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.8 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 in the Statement of financial activities as a finance cost.

2.9 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.

2.10 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 autoenrolment 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.

2.11 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.

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	-	-	-	823
Grants	10,583	-	10,583	10,583
	<u>10,583</u>	<u>-</u>	<u>10,583</u>	<u>11,406</u>
<i>Total 2021</i>	<u>10,583</u>	<u>823</u>	<u>11,406</u>	

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from charitable activities - Direct Childcare	570,682	570,682	538,238
St George's	94,729	94,729	94,737
	<u>665,411</u>	<u>665,411</u>	<u>632,975</u>
<i>Total 2021</i>	<u>632,975</u>	<u>632,975</u>	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income - local cash deposits	435	435	838
	<u>435</u>	<u>435</u>	<u>838</u>
<i>Total 2021</i>	<u>838</u>	<u>838</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Insurance Claim	-	-	40,504
<i>Total 2021</i>	40,504	40,504	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Nursery Activities	2,978	646,499	649,477	612,576
<i>Total 2021</i>	22,016	590,560	612,576	

8. Analysis of expenditure by activities

	Direct Childcare costs 2022 £	Childcare Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Nursery Activities	482,374	167,103	649,477	612,576
<i>Total 2021</i>	455,310	157,266	612,576	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Direct Childcare 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	391,770	391,770	340,469
Depreciation	352	352	16,863
Staff recruitment	-	-	238
Staff training	3,075	3,075	7,900
Repairs - Nursery equipment	4,262	4,262	3,857
Nursery running costs	27,701	27,701	25,570
Premises costs	55,214	55,214	60,413
Total 2022	<u>482,374</u>	<u>482,374</u>	<u>455,310</u>
<i>Total 2021</i>	<u>455,310</u>	<u>455,310</u>	

Analysis of support costs

	Direct Childcare 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	136,976	136,976	134,441
Depreciation	2,718	2,718	3,041
Office costs	3,942	3,942	3,980
Bank charges	195	195	273
Postage	5,568	5,568	5,209
Legal & Professional	6,125	6,125	-
Premises costs	2,590	2,590	3,181
Bad debts	2,509	2,509	-
Loss on disposal of Fixed Assets	260	260	-
Governance costs	6,220	6,220	7,141
Total 2022	<u>167,103</u>	<u>167,103</u>	<u>157,266</u>
<i>Total 2021</i>	<u>157,266</u>	<u>157,266</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

9. Independent examiner's remuneration

	2022 £	2021 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	6,000	5,500

10. Staff costs

	2022 £	2021 £
Wages and salaries	476,075	416,936
Social security costs	25,807	31,654
Contribution to defined contribution pension schemes	26,864	26,320
	528,746	474,910

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

	2022 No.	2021 No.
Direct Childcare	15	15
Childcare Support	5	5
	20	20

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

Included in wages and salaries is £115,001 (2021 - £99,419) 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.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2021	374,224	46,591	420,815
Additions	-	1,428	1,428
Disposals	-	(2,943)	(2,943)
At 31 March 2022	<u>374,224</u>	<u>45,076</u>	<u>419,300</u>
Depreciation			
At 1 April 2021	374,222	32,414	406,636
Charge for the year	-	3,070	3,070
On disposals	-	(2,683)	(2,683)
At 31 March 2022	<u>374,222</u>	<u>32,801</u>	<u>407,023</u>
Net book value			
At 31 March 2022	<u>2</u>	<u>12,275</u>	<u>12,277</u>
At 31 March 2021	<u>2</u>	<u>14,177</u>	<u>14,179</u>

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	81,270	59,016
Prepayments and accrued income	28,190	21,321
	<u>109,460</u>	<u>80,337</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	45,473	48,851
Other taxation and social security	6,581	4,332
Other creditors	33,938	21,893
Accruals and deferred income	60,728	66,264
	<u>146,720</u>	<u>141,340</u>

15. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>498,801</u>	<u>493,690</u>

Financial assets measured at fair value through income and expenditure comprise a number of bank accounts held within High Street Banks.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Reserves Maintenance	50,000	-	-	-	50,000
Reserves Contingency	50,000	-	-	-	50,000
Reserves Toys	10,000	-	-	-	10,000
Reserves Fees	63,024	-	-	6,976	70,000
Reserves Building Fund	-	-	-	50,000	50,000
	<u>173,024</u>	<u>-</u>	<u>-</u>	<u>56,976</u>	<u>230,000</u>
General funds					
General Funds - all funds	<u>208,409</u>	<u>665,846</u>	<u>(646,499)</u>	<u>(56,976)</u>	<u>170,780</u>
Total Unrestricted funds	<u>381,433</u>	<u>665,846</u>	<u>(646,499)</u>	<u>-</u>	<u>400,780</u>
Restricted funds					
Restricted Funds - all funds	<u>65,433</u>	<u>10,583</u>	<u>(2,978)</u>	<u>-</u>	<u>73,038</u>
Total of funds	<u><u>446,866</u></u>	<u><u>676,429</u></u>	<u><u>(649,477)</u></u>	<u><u>-</u></u>	<u><u>473,818</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Statement of funds (continued)

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 recent 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 £6,796 to the fund in 2022 provides the nursery with a healthy reserve for the future if the pandemic continues. The fund balance now stands at £70,000. This reserve is to be reviewed in the coming financial year.

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.

The Contingency Reserve and the Maintenance Reserve represents money set aside to cover any future eventualities not met from any other funds, Both reserves if taken together total £100,000 at 31 March 2022 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.

The Building Fund Reserve was set up on completion of the 2022 Financial Statements to recognise that the Nursery Buildings are now fully amortised and that a fund is needed to budget for the potential replacement, refurbishment or replacement of the Nursery or substantial parts of the buildings. In order to ensure that the charity retains sufficient General Reserves to meet its stated policy the fund will be built up over a number of years.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds (continued)

Statement of funds - prior year

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	173,024	-	-	56,976	230,000
General funds	208,409	665,846	(646,499)	(56,976)	170,780
Restricted funds	65,433	10,583	(2,978)	-	73,038
	<u>446,866</u>	<u>676,429</u>	<u>(649,477)</u>	<u>-</u>	<u>473,818</u>

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	100,632	-	-	72,392	173,024
General funds	196,221	675,140	(590,560)	(72,392)	208,409
Restricted funds	76,866	10,583	(22,016)	-	65,433
	<u>373,719</u>	<u>685,723</u>	<u>(612,576)</u>	<u>-</u>	<u>446,866</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	10,612	1,665	12,277
Current assets	62,426	545,835	608,261
Creditors due within one year	-	(146,720)	(146,720)
Total	<u>73,038</u>	<u>400,780</u>	<u>473,818</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
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)
Total	65,433	381,433	446,866

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	26,952	73,147
Adjustments for:		
Depreciation charges	3,070	19,904
Decrease/(increase) in debtors	(29,123)	11,591
Increase in creditors	5,380	35,326
Purchase of fixed assets	(1,428)	(4,385)
Disposal of fixed assets	260	-
Net cash provided by operating activities	5,111	135,583

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	498,801	493,690
Total cash and cash equivalents	498,801	493,690

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	493,690	5,111	498,801
	<u>493,690</u>	<u>5,111</u>	<u>498,801</u>

22. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £26,864 (2021 - £26,320) were payable to the fund at the balance sheet date and are included in creditors. There were no arrears of contributions at the year end (2021 - £nil).

23. Operating lease commitments

At 31 March 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	<u>5,197</u>	<u>5,197</u>

24. 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 £220 (2021 - £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.

25. Related party transactions

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 March 2022.

