

HAWKS ROAD COMMUNITY NURSERY LIMITED

England & Wales · Charity number 1015045

Details

Other names	TIK-TOK
Status	Registered
Legal form	Charitable company
Company number	02581092
Registered	1992-11-04
Register	View on the Charity Commission register

Contact

Address	Tik Tok Nursery Old Fold Road Gateshead NE10 0DJ
Phone	01914786684
Email	finance@tik-tok.co.uk
Website	www.tik-tok.co.uk

Activities

Objects: TO PROVIDE FACILITIES FOR THE DAY CARE RECREATION AND EDUCATION OF CHILDREN UNDER THE AGE OF 5 WHOSE PARENTS OR GUARDIANS WORK IN THE METROPOLITAN BOROUGH OF GATESHEAD OR ELSEWHERE WITHIN THE COUNTIES OF TYNE AND WEAR,DURHAM AND NORTHUMBERLAND

Activities: To provide high quality affordable childcare to the local community, supporting those parents who wish to either return to work or continue with their education.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, People With Disabilities

Geography

- **Area of benefit:** GATESHEAD OR ELSEWHERE WITHIN TYNE & WEAR DURHAM & N/LAND
- Durham
- Gateshead
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£765,655	£803,141	£1,400,806	28
2024-08-31	£849,468	£910,256	£1,438,292	25
2023-03-31	£553,534	£555,861	£1,499,080	26
2022-03-31	£617,328	£537,127	£1,501,407	30
2021-03-31	£566,519	£520,907	£1,453,966	34

Trustees

Name	Role	Appointed
Andrew Christopher Miller	Chair	2016-03-15
FREDA Isabelle Milburn		2019-03-04

HAWKS ROAD COMMUNITY NURSERY LIMITED

England & Wales - Charity number 1015045

Accounts

Charity registration number 1015045 (England and Wales)

Company registration number 02581092

HAWKS ROAD COMMUNITY NURSERY LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

HAWKS ROAD COMMUNITY NURSERY LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	F Midgum A Miller
Charity number (England and Wales)	1015045
Company number	02581092
Registered office	Hawks Road Community Nursery The Boulevard Holmes Drive Gateshead Tyne & Wear NE10 0DJ
Independent examiner	RMT Accountants & Business Advisors Ltd Finchale House Belmont Business Park Durham DH1 1TW

HAWKS ROAD COMMUNITY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

Principal funding sources

The key funders of the operations undertaken by the charity are central and local government under their childcare initiatives. The contributions from these bodies are augmented by parental contributions, have historically averaged around a 2:1 split. As a result of an ever-changing demographic in the locality that split in 2024/25 moved towards 3:1.

Financial Position

As above, this report covers a 12-month financial period to 31 August 2025. The immediately preceding period represented a 17-month financial period to 31 August 2024. In 2024/25 direct comparisons with previous periods are therefore difficult. But broadly;

Total incoming resources in the 12-month period to 31 August 2025 amounted to £765,655, of which £22,739 represented bank interest (£27,704 in the previous 17-month period) and £20,830 represented restricted funding relating to Additional Needs children. That represents a pro-rata increase versus the previous 17-month period of around 27%.

Parent contributions paid directly represented 25% charitable activity income (2023/24; 39%) versus 75% local Government contributions (2023/24; 61%).

Whilst that overall increase in incoming resources is pleasing, it has been more than offset by an increase in the cost/overhead base.

Expenditure on raising funds/charitable activities in the 12-month period totalled £803,141 (17 month period to 31 August 2024; £910,256). That represents a proportionate increase versus the previous period of around 25%. That was mainly driven by an increase in the wages (and associated employers' national insurance and workplace pension costs) of child carers not least as a result of minimum wage/living wage increases. Gross wages of childcare providers increased by 30.8% in addition to relief/temporary staff costs of £12,284 (2023/24; £nil). In addition, and in line with economic/cost of living increases generally, there were significant uplifts in the costs of insurance, utilities, water etc. It should be remembered that of the total overhead amount in the 12-month period, £38,807 represented depreciation in respect of the equipment, furnishings and premises, which is a non cash cost (£52,158 in the previous 17 month period).

Furthermore, non-overhead support costs – representing the wages and associated employers NI and workplace pension contributions of office staff – also increased in the period (total £52,622 versus £63,697 in the previous 17-month period) by 17% pro rata.

After deducting the costs of the Independent Examination of the accounts, the charity returned an overall loss in the 12-month period of £37,486 (versus a loss in the previous 17 month period to 31 August 2024 of £60,788). However, given that of that loss £38,807 related to non-cash depreciation, the commercial reality of the position/ cash flow was closer to break even in cash terms.

As a result of the loss, total funds of the charity reduced from £1,438,292 at 31 August 2024 to 1,400,806. Much of that reduction however relates to the fall in book value of the property held on long leasehold. Current assets – that is, the value of cash and other liquid assets held at 31 August 2025 – less current liabilities – that is, the value of deferred income and other debts at that date – amounted to £487,535, only slightly lower than one year earlier (£491,218).

Within overall total funds of £1,400,806, £874,818 represented Unrestricted Funds and the remainder related to the Endowment Fund (£517,254) and Restricted income fund (£8,734).

The financial position of the charity at the balance sheet date is therefore healthy.

HAWKS ROAD COMMUNITY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Achievements and performance

The trustees have complied with their duty in' Section 4 of the 2006 Charities Act and have due regard to guidance published by the Charity Commission.

In summary:

We offer free nursery education for 9 months - 5 year olds who now receive 30 hours of free childcare per week, as required by current government policy.

We additionally offer up to 15 hours per week free nursery education for 2 – 5 year olds with non-working parents.

We offer these hours flexibly in order to support those parents wishing to return to work or higher education.

We use the funding streams available to us to improve the personal and professional development of all of our staff and continue to implement a rigorous and tailored programme of staff training.

Under the guidance of OFSTED and the Self Evaluation procedure our staff continue to reflect on the service we offer to ensure best practice. Our Special Educational Needs Co-ordinators continue to work closely with the Early Years Inclusion and Child Development Teams to improve outcomes for the children in our care who require additional support.

The most recent Ofsted inspection (March 2025) resulted in an assessment of "Good".

This report covers the 12-month financial period to 31 August 2025 (and, for comparison, the 17-month financial period 1 April 2023 – 31 August 2024).

During that period, we continued our policy of upgrading and refurbishing the nursery on a phased basis with expenditure on equipment for the children being prioritised. We undertook a significant refurbishment/resurfacing of the outside play area in the period as well as numerous other repairs, upkeep and replacement of the hot water system. This has undoubtedly been a factor in our ability to attract new children despite competition from local nurseries.

Future levels of activity will depend on the usual factors: trends in birth rates locally; competition for pre-school children; and the numbers of student parents attending the local college.

We will continue to seek to employ well-qualified, caring staff and will intensify staff training as an essential part of our plans for the future. The investment in well-motivated staff can only have a positive impact on the level of care and education that the nurseries provide and the manner in which it is delivered.

HAWKS ROAD COMMUNITY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Hawks Road Community Nursery Limited operates a community nursery in East Gateshead known as "TIK-TOK". The company was established in May 1991 gaining charitable status in 1992. A second Nursery at Hertfordshire House, Pelaw was opened in June 2015 and closed in December 2021 following a strategic review of operations.

The objects of the charity – as set out in the Memorandum and Articles of Association of 8 February 1991 and as updated from time to time such as on 11 December 2024 - are to provide facilities for the day care, recreation and education of children under the age of 5 whose parents or guardians work in the metropolitan area of Gateshead or elsewhere in the counties of Durham, Tyne and Wear and Northumberland.

The Charity continues to fulfil its objectives given that TIK-TOK provides high quality affordable childcare to the local community, supporting those parents who wish to either return to work or continue with their education. Its aim is to work in partnership with parents to promote a stimulating and exciting environment where children can progress at their own rate. The purpose-built buildings, funded with substantial support from public sector sources, provide us with the opportunity to realise these aspirations. The Company's Memorandum provides for operating as has been described above - it would need to be amended if the Company sought to introduce significant diversity.

Public benefit

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit statements. Public benefit is inherent in the objects of the Charity. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

HAWKS ROAD COMMUNITY NURSERY LTD

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HAWKS ROAD COMMUNITY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Reserves policy

It continues to be the policy of the charitable company to maintain unrestricted funds, which are our free reserves, at a level sufficient to cover fluctuations in income based on projection relating to child numbers on a term by term basis. The amount of such reserves at 31 August 2025 was £874,818 as above. Of that, net current/liquid assets amounted to £487,535.

Investment policy and objectives

Funds that are not immediately required are invested in suitable deposits, attempting to maximise the return, with relatively low risk.

Significant future activities

At this time, we do not envisage any significant future activities other than continuous expenditure on the upkeep of the property.

Unfortunately we have to report the death of our long standing trustee and ex-chairman, Bob Richardson, who passed away in October 2025 (subsequent to the year end of the accounts). We would place on record our sincere thanks and gratitude for all his work and input into the nursery over many years and he will be greatly missed by all staff and fellow trustees.

We will now seek replacement trustees in the current year.

Going concern

Given the level of net assets held at 31 August 2025, the trustees consider the charity to be a going concern.

Indemnity

A qualifying third-party indemnity is in force for the benefit of the Trustees.

Structure, governance and management

Hawks Road Community Nursery Limited is a company limited by guarantee, and a registered charity. It operates under the name of TIK - TOK and is governed by its Memorandum and Articles of Association. The Memorandum established the objectives and owners of the charitable company.

Charity No. 1015045. Company Registration No. 02581092

Trustees

Hawks Road Community Nursery Limited adheres to guidelines issued by the Charity Commission for the induction and training of Trustees.

Trustees are elected by the membership at the Annual General Meeting.

All new trustees are given an induction pack detailing the Charity's constitution, strategic plans, recent annual report and accounts and the Charity Commission leaflet - cc3 (a).

Details of the trustees (who are also the directors for the purpose of company law) who served during the year and up to the date of signature of the financial statements are set out below.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

F Milburn

A Miller

R Richardson

(Deceased 21 October 2025)

HAWKS ROAD COMMUNITY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Organisational structure

The day to day management of the nursery is delegated to a fully qualified Manager, Ms K Harker, who are supported by five deputy managers and nursery staff working both full and part time. All other decisions are made by agreement of the Trustees at management committee meetings. In-house financial systems are in place and are supervised by a qualified member of staff.

TIK-TOK is registered with Gateshead Social Services working closely to the local authority Guidelines. The nursery is inspected on a regular basis by OFSTED.

The registered office of the charity is :

The Boulevard

Holmes Drive

Gateshead

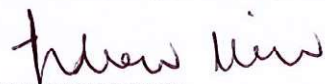
NE10 0DJ

Risk management

The Trustees are aware of their responsibilities under current Charity legalisation, and the need for a robust and creditable risks policy.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Systems have been established to ensure that risks are reviewed on a regular basis and findings reported to the Board.

The trustees' report was approved by the Board of Trustees.



A Miller
Trustee

Date: 16/01/26

HAWKS ROAD COMMUNITY NURSERY LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HAWKS ROAD COMMUNITY NURSERY LTD

I report to the trustees on my examination of the financial statements of Hawks Road Community Nursery Ltd (the charity) for the year ended 31 August 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements 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 financial statements 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 financial statements to be reached.

Ribchester

ROBERT RIBCHESTER, FCA (ICAEW), MA for and on behalf of:

RMT Accountants & Business Advisors Ltd
Finchale House
Belmont Business Park
Durham
DH1 1TW

Date: *26th January 2026.*

HAWKS ROAD COMMUNITY NURSERY LTD

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds 2025	Restricted funds 2025	Endowment funds 2025	Total 2025	Unrestricted funds Period 01/04/23 to 31/08/24	Endowment funds Period 01/04/23 to 31/08/24	Total Period 01/04/23 to 31/08/24
		£	£	£	£	£	£	£
Income from:								
Charitable activities	3	722,086	20,830	-	742,916	821,764	-	821,764
Investments	4	22,739	-	-	22,739	27,704	-	27,704
Total income		<u>744,825</u>	<u>20,830</u>	<u>-</u>	<u>765,655</u>	<u>849,468</u>	<u>-</u>	<u>849,468</u>
Expenditure on:								
Raising funds	5	-	-	32,760	32,760	-	46,420	46,420
Charitable activities	6	758,285	12,096	-	770,381	863,836	-	863,836
Total expenditure		<u>758,285</u>	<u>12,096</u>	<u>32,760</u>	<u>803,141</u>	<u>863,836</u>	<u>46,420</u>	<u>910,256</u>
Net income/(expenditure) and movement in funds		<u>(13,460)</u>	<u>8,734</u>	<u>(32,760)</u>	<u>(37,486)</u>	<u>(14,368)</u>	<u>(46,420)</u>	<u>(60,788)</u>
Reconciliation of funds:								
Fund balances at 1 September 2024		888,278	-	550,014	1,438,292	902,646	596,434	1,499,080
Fund balances at 31 August 2025		<u>874,818</u>	<u>8,734</u>	<u>517,254</u>	<u>1,400,806</u>	<u>888,278</u>	<u>550,014</u>	<u>1,438,292</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

HAWKS ROAD COMMUNITY NURSERY LTD

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	12		913,271		947,074
Current assets					
Debtors	13	43,327		16,920	
Cash at bank and in hand		472,051		612,610	
		515,378		629,530	
Creditors: amounts falling due within one year	14	(27,843)		(138,312)	
Net current assets			487,535		491,218
Total assets less current liabilities			1,400,806		1,438,292
The funds of the charity					
Endowment funds	17	517,254		550,014	
Restricted income funds	18	8,734		-	
Unrestricted funds	19	874,818		888,278	
			1,400,806		1,438,292

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2025.

The directors 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 16/01/26



A Miller
Trustee

Company registration number 02581092 (England and Wales)

HAWKS ROAD COMMUNITY NURSERY LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(158,294)		55,231
Investing activities					
Purchase of tangible fixed assets		(5,004)		(1,742)	
Investment income received		22,739		27,704	
Net cash generated from investing activities			17,735		25,962
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(140,559)		81,193
Cash and cash equivalents at beginning of year			612,610		531,417
Cash and cash equivalents at end of year			472,051		612,610

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

Hawks Road Community Nursery Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Hawks Road Community Nursery, The Boulevard, Holmes Drive, Gateshead, Tyne & Wear, NE10 0DJ.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants of a revenue nature are credited to the period to which they relate. Any income received in advance is presented within deferred income at the balance sheet date.

Interest income is recognised on an accruals basis when economic benefits are probable and the amount can be measured reliably. Interest is allocated to the appropriate funds in accordance with any restrictions.

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 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.

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% on cost and 5% on cost
Plant and equipment	10% on cost and 20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Non-comparability of financial statements

The prior year covered an extended reporting period of 17 months following a change to the charity's year end. The current year reflects a 12-month period only. Consequently, the income, expenditure and fund movements presented in the SOFA for the current year are not directly comparable to those of the prior year.

1.10 Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Charitable activities						
Nursery fees	181,832	-	181,832	325,750	-	325,750
Grants received	540,254	20,830	561,084	496,014	-	496,014
	<u>722,086</u>	<u>20,830</u>	<u>742,916</u>	<u>821,764</u>	<u>-</u>	<u>821,764</u>

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

3 Income from charitable activities

(Continued)

Grants received analysis

	Charitable activities 2025 £	Charitable activities 2024 £
Gateshead Council	560,584	496,014
Eden Training Solutions	500	-
	<u>561,084</u>	<u>496,014</u>

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>22,739</u>	<u>27,704</u>

5 Expenditure on raising funds

	Endowment funds 2025 £	Endowment funds 2024 £
Fundraising and publicity		
Depreciation	<u>32,760</u>	<u>46,420</u>

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

6 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Staff costs	553,808	599,654
Depreciation and impairment	6,047	5,738
Rates and water	7,814	10,128
Insurance	10,421	14,039
Light and heat	17,684	22,080
Telephone	1,067	1,383
Postage and stationery	2,970	3,315
Sundries	12,259	11,254
Food costs	13,063	15,451
Play materials & equipment	15,835	26,871
Repairs & maintenance	48,868	76,802
Professional fees	4,682	1,153
Travel	-	38
Bookkeeping costs	7,140	9,500
Bank charges	102	136
Subcontractors	12,284	-
	<u>714,044</u>	<u>797,542</u>
Share of support and governance costs (see note 7)		
Support	52,622	63,697
Governance	3,715	2,597
	<u>770,381</u>	<u>863,836</u>
Analysis by fund		
Unrestricted funds	758,285	863,836
Restricted funds	12,096	-
	<u>770,381</u>	<u>863,836</u>

7 Support costs allocated to activities

	2025 £	2024 £
Staff costs	52,622	63,697
Governance costs	3,715	2,597
	<u>56,337</u>	<u>66,294</u>
Analysed between:		
Charitable activities	<u>56,337</u>	<u>66,294</u>

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the independent examination of the charity's financial statements	3,715	2,597
	Depreciation of owned tangible fixed assets	38,807	52,158
		<u> </u>	<u> </u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year or during the prior period.

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the period ended 31 August 2024.

10 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Core staff	2	2
Nursery staff	26	23
Total	<u>28</u>	<u>25</u>

Employment costs	2025	2024
	£	£
Wages and salaries	554,946	621,301
Social security costs	38,121	27,802
Other pension costs	13,363	14,248
	<u>606,430</u>	<u>663,351</u>

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 September 2024	1,682,315	58,409	1,740,724
Additions	-	5,004	5,004
At 31 August 2025	1,682,315	63,413	1,745,728
Depreciation and impairment			
At 1 September 2024	746,009	47,641	793,650
Depreciation charged in the year	34,976	3,831	38,807
At 31 August 2025	780,985	51,472	832,457
Carrying amount			
At 31 August 2025	901,330	11,941	913,271
At 31 August 2024	936,306	10,768	947,074

13 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	3,285	-
Other debtors	2,545	-
Prepayments and accrued income	37,497	16,920
	43,327	16,920

14 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		10,305	5,504
Deferred income	15	3,014	117,894
Trade creditors		692	3,662
Other creditors		8,374	6,919
Accruals		5,458	4,333
		27,843	138,312

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

15 Deferred income

	2025 £	2024 £
Arising from Income received in advance	3,014	117,894

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	3,014	117,894
Movements in the year:		
Deferred income at 1 September 2024	117,894	27,606
Released from previous periods	(117,894)	(27,606)
Resources deferred in the year	3,014	117,894
Deferred income at 31 August 2025	3,014	117,894

16 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	13,363	14,248

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

17 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 September 2024 £	Resources expended £	At 31 August 2025 £
Permanent endowments	550,014	(32,760)	517,254

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

17 Endowment funds

(Continued)

Previous Period started 1 April 2023:

	At 1 September 2023 £	Resources expended £	At 31 August 2024 £
Permanent endowments	596,434	(46,420)	550,014

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2024 £	Incoming resources £	Resources expended £	At 31 August 2025 £
SEN and Inclusion Funds	-	20,830	(12,096)	8,734

Restricted funds comprises funds received from Gateshead Council to facilitate the support of children with additional needs within the Nursery.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024 £	Incoming resources £	Resources expended £	At 31 August 2025 £
General funds	888,278	744,825	(758,285)	874,818

Previous Period started 1 April 2023:

	At 1 September 2023 £	Incoming resources £	Resources expended £	At 31 August 2024 £
General funds	902,646	849,468	(863,836)	888,278

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

20 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
At 31 August 2025:				
Tangible assets	396,017	-	517,254	913,271
Current assets/(liabilities)	478,801	8,734	-	487,535
	<u>874,818</u>	<u>8,734</u>	<u>517,254</u>	<u>1,400,806</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
At 31 August 2024:				
Tangible assets	397,060	-	550,014	947,074
Current assets/(liabilities)	491,218	-	-	491,218
	<u>888,278</u>	<u>-</u>	<u>550,014</u>	<u>1,438,292</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

22 Cash (absorbed by)/generated from operations

	2025 £	2024 £
Deficit for the year	(37,486)	(60,788)
Adjustments for:		
Investment income recognised in statement of financial activities	(22,739)	(27,704)
Depreciation and impairment of tangible fixed assets	38,807	52,158
Movements in working capital:		
(Increase) in debtors	(26,407)	(6,142)
Increase in creditors	4,411	7,419
(Decrease)/increase in deferred income	(114,880)	90,288
Cash (absorbed by)/generated from operations	<u>(158,294)</u>	<u>55,231</u>

23 Analysis of changes in net funds

The charity had no material debt during the year.

HAWKS ROAD COMMUNITY NURSERY LIMITED

England & Wales - Charity number 1015045

Accounts

REGISTERED COMPANY NUMBER: 02581092 (England and Wales)
REGISTERED CHARITY NUMBER: 1015045

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024
FOR
HAWKS ROAD COMMUNITY NURSERY LTD**

RMT Ribchesters
Accountants and Business Advisors
Finchale House
Belmont Business Park
Durham
DH1 1TW

HAWKS ROAD COMMUNITY NURSERY LTD

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024**

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HAWKS ROAD COMMUNITY NURSERY LTD
REPORT OF THE TRUSTEES
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

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 period 1 April 2023 to 31 August 2024. 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Hawks Road Community Nursery Limited operates a community nursery in East Gateshead known as "TIK-TOK". The company was established in May 1991 gaining charitable status in 1992. A second Nursery at Hertfordshire House, Pelaw was opened in June 2015 and closed in December 2021 following a strategic review of operations.

The objects of the charity - as set out in the Memorandum and Articles of Association of 8 February 1991 - are to provide facilities for the day care, recreation and education of children under the age of 5 whose parents or guardians work in the metropolitan area of Gateshead or elsewhere in the counties of Durham, Tyne and Wear and Northumberland.

The Charity continues to fulfil its objectives given that TIK-TOK provides high quality affordable childcare to the local community, supporting those parents who wish to either return to work or continue with their education. Its aim is to work in partnership with parents to promote a stimulating and exciting environment where children can progress at their own rate. The purpose built buildings, funded with substantial support from public sector sources, provide us with the opportunity to realise these aspirations. The Company's Memorandum provides for operating as has been described above - it would need to be amended if the Company sought to introduce significant diversity.

Public benefit

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit statements. Public benefit is inherent in the objects of the Charity. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

HAWKS ROAD COMMUNITY NURSERY LTD
REPORT OF THE TRUSTEES
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

STRATEGIC REPORT

Achievement and performance

Charitable activities

The trustees have complied with their duty in' Section 4 of the 2006 Charities Act and have due regard to guidance published by the Charity Commission.

In summary;

We offer free nursery education for children aged 9 months - 2 years who now receive 15 hours of free childcare per week, as required by current government policy and strongly support Gateshead Council's Sure Start Policy.

We also provide up to 30 hours per week free nursery education for 3-5 year olds. We offer these hours flexibly in order to support those parents wishing to return to work or higher education.

We use the funding streams available to us to improve the personal and professional development of all of our staff and continue to implement a rigorous and tailored programme of staff training.

Under the guidance of OFSTED and the Self Evaluation procedure our staff continue to reflect on the service we offer to ensure best practice. Our Special Educational Needs Co-ordinators continue to work closely with the Early Years Inclusion and Child Development Teams to improve outcomes for the children in our care who require additional support.

The most recent Ofsted inspection (June 2019) resulted in an assessment of "Good".

This report covers the 17 month financial period 1 April 2023 - 31 August 2024.

During that period we continued our policy of upgrading and refurbishing the nursery on a phased basis with expenditure on equipment for the children being prioritised. We undertook a significant refurbishment of the toilet facilities in February 2024 at significant cost. This has undoubtedly been a factor in our ability to attract new children despite competition from local nurseries.

Future levels of activity will depend on the usual factors: trends in birth rates locally; competition for pre-school children; and the numbers of student parents attending the local college.

We will continue to seek to employ well-qualified, caring staff and will intensify staff training as an essential part of our plans for the future. The investment in well-motivated staff can only have a positive impact on the level of care and education that the nurseries provide and the manner in which it is delivered.

HAWKS ROAD COMMUNITY NURSERY LTD

REPORT OF THE TRUSTEES FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

STRATEGIC REPORT

Financial review

Financial position

As above, this report covers a 17 month financial period to 31 August 2024. Previously (and in the future) the charity prepared its annual report covering a 12 month period. In 2023/24 direct comparisons with previous periods are therefore difficult. But broadly;

Total incoming resources in the 17 month period to 31 August 2024 amounted to £849,468, of which £27,704 represented bank interest receivable (£9,122 in the previous 12 month period). That represents a total proportionate increase versus the previous 12 month period of 6.5%. Parent contributions paid directly represented 39% of charitable activity income versus 61% local Government contributions (2022/23; 35%/65%).

Whilst that overall increase in incoming resources of 6.5% is pleasing, it has been more than offset by an increase in the cost/overhead base.

Expenditure on charitable activities in the 17 month period totalled £843,962. That represents a proportionate increase versus the previous 12 month period of 15.8%. That was mainly driven by an increase in the wages (and associated employers national insurance and workplace pension costs) of child carers not least as a result of minimum wage/living wage increases. Gross wages of childcare providers increased by 11.8%. In addition the charity incurred somewhat exceptional levels of repair costs, particularly relating to the refurbishment of the toilets in February 2024 (£41,582). In addition, and in line with economic/cost of living increases generally, there were significant uplifts in the costs of insurance, utilities, water etc. It should be remembered that of the total overhead amount in the 17 month period, £52,158 represented depreciation in respect of the equipment, furnishings and premises, which is a non cash cost (£39,370 in the previous 12 month period).

Furthermore, non-overhead support costs - representing the wages and associated employers NI and workplace pension contributions of office staff - increased significantly in the period (total £63,697) by 14.4%.

After deducting the costs of the Independent Examination of the accounts, the charity returned an overall loss in the 17 month period of £60,788 (previous 12 month period; loss of £2,327). However, given that of that loss £52,158 related to non cash depreciation, the commercial reality of the position/cash flow was somewhat stronger.

As a result of the loss, total funds of the charity reduced from £1,499,080 at 31 March 2023 to £1,438,292 at 31 August 2024. Much of that reduction however relates to the fall in book value of the property held on long leasehold. Current assets - that is, the value of cash and other liquid assets held at 31 August 2024 - less current liabilities - that is, the value of deferred income* and other debts at that date - amounted to £491,218, a fall of £10,372 broadly representing the cash loss (excluding depreciation in the period).

Within overall total funds of £1,438,292, £888,278 represented Unrestricted Funds and £550,014 related to the Endowment Fund.

The financial position of the charity at the balance sheet date is therefore healthy.

Principal funding sources

The key funders of the operations undertaken by the charity are central and local government under their childcare initiatives. The contributions from these bodies are augmented by parental contributions, historically averaging around a 2:1 split.

Investment policy and objectives

Funds that are not immediately required are invested in suitable deposits, attempting to maximise the return, risk free.

Reserves policy

It continues to be the policy of the charitable company to maintain unrestricted funds, which are our free reserves, at a level sufficient to cover fluctuations in income based on projection relating to child numbers on a term by term basis. The amount of such reserves at 31st March 2024 is £888,278 as above. Of that, net current/liquid assets amounted to £491,218.

HAWKS ROAD COMMUNITY NURSERY LTD
REPORT OF THE TRUSTEES
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

STRATEGIC REPORT

Financial review

Going concern

Given the level of net assets held at 31 August 2024, the trustees consider the charity to be a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Hawks Road Community Nursery Limited is a company limited by guarantee, and a registered charity. It operates under the name of TIK - TOK and is governed by its Memorandum and Articles of Association. The Memorandum established the objectives of the charitable company. Those objects - as set out in the Memorandum and Articles of Association of 8 February 1991 - are to provide facilities for the day care, recreation and education of children under the age of 5 whose parents or guardians work in the metropolitan area of Gateshead or elsewhere in the counties of Durham, Tyne and Wear and Northumberland.

Charity No. 1015045. Company Registration No. 02581092

Organisational structure

The day to day management of the nursery is delegated to a fully qualified Manager, Ms K Harker, who is supported by four assistant managers and nursery staff working both full and part time fitting in with home commitments (family friendly policies). All other decisions are made by agreement of the Trustees at management committee meetings. In-house financial systems are in place and are supervised by a qualified member of staff.

TIK-TOK is registered with Gateshead Social Services working closely to the local authority Guidelines.

The nursery is inspected on a regular basis by OFSTED.

The registered office of the charity is :-

The Boulevard
Holmes Drive
Gateshead
NE10 0DJ

Induction and training of new trustees

Hawks Road Community Nursery Limited adheres to guidelines issued by the Charity Commission for the induction and training of Trustees.

Trustees are elected by the membership at the Annual General Meeting.

All new trustees are given an induction pack detailing the Charity's constitution, strategic plans, recent annual report and accounts and the Charity Commission leaflet - cc3 (a).

Details of the trustees (who are also the directors for the purpose of company law) who served during the year and up to the date of signature of the financial statements are set out above.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees are aware of their responsibilities under current Charity legislation, and the need for a robust and creditable risks policy.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Systems have been established to ensure that risks are reviewed on a regular basis and findings reported to the Board.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02581092 (England and Wales)

HAWKS ROAD COMMUNITY NURSERY LTD

**REPORT OF THE TRUSTEES
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024**

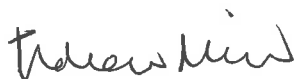
Registered Charity number
1015045

Registered office
TikTok Nursery
The Boulevard
Holmes Drive
Gateshead
Tyne and Wear
NE10 0DJ

Trustees
F I Milburn
A C Miller
R Richardson
P J Maughan (resigned 18/6/2024)
M Nurse (resigned 18/6/2024)

Independent Examiner
RMT Ribchesters
Accountants and Business Advisors
Finchale House
Belmont Business Park
Durham
DH1 1TW

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11 December 2024 and signed on the board's behalf by:



A C Miller - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HAWKS ROAD COMMUNITY NURSERY LTD**

Independent examiner's report to the trustees of Hawks Road Community Nursery Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the period 1 April 2023 to 31 August 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 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 your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can 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 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.

Robert Ribchester, FCA MA
The Institute of Chartered Accountants in England and Wales

RMT Ribchesters
Accountants and Business Advisors
Finchale House
Belmont Business Park
Durham
DH1 1TW

21 January 2025

HAWKS ROAD COMMUNITY NURSERY LTD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

				Period 1.4.23 to 31.8.24 Total funds £	Year Ended 31.3.23 Total funds £
	Notes	Unrestricted fund £	Endowment fund £		
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Charitable activities		821,764	-	821,764	544,412
Investment income	2	27,704	-	27,704	9,122
Total		<u>849,468</u>	<u>-</u>	<u>849,468</u>	<u>553,534</u>
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		<u>863,836</u>	<u>46,420</u>	<u>910,256</u>	<u>555,861</u>
NET INCOME/(EXPENDITURE)		(14,368)	(46,420)	(60,788)	(2,327)
RECONCILIATION OF FUNDS					
Total funds brought forward		902,646	596,434	1,499,080	1,501,407
TOTAL FUNDS CARRIED FORWARD		<u><u>888,278</u></u>	<u><u>550,014</u></u>	<u><u>1,438,292</u></u>	<u><u>1,499,080</u></u>

The notes form part of these financial statements

HAWKS ROAD COMMUNITY NURSERY LTD

BALANCE SHEET 31 AUGUST 2024

	Notes	Unrestricted fund £	Endowment fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	397,060	550,014	947,074	997,490
CURRENT ASSETS					
Debtors	11	16,920	-	16,920	10,778
Cash at bank and in hand		612,610	-	612,610	531,417
		<u>629,530</u>	<u>-</u>	<u>629,530</u>	<u>542,195</u>
CREDITORS					
Amounts falling due within one year	12	(138,312)	-	(138,312)	(40,605)
		<u>491,218</u>	<u>-</u>	<u>491,218</u>	<u>501,590</u>
NET CURRENT ASSETS					
		<u>491,218</u>	<u>-</u>	<u>491,218</u>	<u>501,590</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>888,278</u>	<u>550,014</u>	<u>1,438,292</u>	<u>1,499,080</u>
NET ASSETS					
		<u><u>888,278</u></u>	<u><u>550,014</u></u>	<u><u>1,438,292</u></u>	<u><u>1,499,080</u></u>
FUNDS	13				
Unrestricted funds				888,278	902,646
Endowment funds				550,014	596,434
TOTAL FUNDS				<u><u>1,438,292</u></u>	<u><u>1,499,080</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 August 2024.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 August 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 11 December 2024 and were signed on its behalf by:



A C Miller - Trustee

The notes form part of these financial statements

HAWKS ROAD COMMUNITY NURSERY LTD

CASH FLOW STATEMENT FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

	Notes	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	101,651	83,735
Net cash provided by operating activities		101,651	83,735
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,742)	(44,321)
Interest received		27,704	9,122
Net cash provided by/(used in) investing activities		25,962	(35,199)
Cash flows from financing activities			
Expenditure attributable to endowment		(46,420)	(39,370)
Net cash used in financing activities		(46,420)	(39,370)
Change in cash and cash equivalents in the reporting period		81,193	9,166
Cash and cash equivalents at the beginning of the reporting period		531,417	522,251
Cash and cash equivalents at the end of the reporting period		612,610	531,417

The notes form part of these financial statements

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(60,788)	(2,327)
Adjustments for:		
Depreciation charges	52,158	39,370
Interest received	(27,704)	(9,122)
Expenditure attributable to endowment	46,420	39,370
(Increase)/decrease in debtors	(6,142)	1,861
Increase in creditors	97,707	14,583
Net cash provided by operations	<u>101,651</u>	<u>83,735</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.8.24 £
Net cash			
Cash at bank and in hand	531,417	81,193	612,610
	<u>531,417</u>	<u>81,193</u>	<u>612,610</u>
Total	<u>531,417</u>	<u>81,193</u>	<u>612,610</u>

The notes form part of these financial statements

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

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 2019)', 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.

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.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

Long leasehold	- 10% on cost and 2% on cost
Plant and machinery	- 20% on cost and 10% on cost

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

1. ACCOUNTING POLICIES - continued

Going concern

At the time of approving the financial statements, the have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Unrestricted funds are available for use at the discretion of the in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

1. ACCOUNTING POLICIES - continued

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. INVESTMENT INCOME

	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Deposit account interest	27,704	9,122

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Nursery fees	Charitable activities	325,750	191,682
Sundry income	Charitable activities	-	6,301
Grants	Charitable activities	496,014	346,429
		821,764	544,412

Grants received, included in the above, are as follows:

	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Gateshead Council	496,014	346,429

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

4. CHARITABLE ACTIVITIES COSTS

	Staff Costs £	Direct Costs £	Support costs - see note 5 £	Totals £
Charitable activities	599,654	244,308	66,294	910,256

5. SUPPORT COSTS

	Staff costs £	Governance costs £	Totals £
Support costs	63,697	2,597	66,294

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Depreciation - owned assets	52,158	39,370
Other operating leases	-	230
Independent examination costs	2,597	2,208

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 August 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 August 2024 nor for the year ended 31 March 2023.

8. STAFF COSTS

	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 £
Wages and salaries	621,301	391,309
Social security costs	27,802	17,198
Other pension costs	14,248	8,289
	663,351	416,796

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

8. STAFF COSTS - continued

The average monthly number of employees during the period was as follows:

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23
Core staff	2	2
Nursery staff	23	24
	<u>25</u>	<u>26</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable activities	544,412	-	544,412
Investment income	9,122	-	9,122
Total	<u>553,534</u>	<u>-</u>	<u>553,534</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	516,491	39,370	555,861
NET INCOME/(EXPENDITURE)	37,043	(39,370)	(2,327)
RECONCILIATION OF FUNDS			
Total funds brought forward	865,603	635,804	1,501,407
TOTAL FUNDS CARRIED FORWARD	<u>902,646</u>	<u>596,434</u>	<u>1,499,080</u>

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Totals £
COST			
At 1 April 2023	1,682,315	56,667	1,738,982
Additions	-	1,742	1,742
At 31 August 2024	1,682,315	58,409	1,740,724
DEPRECIATION			
At 1 April 2023	698,343	43,149	741,492
Charge for year	47,666	4,492	52,158
At 31 August 2024	746,009	47,641	793,650
NET BOOK VALUE			
At 31 August 2024	936,306	10,768	947,074
At 31 March 2023	983,972	13,518	997,490

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Other debtors	-	4,131
Prepayments	16,920	6,647
	16,920	10,778

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	3,662	2,783
Social security and other taxes	5,504	3,480
Pensions	2,461	1,474
Other creditors	4,458	2,474
Deferred income	117,894	27,606
Accrued expenses	4,333	2,788
	138,312	40,605

13. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	902,646	(14,368)	888,278
Endowment funds			
Endowment fund	596,434	(46,420)	550,014
TOTAL FUNDS	1,499,080	(60,788)	1,438,292

HAWKS ROAD COMMUNITY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	849,468	(863,836)	(14,368)
Endowment funds			
Endowment fund	-	(46,420)	(46,420)
TOTAL FUNDS	<u>849,468</u>	<u>(910,256)</u>	<u>(60,788)</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	865,603	37,043	902,646
Endowment funds			
Endowment fund	635,804	(39,370)	596,434
TOTAL FUNDS	<u>1,501,407</u>	<u>(2,327)</u>	<u>1,499,080</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	553,534	(516,491)	37,043
Endowment funds			
Endowment fund	-	(39,370)	(39,370)
TOTAL FUNDS	<u>553,534</u>	<u>(555,861)</u>	<u>(2,327)</u>

Endowment funds represent assets which must be held permanently by the charitable company. Income arising on the endowment funds can be used in accordance with the objects of the charitable company and is included as unrestricted income. Any capital gains arising on the assets form part of the fund.

HAWKS ROAD COMMUNITY NURSERY LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2023 TO 31 AUGUST 2024**

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 August 2024.

HAWKS ROAD COMMUNITY NURSERY LIMITED

England & Wales - Charity number 1015045

Accounts

Charity Registration No. 1015045

Company Registration No. 02581092 (England and Wales)

HAWKS ROAD COMMUNITY NURSERY LIMITED

T/A TIK-TOK NURSERY

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P J Maughan A C Miller F I Milburn M Nurse R Richardson
Charity number	1015045
Company number	02581092
Registered office	The Boulevard Holmes Drive Gateshead Tyne And Wear England NE10 0DJ
Independent examiner	Rebecca Davison ACA 12 Bessemer Court Hownsgill Industrial Park Knitsley Lane Consett Co Durham DH8 7BL

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
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Statement of financial activities	7
Summary income and expenditure account	8
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HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)".

Objectives and activities

TIK-TOK was set up as a community nursery in East Gateshead in May 1991 gaining charitable status in 1992. A second Nursery at Hertfordshire House, Pelaw was opened in June 2015 and closed in December 2021 following a strategic review of operations.

TIK-TOK provides high quality affordable childcare to the local community, supporting those parents who wish to either return to work or continue with their education. Its aim is to work in partnership with parents to promote a stimulating and exciting environment where children can progress at their own rate. The purpose built buildings, funded with substantial support from public sector sources, provide us with the opportunity to realise these aspirations. The Company's Memorandum provides for operating as has been described above - it would need to be amended if the Company sought to introduce significant diversity.

Public benefit

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit statements. Public benefit is inherent in the objects of the Charity.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

The trustees have complied with their duty in' Section 4 of the 2006 Charities Act and have due regard to guidance published by the Charity Commission.

In summary;

We offer free nursery education for 2 year olds who now receive 15 hours of free childcare per week, as required by current government policy and strongly support Gateshead Council's Sure Start Policy.

We also provide up to 30 hours per week free nursery education for 3-5 year olds. We offer these hours flexibly in order to support those parents wishing to return to work or higher education.

We use the funding streams available to us to improve the personal and professional development of all of our staff and continue to implement a rigorous and tailored programme of staff training.

Under the guidance of OFSTED and the Self Evaluation procedure our staff continue to reflect on the service we offer to ensure best practice. Our Special Educational Needs Co-ordinators continue to work closely with the Early Years Inclusion and Child Development Teams to improve outcomes for the children in our care who require additional support.

The most recent Ofsted inspections were:
Hawks Road – June 2019 – assessment “Good”.

OVERVIEW

The year has seen successful operations at the nursery with a complete return to normal activities very much in evidence. Hence the nursery is in a strong position to manage future operations.

During the year we continued with a policy of upgrading and refurbishing the nursery on a strategic basis. This has included improvements to both internal playroom and the external areas where considerable capital expenditure has enhanced them greatly.

Future levels of activity will depend on the usual factors: trends in birth rates locally; competition for pre-school children; and the numbers of student parents attending the local college.

In the meantime the numbers of children attending remains healthy with a constant demand for places, partially due to other local nurseries having been closed.

We will continue to seek to employ well-qualified, caring staff and will intensify staff training as an essential part of our plans for the future. The investment in well-motivated staff can only have a positive impact on the level of care and education that the nurseries provide and the manner in which it is delivered.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial review

Principal funding sources

The key funders of the operations undertaken by the charity are central and local government under their childcare initiatives. The contributions from these bodies are augmented by parental contributions, normally a 65:35 split.

Financial Position

Net incoming resources increased by £30,433 on Unrestricted funds to £896,036, whilst endowment Funds have reduced by £32,760 to £603,044. Net current assets at 31 March 2023 amounted to £501,590.

Reserves Policy

It continues to be the policy of the charitable company to maintain unrestricted funds, which are our free reserves, at a level sufficient to cover fluctuations in income based on projection relating to child numbers on a term by term basis. The amount of such reserves at 31st March 2023 is £896,036.

The key funders of the operations undertaken by the charity are central and local government under their respective childcare initiatives. The contributions from these bodies which amount to 58% of our total income, together with the parental contributions ensure the continuous flow of funds to enable the provision of nursery services of the highest quality.

The attainment of high awards from the Ofsted inspections will ensure that the charity remains on the referral lists of the local authority and safeguard future funding.

Investment policy and objectives

Funds that are not immediately required are invested in suitable deposits, attempting to maximise the return, risk free.

Going concern

Given the level of net assets held at 31st March 2023, the trustees consider the charity to be a going concern.

Indemnity

A qualifying third party indemnity is in force for the benefit of the Trustees.

Structure, governance and management

Hawks Road Community Nursery Limited is a company limited by guarantee, and a registered charity. It operates under the name of TIK - TOK and is governed by its Memorandum and Articles of Association. The Memorandum established the objectives and owners of the charitable company

Charity No. 1015045. Company Registration No. 02581092

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

P J Maughan
A C Miller
F I Milburn
M Nurse
R Richardson

Trustees

Hawks Road Community Nursery Limited adheres to the guidelines issued by the Charity Commission for the induction and training of Trustees.

Trustees are elected by the membership at the Annual General Meeting.

All new trustees are given an induction pack detailing the Charity's constitution, strategic plans, recent annual report and accounts and the Charity Commission leaflet - cc3 (a).

Organisational structure

The day to day management of both nurseries is delegated to a fully qualified Manager, Ms K Harker, who is supported by nursery staff working both full and part time fitting in with home commitments (family friendly policies). All other decisions are made by agreement of the Trustees at management committee meetings. In house financial systems are in place and are supervised by a qualified member of staff.

TIK-TOK is registered with Gateshead Social Services working closely to the local authority Guidelines. The nursery is inspected on a regular basis by OFSTED.

The registered office of the charity is :-
The Boulevard
Holmes Drive
Gateshead
NE10 0DJ

Risk management

The Trustees are aware of their responsibilities under current Charity legalisation, and the need for a robust and creditable risks policy.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Systems have been established to ensure that risks are reviewed on a regular basis and findings reported to the Board.

The trustees' report was approved by the Board of Trustees.

A C Miller
Trustee

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Dated: 7 August 2023

**HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
INDEPENDENT EXAMINER'S REPORT**

TO THE OF HAWKS ROAD COMMUNITY NURSERY LIMITED

I report to the on my examination of the financial statements of Hawks Road Community Nursery Limited (the Charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity 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 Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity'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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Rebecca Davison ACA

12 Bessemer Court
Hownsgill Industrial Park
Knitsley Lane
Consett
Co Durham
DH8 7BL

Dated: 7 August 2023

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
		2023	2023	2023	2022	2022	2022
	Notes	£	£	£	£	£	£
Income from:							
Donations and legacies	2	-	-	-	142	-	142
Charitable activities	3	544,412	-	544,412	613,717	-	613,717
Investments	4	9,122	-	9,122	3,469	-	3,469
Total income		553,534	-	553,534	617,328	-	617,328
Expenditure on:							
Raising funds	5	377,493	32,760	410,253	396,967	32,760	429,727
Charitable activities	6	145,608	-	145,608	140,160	-	140,160
Total resources expended		523,101	32,760	555,861	537,127	32,760	569,887
Net movement in funds		30,433	(32,760)	(2,327)	80,201	(32,760)	47,441
Fund balances at 1 April 2022		865,603	635,804	1,501,407	785,402	668,564	1,453,966
Fund balances at 31 March 2023		896,036	603,044	1,499,080	865,603	635,804	1,501,407

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

All income and expenditure derive from continuing activities.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	All income funds	
	2023	2022
	£	£
Gross income	553,534	617,328
Total expenditure from income funds	523,101	537,127
Net income for the year	30,433	80,201

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		997,490		992,539
Current assets					
Debtors	12	10,778		12,639	
Cash at bank and in hand		531,417		522,251	
		<u>542,195</u>		<u>534,890</u>	
Creditors: amounts falling due within one year	13	<u>(40,605)</u>		<u>(26,022)</u>	
Net current assets			501,590		508,868
Total assets less current liabilities			<u>1,499,080</u>		<u>1,501,407</u>
Capital funds					
Endowment funds - general	14		603,044		635,804
Income funds					
Unrestricted funds			896,036		865,603
			<u>1,499,080</u>		<u>1,501,407</u>

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the on 7 August 2023

A C Miller
Trustee

Company Registration No. 02581092

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	17		44,365		89,243
Investing activities					
Purchase of tangible fixed assets		(44,321)		-	
Investment income received		9,122		3,469	
Net cash (used in)/generated from investing activities			(35,199)		3,469
Financing activities					
Payment of obligations under finance leases		-		(1,620)	
Net cash used in financing activities			-		(1,620)
Net increase in cash and cash equivalents			9,166		91,092
Cash and cash equivalents at beginning of year			522,251		431,159
Cash and cash equivalents at end of year			531,417		522,251

1 Accounting policies

Charity information

Hawks Road Community Nursery Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Boulevard, Holmes Drive, Gateshead, Tyne And Wear, NE10 0DJ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies

(Continued)

1.5 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 costs 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% on cost and 10% on cost
Plant and equipment	20% on cost and 10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Total	Unrestricted funds
	2023	2022
	£	£
Other	-	142
	==	==

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3 Charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Nursery Fees	538,111	596,808
Sundry Income	6,301	16,909
	<u>544,412</u>	<u>613,717</u>

4 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	9,122	3,469
	<u>9,122</u>	<u>3,469</u>

5 Raising funds

	Unrestricted funds 2023 £	Endowment funds general 2023 £	Total 2023 £	Unrestricted funds 2022 £	Endowment funds general 2022 £	Total 2022 £
<u>Fundraising and publicity</u>						
Depreciation and impairment	-	32,760	32,760	-	32,760	32,760
	<u>-</u>	<u>32,760</u>	<u>32,760</u>	<u>-</u>	<u>32,760</u>	<u>32,760</u>
<u>Trading costs</u>						
Staff costs	377,493	-	377,493	396,967	-	396,967
	<u>377,493</u>	<u>32,760</u>	<u>410,253</u>	<u>396,967</u>	<u>32,760</u>	<u>429,727</u>

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Charitable expenses 2023 £	Depreciation 2023 £	Total 2023 £	Charitable expenses 2022 £	Depreciation 2022 £	Total 2022 £
Depreciation and impairment	-	6,610	6,610	-	5,952	5,952
Other operating leases	230	-	230	4,629	-	4,629
Rates and water	7,277	-	7,277	5,547	-	5,547
Insurance	7,914	-	7,914	8,968	-	8,968
Light and heat	11,084	-	11,084	13,371	-	13,371
Telephone	961	-	961	1,291	-	1,291
Postage and stationary	1,619	-	1,619	1,866	-	1,866
Sundries	16,774	-	16,774	17,702	-	17,702
Other Costs - Food	10,791	-	10,791	10,808	-	10,808
Play Materials & Equipment	8,426	-	8,426	4,103	-	4,103
Repairs & Maintenance	26,011	-	26,011	16,649	-	16,649
Travel	-	-	-	50	-	50
Professional Fees	6,146	-	6,146	6,010	-	6,010
Bank charges	254	-	254	104	-	104
	<u>97,487</u>	<u>6,610</u>	<u>104,097</u>	<u>91,098</u>	<u>5,952</u>	<u>97,050</u>
Share of support costs (see note 7)	39,303	-	39,303	40,060	-	40,060
Share of governance costs (see note 7)	2,208	-	2,208	3,050	-	3,050
	<u>138,998</u>	<u>6,610</u>	<u>145,608</u>	<u>134,208</u>	<u>5,952</u>	<u>140,160</u>

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	39,303	-	39,303	40,060	-	40,060
Professional Fees	-	2,208	2,208	-	3,050	3,050
	<u>39,303</u>	<u>2,208</u>	<u>41,511</u>	<u>40,060</u>	<u>3,050</u>	<u>43,110</u>
Analysed between Charitable activities	<u>39,303</u>	<u>2,208</u>	<u>41,511</u>	<u>40,060</u>	<u>3,050</u>	<u>43,110</u>

Governance costs includes fees for Independent Examination of the accounts of £2,208 (2022- £2,208).

8 Net movement in funds

	2023	2022
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	<u>39,370</u>	<u>38,712</u>

9 Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustee' expenses

During the year there were no travelling and other sundry expenses reimbursed (2022: £50).

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Core Staff	2	2
Nursery Staff	24	26
Total	26	28

Employment costs	2023	2022
	£	£
Wages and salaries	391,309	411,937
Social security costs	17,198	14,877
Other pension costs	8,289	10,213
	416,796	437,027

There were no employees whose annual remuneration was £60,000 or more.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

11 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2022	1,637,994	56,667	1,694,661
Additions	44,321	-	44,321
At 31 March 2023	1,682,315	56,667	1,738,982
Depreciation and impairment			
At 1 April 2022	663,552	38,570	702,122
Depreciation charged in the year	34,791	4,579	39,370
At 31 March 2023	698,343	43,149	741,492
Carrying amount			
At 31 March 2023	983,972	13,518	997,490
At 31 March 2022	974,442	18,097	992,539

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	-	1,395
Other debtors	4,131	2,116
Prepayments and accrued income	6,647	9,128
	10,778	12,639

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	2,783	1,671
Other creditors	35,034	18,722
Accruals and deferred income	2,788	5,629
	<u>40,605</u>	<u>26,022</u>

Included within accrued expenses is an amount of £1,474 (2022 £1,744) relating to pension commitments.

Included within accrued expenses is an amount of £3,480 (2022 £4,510) relating to PAYE.

Included within other creditors is an amount of £27,606 (2022 £9,855) relating to incoming resources deferred in the current year. This is a combination of GMBC funding and childcare vouchers received in advance for April 2023 fees.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Endowment funds

Endowment funds represent assets which must be held permanently by the charitable company. Income arising on the endowment funds can be used in accordance with the objects of the charitable company and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

Movement in funds					Movement in funds					
Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2023
£	£	£	£	£	£	£	£	£	£	£
668,564	-	(32,760)	-	-	635,804	-	(32,760)	-	-	603,044
-										
668,564	-	(32,760)	-	-	635,804	-	(32,760)	-	-	603,044

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Analysis of net assets between funds

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	394,446	603,044	997,490	356,735	635,804	992,539
Current assets/(liabilities)	501,590	-	501,590	508,868	-	508,868
	<u>896,036</u>	<u>603,044</u>	<u>1,499,080</u>	<u>865,603</u>	<u>635,804</u>	<u>1,501,407</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

17 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(2,327)	47,441
Adjustments for:		
Investment income recognised in statement of financial activities	(9,122)	(3,469)
Depreciation and impairment of tangible fixed assets	39,370	38,712
Movements in working capital:		
Decrease/(increase) in debtors	1,861	(107)
Increase in creditors	14,583	6,666
Cash generated from operations	<u>44,365</u>	<u>89,243</u>

18 Analysis of changes in net funds

The Charity had no debt during the year.

HAWKS ROAD COMMUNITY NURSERY LIMITED

England & Wales - Charity number 1015045

Accounts

Charity registration number 1015045

Company registration number 02581092 (England and Wales)

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HAWKS ROAD COMMUNITY NURSERY LIMITED

T/A TIK-TOK NURSERY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P J Maughan A C Miller F I Milburn M Nurse R Richardson
Charity number	1015045
Company number	02581092
Registered office	The Boulevard Holmes Drive Gateshead Tyne And Wear England NE10 0DJ
Independent examiner	Rebecca Davison, ACA 12 Bessemer Court, Hownsgill Ind Park Consett Co Durham DH8 7BL

HAWKS ROAD COMMUNITY NURSERY LIMITED

T/A TIK-TOK NURSERY

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Statement of financial activities	6
Summary income and expenditure account	7
Balance sheet	8
Statement of cash flows	9
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HAWKS ROAD COMMUNITY NURSERY LIMITED

T/A TIK-TOK NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)".

Objectives and activities

TIK-TOK was set up as a community nursery in East Gateshead in May 1991 gaining charitable status in 1992. A second Nursery at Hertfordshire House, Pelaw was opened in June 2015 and closed in December 2021 following a strategic review of operations.

TIK-TOK provides high quality affordable childcare to the local community, supporting those parents who wish to either return to work or continue with their education. Its aim is to work in partnership with parents to promote a stimulating and exciting environment where children can progress at their own rate. The purpose built buildings, funded with substantial support from public sector sources, provide us with the opportunity to realise these aspirations. The Company's Memorandum provides for operating as has been described above - it would need to be amended if the Company sought to introduce significant diversity.

Public benefit

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit statements. Public benefit is inherent in the objects of the Charity.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

Achievements and performance

The trustees have complied with their duty in' Section 4 of the 2006 Charities Act and have due regard to guidance published by the Charity Commission.
In summary;

We offer free nursery education for 2 year olds who now receive 15 hours of free childcare per week, as required by current government policy and strongly support Gateshead Council's Sure Start Policy.

We also provide up to 30 hours per week free nursery education for 3-5 year olds. We offer these hours flexibly in order to support those parents wishing to return to work or higher education.

We use the funding streams available to us to improve the personal and professional development of all of our staff and continue to implement a rigorous and tailored programme of staff training.

Under the guidance of OFSTED and the Self Evaluation procedure our staff continue to reflect on the service we offer to ensure best practice. Our Special Educational Needs Co-ordinators continue to work closely with the Early Years Inclusion and Child Development Teams to improve outcomes for the children in our care who require additional support.

The most recent Ofsted inspections were:
Hawks Road – June 2019 – assessment "Good".

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

OVERVIEW

The year represented a return to more normal activity following the COVID pandemic though it still affected operations to some extent. While it remains difficult to fully assess the long-term effect of the pandemic, we are confident the organisation is in a strong position to manage future operations.

During the year we continued our policy of upgrading and refurbishing the nursery on a phased basis with expenditure on equipment for the children being prioritised. This has undoubtedly been a factor in our ability to attract new children despite competition from local nurseries.

We undertook a strategic review of operations in late 2021 and made the decision to close the Pelaw setting at the expiry of its lease and consolidate operations in Gateshead.

Future levels of activity will depend on the usual factors: trends in birth rates locally; competition for pre-school children; and the numbers of student parents attending the local college.

We will continue to seek to employ well-qualified, caring staff and will intensify staff training as an essential part of our plans for the future. The investment in well-motivated staff can only have a positive impact on the level of care and education that the nurseries provide and the manner in which it is delivered.

Financial review

Principal funding sources

The key funders of the operations undertaken by the charity are central and local government under their childcare initiatives. The contributions from these bodies are augmented by parental contributions, normally a 55:45 split.

Financial Position

Net incoming resources increased by £80,201 on Unrestricted funds to £865,603, whilst endowment Funds have reduced by £32,760 to £635,804. Net current assets at 31 March 2022 amounted to £508,868.

Reserves Policy

It continues to be the policy of the charitable company to maintain unrestricted funds, which are our free reserves, at a level sufficient to cover fluctuations in income based on projection relating to child numbers on a term by term basis. The amount of such reserves at 31st March 2022 is £865,603.

The key funders of the operations undertaken by the charity are central and local government under their respective childcare initiatives. The contributions from these bodies which amount to 58% of our total income, together with the parental contributions ensure the continuous flow of funds to enable the provision of nursery services of the highest quality.

The attainment of high awards from the Ofsted inspections will ensure that the charity remains on the referral lists of the local authority and safeguard future funding.

Investment policy and objectives

Funds that are not immediately required are invested in suitable deposits, attempting to maximise the return, risk free.

Going concern

Given the level of net assets held at 31st March 2022, the trustees consider the charity to be a going concern.

Indemnity

A qualifying third party indemnity is in force for the benefit of the Trustees.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Hawks Road Community Nursery Limited is a company limited by guarantee, and a registered charity. It operates under the name of TIK - TOK and is governed by its Memorandum and Articles of Association. The Memorandum established the objectives and owners of the charitable company

Charity No. 1015045. Company Registration No. 02581092

The trustees who are also the directors for the purpose of company law, and Endif Endif who served during the year and up to the date of signature of the financial statements were:

P J Maughan

A C Miller

F I Milburn

M Nurse

R Richardson

Trustees

Hawks Road Community Nursery Limited adheres to the guidelines issued by the Charity Commission for the induction and training of Trustees.

Trustees are elected by the membership at the Annual General Meeting.

All new trustees are given an induction pack detailing the Charity's constitution, strategic plans, recent annual report and accounts and the Charity Commission leaflet - cc3 (a).

Organisational structure

The day to day management of both nurseries is delegated to a fully qualified Manager ,Ms K Harker and Mrs S Siddons, who are supported by nursery staff working both full and part time fitting in with home commitments (family friendly policies). All other decisions are made by agreement of the Trustees at management committee meetings. In house financial systems are in place and are supervised by a qualified member of staff.

TIK-TOK is registered with Gateshead Social Services working closely to the local authority Guidelines. The nursery is inspected on a regular basis by OFSTED.

The registered office of the charity is :-

The Boulevard

Holmes Drive

Gateshead

NE10 0DJ

Risk management

The Trustees are aware of their responsibilities under current Charity legalisation, and the need for a robust and creditable risks policy.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Systems have been established to ensure that risks are reviewed on a regular basis and findings reported to the Board.

The trustees' report was approved by the Board of Trustees.

.....
A C Miller

Trustee

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Dated:

HAWKS ROAD COMMUNITY NURSERY LIMITED

T/A TIK-TOK NURSERY

INDEPENDENT EXAMINER'S REPORT

TO THE OF HAWKS ROAD COMMUNITY NURSERY LIMITED

I report to the on my examination of the financial statements of Hawks Road Community Nursery Limited (the) for the year ended 31 March 2022.

Responsibilities and basis of report

As the of the (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the 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 's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the '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 , 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 that in any material respect:

- 1 accounting records were not kept in respect of the as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Rebecca Davison, ACA

12 Bessemer Court, Hownsgill Ind Park
Consett
Co Durham
DH8 7BL

Dated:

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
		2022	2022	2022	2021	2021	2021
	Notes	£	£	£	£	£	£
Income from:							
Donations and legacies	3	142	-	142	-	-	-
Charitable activities	4	613,717	-	613,717	560,619	-	560,619
Investments	5	3,469	-	3,469	5,900	-	5,900
Total income		617,328	-	617,328	566,519	-	566,519
Expenditure on:							
Raising funds	6	396,967	32,760	429,727	415,331	32,760	448,091
Charitable activities	7	140,160	-	140,160	105,576	-	105,576
Total expenditure		537,127	32,760	569,887	520,907	32,760	553,667
Net movement in funds		80,201	(32,760)	47,441	45,612	(32,760)	12,852
Fund balances at 1 April 2021		785,402	668,564	1,453,966	739,790	701,324	1,441,114
Fund balances at 31 March 2022		865,603	635,804	1,501,407	785,402	668,564	1,453,966

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

All income and expenditure derive from continuing activities.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	All income funds	
	2022	2021
	£	£
Gross income	617,328	566,519
Total expenditure from income funds	537,127	520,907
Net income for the year	80,201	45,612

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		992,539		1,031,251
Current assets					
Debtors	13	12,639		12,532	
Cash at bank and in hand		522,251		431,159	
		<u>534,890</u>		<u>443,691</u>	
Creditors: amounts falling due within one year	14	<u>(26,022)</u>		<u>(20,976)</u>	
Net current assets			508,868		422,715
Total assets less current liabilities			<u>1,501,407</u>		<u>1,453,966</u>
Capital funds					
Endowment funds - general	15		635,804		668,564
Income funds					
Unrestricted funds			865,603		785,402
			<u>1,501,407</u>		<u>1,453,966</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors 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 member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the on

.....
A C Miller
Trustee

Company registration number 02581092

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	18		89,243		34,779
Investing activities					
Investment income received		3,469		5,900	
Net cash generated from investing activities			3,469		5,900
Financing activities					
Payment of obligations under finance leases		(1,620)		(3,888)	
Net cash used in financing activities			(1,620)		(3,888)
Net increase in cash and cash equivalents			91,092		36,791
Cash and cash equivalents at beginning of year			431,159		394,368
Cash and cash equivalents at end of year			522,251		431,159

HAWKS ROAD COMMUNITY NURSERY LIMITED

T/A TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Hawks Road Community Nursery Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Boulevard, Holmes Drive, Gateshead, Tyne And Wear, NE10 0DJ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the . Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the .

1.4 Income

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 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 costs 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.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% on cost
Plant and equipment	20% on cost and 10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Critical accounting estimates and judgements

In the application of the 's accounting policies, the are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Total
	2022	2021
	£	£
Other	142	-
	=====	=====

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Nursery Fees	596,808	492,202
Sundry Income	16,909	68,417
	<u>613,717</u>	<u>560,619</u>

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	<u>3,469</u>	<u>5,900</u>

6 Raising funds

	Unrestricted funds 2022 £	Endowment funds general 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds general 2021 £	Total 2021 £
<u>Fundraising and publicity</u>						
Depreciation and impairment	-	32,760	32,760	-	32,760	32,760
	<u>-</u>	<u>32,760</u>	<u>32,760</u>	<u>-</u>	<u>32,760</u>	<u>32,760</u>
<u>Trading costs</u>						
Staff costs	396,967	-	396,967	415,331	-	415,331
	<u>396,967</u>	<u>32,760</u>	<u>429,727</u>	<u>415,331</u>	<u>32,760</u>	<u>448,091</u>

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	Charitable expenses 2022 £	Depreciation 2022 £	Total 2022 £	Charitable expenses 2021 £	Depreciation 2021 £	Total 2021 £
Depreciation and impairment	-	5,952	5,952	-	5,952	5,952
Other operating leases	4,629	-	4,629	4,625	-	4,625
Rates and water	5,547	-	5,547	3,025	-	3,025
Insurance	8,968	-	8,968	8,228	-	8,228
Light and heat	13,371	-	13,371	10,675	-	10,675
Telephone	1,291	-	1,291	1,237	-	1,237
Postage and stationary	1,866	-	1,866	1,866	-	1,866
Sundries	17,702	-	17,702	10,840	-	10,840
Other Costs - Food	10,808	-	10,808	6,667	-	6,667
Play Materials & Equipment	4,103	-	4,103	921	-	921
Repairs & Maintenance	16,649	-	16,649	10,261	-	10,261
Travel	50	-	50	114	-	114
Bad and doubtful debts	-	-	-	(1,503)	-	(1,503)
Professional Fees	6,010	-	6,010	4,503	-	4,503
Bank charges	104	-	104	189	-	189
	<u>91,098</u>	<u>5,952</u>	<u>97,050</u>	<u>61,648</u>	<u>5,952</u>	<u>67,600</u>
Share of support costs (see note 8)	<u>43,110</u>	<u>-</u>	<u>43,110</u>	<u>37,976</u>	<u>-</u>	<u>37,976</u>
	<u>134,208</u>	<u>5,952</u>	<u>140,160</u>	<u>99,624</u>	<u>5,952</u>	<u>105,576</u>

8 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Staff costs	40,060	-	40,060	36,176	-	36,176
Accountancy Fees	3,050	-	3,050	1,800	-	1,800
	<u>43,110</u>	<u>-</u>	<u>43,110</u>	<u>37,976</u>	<u>-</u>	<u>37,976</u>
Analysed between Charitable activities	<u>43,110</u>	<u>-</u>	<u>43,110</u>	<u>37,976</u>	<u>-</u>	<u>37,976</u>

Governance costs includes payments to the auditors of £3,050 (2021- £1,800) for audit fees.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

9	Net movement in funds	2022	2021
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	38,712	38,712
		<u> </u>	<u> </u>

10 Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustee' expenses

During the year travelling and other sundry expenses totalling £50 (2021: £114) were reimbursed to one trustee.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Core Staff	2	2
Nursery Staff	26	32
Total	28	34

Employment costs	2022 £	2021 £
Wages and salaries	411,937	424,584
Social security costs	14,877	15,548
Other pension costs	10,213	11,375
	437,027	451,507

There were no employees whose annual remuneration was £60,000 or more.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 April 2021	1,637,994	56,667	1,694,661
At 31 March 2022	1,637,994	56,667	1,694,661
Depreciation and impairment			
At 1 April 2021	630,792	32,618	663,410
Depreciation charged in the year	32,760	5,952	38,712
At 31 March 2022	663,552	38,570	702,122
Carrying amount			
At 31 March 2022	974,442	18,097	992,539
At 31 March 2021	1,007,202	24,049	1,031,251

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,395	220
Other debtors	2,116	5,170
Prepayments and accrued income	9,128	7,142
	12,639	12,532

14 Creditors: amounts falling due within one year

Notes	2022 £	2021 £
Obligations under finance leases	-	1,620
Trade creditors	1,671	671
Other creditors	18,722	13,895
Accruals and deferred income	5,629	4,790
	26,022	20,976

Included within accrued expenses is an amount of £1,744 (2021 £2,065) relating to pension commitments.

Included within accrued expenses is an amount of £4,510 (2021 £0) relating to PAYE.

Included within accrued expenses is an amount of £81 (2021 £0) relating to attachment of earnings.

Included within other creditors is an amount of £9,855 (2021 £10,455) relating to incoming resources deferred in the current year. This is a combination of GMBC funding and childcare vouchers received in advance for April 2022 fees.

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

15 Endowment funds

Endowment funds represent assets which must be held permanently by the charitable company. Income arising on the endowment funds can be used in accordance with the objects of the charitable company and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

Movement in funds					Movement in funds					
Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2022
£	£	£	£	£	£	£	£	£	£	£
701,324	-	(32,760)	-	-	668,564	-	(32,760)	-	-	635,804
701,324	-	(32,760)	-	-	668,564	-	(32,760)	-	-	635,804

HAWKS ROAD COMMUNITY NURSERY LIMITED
T/A TIK-TOK NURSERY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	356,735	635,804	992,539	362,687	668,564	1,031,251
Current assets/(liabilities)	508,868	-	508,868	422,715	-	422,715
	<u>865,603</u>	<u>635,804</u>	<u>1,501,407</u>	<u>785,402</u>	<u>668,564</u>	<u>1,453,966</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

18 Cash generated from operations

	2022 £	2021 £
Surplus for the year	47,441	12,852
Adjustments for:		
Investment income recognised in statement of financial activities	(3,469)	(5,900)
Depreciation and impairment of tangible fixed assets	38,712	38,712
Movements in working capital:		
(Increase)/decrease in stocks	-	1
(Increase) in debtors	(107)	(1,348)
Increase/(decrease) in creditors	6,666	(9,538)
Cash generated from operations	<u>89,243</u>	<u>34,779</u>

19 Analysis of changes in net funds

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	431,159	91,092	522,251
Obligations under finance leases	(1,620)	1,620	-
	<u>429,539</u>	<u>92,712</u>	<u>522,251</u>

HAWKS ROAD COMMUNITY NURSERY LIMITED

England & Wales - Charity number 1015045

Accounts

Charity Registration No. 1015045

Company Registration No. 02581092 (England and Wales)

TIK-TOK NURSERY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

TIK-TOK NURSERY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P J Maughan A C Miller F I Milburn M Nurse R Richardson
Charity number	1015045
Company number	02581092
Registered office	The Boulevard Holmes Drive Gateshead Tyne And Wear England NE10 0DJ
Independent examiner	William Sawyer Murray and Lamb A6 Kingfisher House Kingsway Team Valley Trading Estate Tyne & Wear NE11 0JQ

TIK-TOK NURSERY

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TIK-TOK NURSERY

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

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)".

Objectives and activities

TIK-TOK was set up as a community nursery in East Gateshead in May 1991 gaining charitable status in 1992. A second Nursery at Hertfordshire House, Pelaw was opened in June 2015.

TIK-TOK provides high quality affordable childcare to the local community, supporting those parents who wish to either return to work or continue with their education. Its aim is to work in partnership with parents to promote a stimulating and exciting environment where children can progress at their own rate. The purpose built buildings, funded with substantial support from public sector sources, provide us with the opportunity to realise these aspirations. The Company's

Memorandum provides for operating as has been described above - it would need to be amended if the Company sought to introduce significant diversity.

Public benefit

The trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit statements. Public benefit is inherent in the objects of the Charity.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

Achievements and performance

The trustees have complied with their duty in Section 4 of the 2006 Charities Act and have due regard to guidance published by the Charity Commission.

In summary;

We offer free nursery education for 2 year olds who now receive 15 hours of free childcare per week, as required by current government policy and strongly support Gateshead Council's Sure Start Policy.

We also provide up to 30 hours per week free nursery education for 3-5 year olds. We offer these hours flexibly in order to support those parents wishing to return to work or higher education.

We use the funding streams available to us to improve the personal and professional development of all of our staff and continue to implement a rigorous and tailored programme of staff training.

Under the guidance of OFSTED and the Self Evaluation procedure our staff continue to reflect on the service we offer to ensure best practice. Our Special Educational Needs Co-ordinators continue to work closely with the Early Years Inclusion and Child Development Teams to improve outcomes for the children in our care who require additional support.

The most recent Ofsted inspections were:

Hawks Road – June 2019 – assessment "Good".

Pelaw – August 2016 – First inspection - assessment "Good".

TIK-TOK NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

OVERVIEW - COVID

The year has been dominated by COVID. The declaration of a pandemic in March 2020 resulted in both nurseries being locked-down with effect from Friday 27th March. They remained closed until 31st May, re-opening 1st June for four days a week and returned to full-time five days a week on 1st September.

The number of children in attendance in June was low and the take up in July gradual but this allowed management the opportunity to introduce working practices necessary to safeguard staff and children alike given the new restrictions. The start of the Autumn term in September re-introduced a sense of normality to activity levels.

The Governments welcome decision toward grants for the Summer term based on March forecast figures, was a significant influence on how we implemented the Job Retention Scheme.

A limited number of staff were furloughed based on the level of fee income at each nursery. No one received less than 80% of their salary on a month by month basis. The majority received 100% apart from the month of August when no grant assisted children were in attendance.

The long term effect of the pandemic remains unknown but we are confident in our ability to retain the necessary flexibility to deal with the unexpected.

Future levels of activity will depend on the usual factors: trends in birth rates locally; competition for pre-school children; and the numbers of student parents attending the local college.

We will continue to seek to employ well-qualified, caring staff and will intensify staff training as an essential part of our plans for the future. The investment in well-motivated staff can only have a positive impact on the level of care and education that the nurseries provide and the manner in which it is delivered.

Financial review

Principal funding sources

The key funders of the operations undertaken by the charity are central and local government under their childcare initiatives. The contributions from these bodies are augmented by parental contributions, normally a 55:45 split. In the year under review, routine child care initiatives via local government amounted to 65%, the parental contributions 23%.

Routine grant contributions included the special arrangements for the summer term, plus a significant top-up payment to assist in overcoming the initial effects of the pandemic. The total for the year was c95% of the 2019/20 level.

The parental contributions for the year were significantly reduced at 44% of the 2019/20 level. This reflected the effect of COVID on parental work arrangements and level of confidence in returning to normality.

Claims under the Job Retention Scheme for furloughed employees accounted for 12% of total income and enabled the charity to pursue its commitment to care for the staff and their welfare.

The balance of income included:

- The settlement of a COVID-based loss of income insurance claim relating to Pelaw nursery. (We were not able to make a similar claim under the terms of the policy in place at Hawks Road.)
- And the interest on invested funds.

Financial Position

Net incoming resources increased by £45,612 on Unrestricted funds to £785,402, whilst endowment Funds have reduced by £32,760 to £668,564. Net current assets at 31 March 2021 amounted to £422,715.

Reserves Policy

It continues to be the policy of the charitable company to maintain unrestricted funds, which are our free reserves, at a level sufficient to cover fluctuations in income based on projection relating to child numbers on a term by term basis. The amount of such reserves at 31st March 2021 is £785,402.

TIK-TOK NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The key funders of the operations undertaken by the charity are central and local government under their respective childcare initiatives. The contributions from these bodies which amount to 56% of our total income, together with the parental contributions ensure the continuous flow of funds to enable the provision of nursery services of the highest quality.

The attainment of high awards from the Ofsted inspections will ensure that the charity remains on the referral lists of the local authority and safeguard future funding.

Investment policy and objectives

Funds that are not immediately required are invested in suitable deposits, attempting to maximise the return, risk free.

Going concern

Given the level of net assets held at 31st March 2021, the trustees consider the charity to be a going concern.

Indemnity

A qualifying third party indemnity is in force for the benefit of the Trustees.

Structure, governance and management

Hawks Road Community Nursery Limited is a company limited by guarantee, and a registered charity. It operates under the name of TIK - TOK and is governed by its Memorandum and Articles of Association. The Memorandum established the objectives and owners of the charitable company

Charity No. 1015045. Company Registration No. 02581092

The trustees who are also the directors for the purpose of company law, and Endif Endif} who served during the year and up to the date of signature of the financial statements were:

P J Maughan

A C Miller

F I Milburn

M Nurse

R Richardson

Trustees

Hawks Road Community Nursery Limited adheres to the guidelines issued by the Charity Commission for the induction and training of Trustees.

Trustees are elected by the membership at the Annual General Meeting.

All new trustees are given an induction pack detailing the Charity's constitution, strategic plans, recent annual report and accounts and the Charity Commission leaflet - cc3 (a).

TIK-TOK NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

The day to day management of both nurseries is delegated to a fully qualified Manager ,Ms K Harker and Mrs S Siddons, who are supported by nursery staff working both full and part time fitting in with home commitments (family friendly policies). All other decisions are made by agreement of the Trustees at management committee meetings. In house financial systems are in place and are supervised by a qualified member of staff.

TIK-TOK is registered with Gateshead Social Services working closely to the local authority Guidelines. The nursery is inspected on a regular basis by OFSTED.

The registered office of the charity is :-
The Boulevard
Holmes Drive
Gateshead
NE10 0DJ

Risk management

The Trustees are aware of their responsibilities under current Charity legalisation, and the need for a robust and creditable risks policy.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Systems have been established to ensure that risks are reviewed on a regular basis and findings reported to the Board.

The trustees' report was approved by the Board of Trustees.

R Richardson
Trustee
Dated: 4 August 2021

TIK-TOK NURSERY

INDEPENDENT EXAMINER'S REPORT TO THE OF TIK-TOK NURSERY

I report to the on my examination of the financial statements of Tik-Tok Nursery (the) for the year ended 31 March 2021.

Responsibilities and basis of report

As the of the (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the 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 's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the '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 , 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 that in any material respect:

- 1 accounting records were not kept in respect of the as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

William Sawyer

Murray and Lamb
A6 Kingfisher House
Kingsway
Team Valley Trading Estate
Tyne & Wear
NE11 0JQ

Dated: 4 August 2021

TIK-TOK NURSERY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and legacies	3	-	-	-	307	-	307
Charitable activities	4	560,619	-	560,619	687,887	-	687,887
Investments	5	5,900	-	5,900	4,574	-	4,574
Total income		566,519	-	566,519	692,768	-	692,768
<u>Expenditure on:</u>							
Raising funds	6	415,331	32,760	448,091	512,956	30,639	543,595
Charitable activities	7	105,576	-	105,576	144,403	-	144,403
Total resources expended		520,907	32,760	553,667	657,359	30,639	687,998
Net movement in funds		45,612	(32,760)	12,852	35,409	(30,639)	4,770
Fund balances at 1 April 2020		739,790	701,324	1,441,114	704,381	731,963	1,436,344
Fund balances at 31 March 2021		785,402	668,564	1,453,966	739,790	701,324	1,441,114

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

All income and expenditure derive from continuing activities.

TIK-TOK NURSERY

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	All income funds 2021 £	2020 £
Gross income	566,519	692,768
Total expenditure from income funds	520,907	657,359
Net income for the year	<u>45,612</u>	<u>35,409</u>

TIK-TOK NURSERY

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		1,031,251		1,069,964
Current assets					
Debtors	13	12,532		11,184	
Cash at bank and in hand		431,159		394,368	
		<u>443,691</u>		<u>405,552</u>	
Creditors: amounts falling due within one year	14	<u>(20,976)</u>		<u>(32,782)</u>	
Net current assets			422,715		372,770
Total assets less current liabilities			1,453,966		1,442,734
Creditors: amounts falling due after more than one year	15		-		(1,620)
Net assets			<u>1,453,966</u>		<u>1,441,114</u>
Capital funds					
Endowment funds - general	16		668,564		701,324
Income funds					
Unrestricted funds			785,402		739,790
			<u>1,453,966</u>		<u>1,441,114</u>

TIK-TOK NURSERY

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the on 4 August 2021

R Richardson

Trustee

Company Registration No. 02581092

TIK-TOK NURSERY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	19		34,779		45,770
Investing activities					
Purchase of tangible fixed assets		-		(9,756)	
Investment income received		5,900		4,574	
Net cash generated from/(used in) investing activities			5,900		(5,182)
Financing activities					
Payment of obligations under finance leases		(3,888)		5,508	
Net cash (used in)/generated from financing activities			(3,888)		5,508
Net increase in cash and cash equivalents			36,791		46,096
Cash and cash equivalents at beginning of year			394,368		348,272
Cash and cash equivalents at end of year			431,159		394,368

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Tik-Tok Nursery is a private company limited by guarantee incorporated in England and Wales. The registered office is The Boulevard, Holmes Drive, Gateshead, Tyne And Wear, NE10 0DJ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the . Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the .

1.4 Income

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 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 costs 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.

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	2% on cost
Plant and equipment	20% on cost and 10% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Critical accounting estimates and judgements

In the application of the 's accounting policies, the are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Total	Unrestricted funds
	2021	2020
	£	£
Other	-	307
	<u> </u>	<u> </u>

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Nursery Fees	492,202	684,887
Sundry Income	68,417	3,000
	<u> </u>	<u> </u>
	<u>560,619</u>	<u>687,887</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	5,900	4,574
	<u> </u>	<u> </u>

6 Raising funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	general	2021	2020	general	2020
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Depreciation and impairment	-	32,760	32,760	-	30,639	30,639
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Raising funds

(Continued)

Trading costs

Staff costs	415,331	-	415,331	512,956	-	512,956
	<u>415,331</u>	<u>32,760</u>	<u>448,091</u>	<u>512,956</u>	<u>30,639</u>	<u>543,595</u>

7 Charitable activities

	Charitable expenses	Depreciation	Total 2021	Charitable expenses	Depreciation	Total 2020
	2021	2021		2020	2020	
	£	£	£	£	£	£
Depreciation and impairment	-	5,952	5,952	-	4,146	4,146
Other operating leases	4,625	-	4,625	3,998	-	3,998
Rates and water	3,025	-	3,025	12,207	-	12,207
Insurance	8,228	-	8,228	7,896	-	7,896
Light and heat	10,675	-	10,675	13,923	-	13,923
Telephone	1,237	-	1,237	6,187	-	6,187
Postage and stationary	1,866	-	1,866	2,627	-	2,627
Sundries	10,840	-	10,840	14,587	-	14,587
Other Costs - Food	6,667	-	6,667	15,940	-	15,940
Play Materials & Equipment	921	-	921	4,609	-	4,609
Repairs & Maintenance	10,261	-	10,261	7,914	-	7,914
Travel	114	-	114	437	-	437
Bad and doubtful debts	(1,503)	-	(1,503)	428	-	428
Advertising	-	-	-	700	-	700
Professional Fees	4,503	-	4,503	2,273	-	2,273
Sundry other costs	-	-	-	1,663	-	1,663
Bank charges	189	-	189	58	-	58
	<u>61,648</u>	<u>5,952</u>	<u>67,600</u>	<u>95,447</u>	<u>4,146</u>	<u>99,593</u>
Share of support costs (see note 8)	<u>37,976</u>	<u>-</u>	<u>37,976</u>	<u>44,810</u>	<u>-</u>	<u>44,810</u>
	<u><u>99,624</u></u>	<u><u>5,952</u></u>	<u><u>105,576</u></u>	<u><u>140,257</u></u>	<u><u>4,146</u></u>	<u><u>144,403</u></u>

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	36,176	-	36,176	43,035	-	43,035
Accountancy Fees	1,800	-	1,800	1,775	-	1,775
	<u>37,976</u>	<u>-</u>	<u>37,976</u>	<u>44,810</u>	<u>-</u>	<u>44,810</u>
Analysed between Charitable activities	<u>37,976</u>	<u>-</u>	<u>37,976</u>	<u>44,810</u>	<u>-</u>	<u>44,810</u>

Governance costs includes payments to the auditors of £1,800 (2020- £1,775) for audit fees.

9 Net movement in funds

	2021 £	2020 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	<u>38,712</u>	<u>34,785</u>

10 Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustee' expenses

During the year travelling and other sundry expenses totalling £114 (2020: £412) were reimbursed to one trustee.

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Core Staff	2	2
Nursery Staff	32	41
Total	34	43

Employment costs

	2021 £	2020 £
Wages and salaries	424,584	535,777
Social security costs	15,548	6,963
Other pension costs	11,375	13,251
	451,507	555,991

There were no employees whose annual remuneration was £60,000 or more.

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 April 2020	1,637,994	56,667	1,694,661
At 31 March 2021	1,637,994	56,667	1,694,661
Depreciation and impairment			
At 1 April 2020	598,032	26,666	624,698
Depreciation charged in the year	32,760	5,952	38,712
At 31 March 2021	630,792	32,618	663,410
Carrying amount			
At 31 March 2021	1,007,202	24,049	1,031,251
At 31 March 2020	1,039,962	30,002	1,069,964

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	220	4,694
Other debtors	5,170	-
Prepayments and accrued income	7,142	6,490
	12,532	11,184

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Notes		
Obligations under finance leases	1,620	3,888
Trade creditors	671	3,502
Other creditors	13,895	20,386
Accruals and deferred income	4,790	5,006
	20,976	32,782

Included within accrued expenses is an amount of £2,065 (2020 £2,238) relating to pension commitments. Included within other creditors is an amount of £10,455 (2020 £17,672) relating to incoming resources deferred in the current year. This is a combination of GMBC funding and childcare vouchers received in advance for April 2021 fees.

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Obligations under finance leases		-	1,620
		<u> </u>	<u> </u>

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Endowment funds

Endowment funds represent assets which must be held permanently by the charitable company. Income arising on the endowment funds can be used in accordance with the objects of the charitable company and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

Movement in funds					Movement in funds					
Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2021
£	£	£	£	£	£	£	£	£	£	£
731,963	-	(30,639)	-	-	701,324	-	(32,760)	-	-	668,564
<u>731,963</u>	<u>-</u>	<u>(30,639)</u>	<u>-</u>	<u>-</u>	<u>701,324</u>	<u>-</u>	<u>(32,760)</u>	<u>-</u>	<u>-</u>	<u>668,564</u>
<u><u>731,963</u></u>	<u><u>-</u></u>	<u><u>(30,639)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>701,324</u></u>	<u><u>-</u></u>	<u><u>(32,760)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>668,564</u></u>

TIK-TOK NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	362,687	668,564	1,031,251	368,640	701,324	1,069,964
Current assets/ (liabilities)	422,715	-	422,715	372,770	-	372,770
Long term liabilities	-	-	-	(1,620)	-	(1,620)
	<u>785,402</u>	<u>668,564</u>	<u>1,453,966</u>	<u>739,790</u>	<u>701,324</u>	<u>1,441,114</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

19 Cash generated from operations

	2021	2020
	£	£
Surplus for the year	12,852	4,770
Adjustments for:		
Investment income recognised in statement of financial activities	(5,900)	(4,574)
Depreciation and impairment of tangible fixed assets	38,712	34,785
Movements in working capital:		
Decrease in stocks	1	-
(Increase)/decrease in debtors	(1,348)	3,279
(Decrease)/increase in creditors	(9,538)	7,510
Cash generated from operations	<u>34,779</u>	<u>45,770</u>

20 Analysis of changes in net funds

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	394,368	36,791	431,159
Obligations under finance leases	(5,508)	3,888	(1,620)
	<u>388,860</u>	<u>40,679</u>	<u>429,539</u>