

HIGHBURY COMMUNITY NURSERY

England & Wales · Charity number 1020319

Details

Status Registered

Legal form Charitable company

Company number [02324172](#)

Registered 1993-04-28

Register [View on the Charity Commission register](#)

Contact

Address 15 Aubert Park
London
N5 1TL

Phone 02073544292

Email enquiries@highburynursery.org

Website <http://www.highburynursery.co.uk/>

Activities

Objects: 1)TO ADVANCE THE EDUCATION OF CHILDREN AGED UNDER FIVE YEARS IN THE LONDON BOROUGH OF ISLINGTON BY THE PROVISION OF SAFE AND SATISFYING GROUP PLAY (2)TO PROVIDE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION AND LEISURE TIME OCCUPATION WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE SAID CHILDREN.

Activities: COMMUNITY NURSERY

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** LONDON BOROUGH OF ISLINGTON
- Islington

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|----------|-----------|
| 2025-03-31 | £947,314 | £1,159,598 | £383,822 | 30 |
| 2024-03-31 | £1,012,836 | £1,069,875 | £596,106 | 30 |
| 2023-03-31 | £1,046,661 | £1,014,672 | £653,145 | 28 |
| 2022-03-31 | £898,285 | £1,052,915 | £621,156 | 35 |
| 2021-03-31 | £790,213 | £1,012,078 | £775,786 | 35 |

Trustees

| Name | Role | Appointed |
|----------------------------------|-------|------------|
| Geir Freysson | Chair | 2015-11-10 |
| Alison Slatter | | 2023-12-20 |
| Anjli Raval | | 2023-11-19 |
| Claudia Headon | | 2024-01-04 |
| Edouard Carakehian | | 2022-11-15 |
| Shahar Edgerton Avin | | 2023-01-27 |
| Thomas Alexander Beales Ferguson | | 2023-12-20 |

HIGHBURY COMMUNITY NURSERY

England & Wales - Charity number 1020319

Accounts

REGISTERED COMPANY NUMBER: 02324172 (England and Wales)
REGISTERED CHARITY NUMBER: 1020319

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2025
for
Highbury Community Nursery
(A Company Limited by Guarantee)

Contents of the Financial Statements
for the Year Ended 31 March 2025

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The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

STATUS AND GOVERNING DOCUMENT

Highbury Community Nursery is a registered charity (number 1020319) and a company limited by guarantee without share capital (company number 02324172).

The Nursery is governed by its memorandum and articles of association dated 1 December 1988 amended by special resolution passed 22 December 1992.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of Highbury Community Nursery are:

- 1) To advance the education of children aged under five years in the London Borough of Islington by the provision of safe and satisfying group play.
- 2) To provide facilities in the interests of social welfare for the recreation and leisure time occupation with the object of improving the conditions of life for the said children.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing its aim and objectives and in planning of future activities.

Organisation

Management of Highbury Community Nursery is the responsibility of the Trustees, who are the directors to General Meeting. The Management Committee meets at least six times a year.

STRATEGIC REPORT

Achievements and performance

Children

We have welcomed some new families and many siblings into the nursery this year and the children are settling in and enjoying all the nursery experiences. The children have participated in many fun learning opportunities and outings such as Gillespie ecology centre, Woburn Safari Park, soft play and local parks. The school leavers enjoyed their graduation and trip to the restaurant. The older children continue to participate in sports school, yoga, phonics, maths sessions and wellbeing sessions 'peaceful kids' in sunshine unit with great success. The children have enjoyed opportunities to engage in Italian sessions carried out through fun songs and games. The children have also enjoyed some hands on learning experiences with a visit from Safari Pete and his interesting animals.

The children have also had some rich experiences learning about other cultures and traditions through celebrating festivals from around the world such as, Holi, Norwegian day, Eid, Diwali, Rosh Hashanah, Hungarian celebrations, Chinese New Year, Carnival, Brazilian Carnival and Black History celebrations, which were enjoyed by all.

This year's Holiday Club was a tremendous success, offering a fun-filled schedule of trips, engaging activities, and exciting learning experiences. We saw high attendance throughout the programme and received overwhelmingly positive feedback from both children and parents. Thank you to everyone who joined us and made it such a fun time.

STRATEGIC REPORT

Achievements and performance

Staff/training

This year we have welcomed some new staff to our nursery team who are sharing their skills with the children. We have said goodbye to some staff who have moved on to pastures new and we wish them success in their new ventures. This year the staff have completed various training including, supporting children's emotional wellbeing, safeguarding, SEN, First Aid. One staff has completed a level 3.

Various internal staff workshops have taken place enhancing valuable skills and updating our new staff with the nursery ethos and policies.

Achievements

The children are enjoying exploring their environment, and learning through planning in the moment.

We passed our Islington categorization inspection receiving a green rating (on the traffic light system).

We have retained our Millie's Mark award, by training our new staff to the required level of paediatric first aid and updating all practitioner skills to the necessary levels and with the help of our families now have a defibrillator onsite to ensure we can act fast in the event of an emergency.

The family services; baby massage, sign learn sessions and workshops have been very popular again this year with full classes.

Thanks to the generosity and support of our families, our Wish List an idea thoughtfully suggested by a parent was a great success. It has allowed us to enhance learning opportunities for the children through the addition of fantastic new resources. We were also able to develop a welcoming new meeting room, providing a dedicated space for families and staff to hold meetings in a comfortable environment.

We joined the supervised tooth brushing programme. The aim is to establish good life-long oral health habits of toothbrushing with a fluoride toothpaste to prevent tooth decay. The children have enjoyed taking part in this and it has seamlessly become part of our Sunshine routine.

Fundraising

Our raffle events throughout the year have raised valuable funds which we used towards resources and trips.

Families have played a key role in helping us raise valuable funds through Enjoy Benefits. These contributions have enabled us to organise some amazing trips, provide staff training, and invest in new resources to enhance our learning environment.

Our first Christmas Grotto event last year was a great success, raising funds for the seasonal activities and outings enjoyed by everyone who attended.

Parent/carer participation

We would also like to thank our lovely parents for joining us and sharing their skills with the children throughout the year and taking on jobs which has greatly contributed to the smooth running of the nursery; Naomi, Will and Jordan for recycle runs, Nigel for helping carry heavy equipment, Alex for many odd jobs, Harry for fundraising support, Miriam for reading stories, Sam for playing music sessions, Emma and Henry for litter picking, and the many parents who supported our trips. The children always love when their family's come and join in, and it provides a great learning opportunity for our children. So please come along and share any skills or interests you have.

We would also like to thank the parents on the cover rota which enables of staff meeting each month.

We would like to thank Geir and the committee for their work throughout the year.

We would also like to thank Geir and the committee who have provided us with support throughout the year.

STRATEGIC REPORT

Financial review

Financial position

The principal financial objective for the year continues to be to provide a consistent and high standard of care for the children at our nursery at a reasonable cost, maintaining prudent reserves and managing resources to benefit our community.

In 2024/25 we generated a deficit of £212,284 (2023/24 £57,039) due to the increase in cost of living as well as our staffing costs being considerably higher compared the previous year. Unfortunately our admissions capacity was lower due to lack of staffing at certain times of the year therefore places could not be filled to its maximum.

Total expended resources £1,159,598 increased by 8.4% compared to the prior year at £1,069,875.

Staffing costs make up the majority of the nursery's expenses. The nursery continues to pay the London Living wage to all qualified staff, as well as running a pension plan. The nursery maintained the minimum required levels of staffing through the year. Overall staff costs increased this year by 14.4% by £105,485 (2023/24; £732,993).

Total incoming resources (excluding bank interest received) decreased by 6.3% compared to last year (2023/24 increased by 14%). Fee increases are determined by Islington Council each year. The mix of children attending the nursery also affects how the income varies.

The nursery continues to benefit from Islington Council's support through grants of £250,082 in the year (2023/24 we received £177,055)

The depreciation policy of capitalised building works is considered to be prudent and is held in a designated fund of £192,585 (2023/24; £211,757).

Investment policy and objectives

Investments are held in accordance with the Trustees' powers, which enable them to invest monies not required immediately for Highbury Community Nursery charitable objectives, as may be thought fit subject to any conditions required by law. The Trustees' investment policy is to select investments on a prudent and cautious basis, as these funds are required for the working capital for running the nursery.

The nursery benefits, as do individual and small companies, from the government's guarantee protection scheme of up to £85,000 per bank. The nursery currently holds a significant amount with one single bank and will review the benefits of diversifying its investment holdings to a number of banks in light of operational efficiency.

Reserves policy

In line with the Charities' Commission's recommendations for nurseries, the nursery maintained £383,822 of free reserves as at 31 March 2025. This amount exceeds three months' average operating expenses.

Principal risks and uncertainties

The board meet 11 times a year and regularly accesses risk. It maintains a Risk Register covering financial, health and safety, resourcing, and legal risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

Trustees are elected on an annual basis at the AGM. Trustees are select based on the relevant experience they have for the task they are appointed for. With the exception of the trustee who provides specialist educational and curriculum experience all trustees are parents of children attending the nursery.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

The nursery management and committee regularly solicit and review suggestions from parents and staff for projects with a beneficial and lasting impact on the nursery which are discussed in the regular trustee meetings.

Fundraising

The Nursery and its Management Committee are very pleased with fundraising efforts during the year. These were completed by Management and Development Committee members and were thus at no cost to the Nursery.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02324172 (England and Wales)

Registered Charity number

1020319

Registered office

15 Aubert Park
London
N5 1TL

Trustees

The following Committee Members served during the year unless otherwise indicated:

MANAGEMENT COMMITTEE MEMBERS (TRUSTEES AND DIRECTORS)

| | | |
|--------------------|------------------------|-------------------------|
| Geir Freysson | (Chair Person) | Appointed November 2015 |
| Committee Members | | |
| Shahar Avin | (Vice Chair) | Appointed January 2023 |
| Edouard Carakehian | (Treasurer) | Appointed November 2022 |
| Tom Ferguson | (Company Secretary) | Appointed December 2023 |
| Anjli Rav | (Parent Participation) | Appointed November 2023 |
| Claudia Headon | (Fundraising) | Appointed January 2024 |
| Naomi Baster | (Minute Taker) | Appointed November 2023 |
| Alison Slatter | (Garden Maintenance) | Appointed January 2023 |
| Alexander Rook | (Fundraising) | Appointed February 2025 |

Management committee members are directors of the company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011.

KEY MANAGEMENT

| | |
|------------------|--|
| Ann Reid | Senior Leadership team, Admissions |
| Catherine Antink | Senior Leadership team, Family Liaison |
| Vanisha Patel | Senior Leadership team, HR and Finance |

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Nordens Audit Limited
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill, West Malling
Kent
ME19 4JQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Nordens Audit Limited have indicated their willingness to continue in office. A resolution proposing their re-appointment will be submitted at the forthcoming Annual General Meeting.

Highbury Community Nursery

Report of the Trustees
for the Year Ended 31 March 2025

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

Edouard Carakehian

.....
E Carakehian - Trustee

Opinion

We have audited the financial statements of Highbury Community Nursery (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These include but are not limited to the Companies Act 2006, GDPR, employment and Health & Safety legislation and tax legislation, and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include operational and employment laws and regulations including health and safety regulations, environmental regulations and GDPR.

We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making enquiries with management and those responsible for legal and compliance frameworks. We corroborated our enquiries through review of correspondence with regulatory bodies and gaining an understanding of the entity level controls of the company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.

We discussed among the audit engagement team including relevant internal tax specialists, regarding the opportunities and incentives, including management override of controls, that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. We also communicated the applicable laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The risk of management override of controls is the area where the financial statements were most susceptible to material misstatement due to fraud. In addition, the key principal risks related to the existence of inappropriate journal entries to impact the profit for the year and management bias in accounting estimates.

Procedures performed to address these were as follows:

- Walkthrough testing was carried out to identify and assess the design effectiveness of controls, management have in place to prevent and detect fraud, including known or suspected instances or non-compliance with laws and regulations and fraud,
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process,
- Using analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud,
- Assessing the appropriateness of accounting estimates and challenging any significant assumptions or judgements made by management,
- Incorporating testing of manual journal entries that were posted throughout the year. In particular, we focused on material journal entries, journal entries posted with unusual account combinations, and journal entries crediting revenue or cash. These were scrutinised for evidence of unusual entries,

Report of the Independent Auditors to the Members of
Highbury Community Nursery

- Selecting specific revenue transactions based on risk criteria and obtaining supporting documentation including sales invoice and corresponding purchase documentations to ensure revenue was appropriately recorded,
- Reviewing specific cost of sale transactions based on risk criteria and reviewing invoice documentation to ensure the expense was appropriately recorded,
- Evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lorraine Curtis
Nordens Audit Limited
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

Date:

Statement of Financial Activities
for the Year Ended 31 March 2025

| | Notes | Unrestricted fund £ | Restricted fund £ | Designated Fund £ | 31.3.25 Total funds £ | 31.3.24 Total funds £ |
|---|-------|---------------------------|-------------------------|-------------------------|--------------------------------|--------------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and grants | 2 | 85,618 | 200,778 | - | 286,396 | 182,643 |
| Fees charged | 3 | 656,404 | - | - | 656,404 | 823,042 |
| Investment Income | 4 | 4,514 | - | - | 4,514 | 7,151 |
| Total | | 746,536 | 200,778 | - | 947,314 | 1,012,836 |
| EXPENDITURE ON Charitable activities | | | | | | |
| Cost of charitable activities | 5 | 939,648 | 200,778 | 19,172 | 1,159,598 | 1,069,875 |
| NET INCOME/(EXPENDITURE) | | | | | | |
| Transfers between funds | 16 | (193,112) | - | (19,172) | (212,284) | (57,039) |
| | | 1,798 | (1,798) | - | - | - |
| Net movement in funds | | (191,314) | (1,798) | (19,172) | (212,284) | (57,039) |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 382,551 | 1,798 | 211,757 | 596,106 | 653,145 |
| TOTAL FUNDS CARRIED FORWARD | | 191,237 | - | 192,585 | 383,822 | 596,106 |

The notes form part of these financial statements

Highbury Community Nursery

Balance Sheet
31 March 2025

| | Notes | Unrestricted fund £ | Restricted fund £ | Designated Fund £ | 31.3.25 Total funds £ | 31.3.24 Total funds £ |
|--|-------|------------------------|----------------------|----------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | | |
| Tangible assets | 12 | 5,285 | - | 192,585 | 197,870 | 213,245 |
| CURRENT ASSETS | | | | | | |
| Debtors | 13 | 27,547 | - | - | 27,547 | 17,254 |
| Cash at bank and in hand | | <u>338,112</u> | <u>-</u> | <u>-</u> | <u>338,112</u> | <u>491,549</u> |
| | | 365,659 | - | - | 365,659 | 508,803 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | 14 | <u>(179,707)</u> | <u>-</u> | <u>-</u> | <u>(179,707)</u> | <u>(125,942)</u> |
| NET CURRENT ASSETS | | <u>185,952</u> | <u>-</u> | <u>-</u> | <u>185,952</u> | <u>382,861</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>191,237</u> | <u>-</u> | <u>192,585</u> | <u>383,822</u> | <u>596,106</u> |
| NET ASSETS | | <u>191,237</u> | <u>-</u> | <u>192,585</u> | <u>383,822</u> | <u>596,106</u> |
| FUNDS | | | | | | |
| Unrestricted funds | 16 | | | | 191,237 | 382,551 |
| Restricted funds | | | | | - | 1,798 |
| Endowment funds | | | | | <u>192,585</u> | <u>211,757</u> |
| TOTAL FUNDS | | | | | <u>383,822</u> | <u>596,106</u> |

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

Edouard Carakehian

.....
E Carakehian - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Highbury Community Nursery meets the definition of a public interest entity under FRS102.

The financial statements have been prepared in sterling which is the functional currency of the charity.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Critical accounting judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the plant and equipment and page 14 for the useful economic lives for each class of assets.

Contributions in kind

The value of the contributions in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Income

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until the criteria for income recognition are met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise materials for fund raising events.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Tangible fixed assets

Individual fixed assets costing are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

The rates used during the year were as follows:

| | |
|----------------------------|---|
| Office Equipment | 25% Straight Line |
| Building Development works | lower of the estimated useful life and the remaining terms of the lease, no longer than 20 years |

The lease on 15 Aubert Park runs to 2038.

Taxation

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

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are grants and donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee 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.

- Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Cash at bank and in hand

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

Financial instruments

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

2. DONATIONS AND GRANTS

| | Unrestricted Fund | Restricted Fund | Total | Total |
|----------------------------------|-------------------|-----------------|----------------|----------------|
| | 2025 | 2025 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Income from fundraising events | 3,061 | - | 3,061 | 1,278 |
| Donations | 1,079 | - | 1,079 | 2,924 |
| London Borough of Islington: | | | | |
| Main Grant | 81,478 | - | 81,478 | 34,216 |
| Nursery Education Grant over 3's | - | 59,888 | 59,888 | 128,241 |
| 2 Years | - | 32,174 | - | - |
| Other LBI Grants | - | - | - | 11,206 |
| SEN/Mentor Fee | - | - | - | 3,392 |
| Under 2's | - | 1,200 | 1,200 | - |
| Early Years | - | 67,200 | 67,200 | - |
| Working Parent Entitlement | - | 40,316 | 40,316 | - |
| | <u>85,618</u> | <u>200,778</u> | <u>286,396</u> | <u>182,643</u> |

In 2025, all income from fundraising was attributable to the general fund.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

3. FEES CHARGED

| | | |
|--------------|----------------|----------------|
| | 31.3.25 | 31.3.24 |
| | £ | £ |
| Fees charged | <u>656,404</u> | <u>823,042</u> |

4. INVESTMENT INCOME

| | | |
|-------------------|----------------|----------------|
| | 31.3.25 | 31.3.24 |
| | £ | £ |
| Investment income | <u>4,514</u> | <u>7,151</u> |

5. CHARITABLE ACTIVITIES COSTS

| | | | |
|-------------------------------|---------------------|-----------------------------------|------------------|
| | Direct Costs | Support costs (see note 6) | Totals |
| | £ | £ | £ |
| Cost of charitable activities | <u>936,565</u> | <u>223,033</u> | <u>1,159,598</u> |

6. SUPPORT COSTS

| | | | | |
|-------------------------------|-------------------|----------------|-------------------------|----------------|
| | Management | Finance | Governance costs | Totals |
| | £ | £ | £ | £ |
| Cost of charitable activities | <u>167,913</u> | <u>9,804</u> | <u>45,316</u> | <u>223,033</u> |

7. NET INCOME/(EXPENDITURE)

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

| | | |
|-----------------------------|----------------|----------------|
| | 31.3.25 | 31.3.24 |
| | £ | £ |
| Audit | 11,520 | 11,520 |
| Depreciation - owned assets | <u>18,856</u> | <u>19,996</u> |

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no employees with emoluments above £60,000 (2024: nil)

The key management personnel comprise the trustees, the nursery manager, the financial manager, the family liaison co-ordinator and the nursery administrator. The total employee remuneration of the charity's key management personnel was £151,201 (2024: £156,651).

The charity trustees were not paid, did not receive any other benefits from employment nor payment of expenses from the charity in the year (2024: £nil).

Trustees' expenses

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

9. STAFF COSTS

| | 31.3.25 | 31.3.24 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Wages and salaries | 772,306 | 678,687 |
| Social security costs | 66,172 | 54,306 |
| Other pension costs | 15,469 | 13,266 |
| | <u>853,947</u> | <u>746,259</u> |

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

| | 31.3.25 | 31.3.24 |
|-------------------------|------------------|------------------|
| Average number of staff | <u>34</u> | <u>30</u> |

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ | Restricted fund £ | Designated Fund £ | Total funds £ |
|------------------------------------|------------------------------------|----------------------------------|----------------------------------|------------------------------|
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and grants | 38,419 | 144,224 | - | 182,643 |
| Fees charged | 823,042 | - | - | 823,042 |
| Investment Income | <u>7,151</u> | <u>-</u> | <u>-</u> | <u>7,151</u> |
| Total | <u>868,612</u> | <u>144,224</u> | <u>-</u> | <u>1,012,836</u> |
| EXPENDITURE ON | | | | |
| Charitable activities | | | | |
| Cost of charitable activities | <u>905,655</u> | <u>144,224</u> | <u>19,996</u> | <u>1,069,875</u> |
| NET INCOME/(EXPENDITURE) | (37,043) | - | (19,996) | (57,039) |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | <u>419,594</u> | <u>1,798</u> | <u>231,753</u> | <u>653,145</u> |
| TOTAL FUNDS CARRIED FORWARD | <u>382,551</u> | <u>1,798</u> | <u>211,757</u> | <u>596,106</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

11. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. TANGIBLE FIXED ASSETS

| | Plant and machinery £ | Fixtures and fittings £ | Totals £ |
|---------------------------|-----------------------------|----------------------------------|------------------|
| COST | | | |
| At 1 April 2024 | 931,214 | 95,754 | 1,026,968 |
| Additions | <u>-</u> | <u>3,801</u> | <u>3,801</u> |
| At 31 March 2025 | <u>931,214</u> | <u>99,555</u> | <u>1,030,769</u> |
| DEPRECIATION | | | |
| At 1 April 2024 | 721,092 | 92,631 | 813,723 |
| Charge for year | 15,819 | 3,037 | 18,856 |
| Reclassification/transfer | <u>-</u> | <u>320</u> | <u>320</u> |
| At 31 March 2025 | <u>736,911</u> | <u>95,988</u> | <u>832,899</u> |
| NET BOOK VALUE | | | |
| At 31 March 2025 | <u>194,303</u> | <u>3,567</u> | <u>197,870</u> |
| At 31 March 2024 | <u>210,122</u> | <u>3,123</u> | <u>213,245</u> |

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | | |
|---------------|----------------|----------------|
| | 31.3.25 | 31.3.24 |
| | £ | £ |
| Nursery fees | 25,633 | 12,100 |
| Other debtors | <u>1,914</u> | <u>5,154</u> |
| | <u>27,547</u> | <u>17,254</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.25 | 31.3.24 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 15) | 26,737 | - |
| Parents deposits | 73,664 | 69,905 |
| Trade creditors | 38,426 | 29,921 |
| Social security and other taxes | 16,159 | 14,596 |
| Other creditors | 13,201 | - |
| Accrued expenses | 11,520 | 11,520 |
| | <u>179,707</u> | <u>125,942</u> |

15. LOANS

An analysis of the maturity of loans is given below:

| | 31.3.25 | 31.3.24 |
|--|----------------------|----------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Bank overdrafts | <u>26,737</u> | <u>-</u> |

16. MOVEMENT IN FUNDS

| | At 1.4.24 | Net movement in funds | Transfers between funds | At 31.3.25 |
|---------------------------|-----------------------|------------------------------|--------------------------------|-----------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General fund | 382,551 | (193,112) | 1,798 | 191,237 |
| Restricted funds | | | | |
| Restricted | 1,798 | - | (1,798) | - |
| Endowment funds | | | | |
| Designated Fund | 211,757 | (19,172) | - | 192,585 |
| | <u>596,106</u> | <u>(212,284)</u> | <u>-</u> | <u>383,822</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

16. 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 | 746,536 | (939,648) | (193,112) |
| Restricted funds | | | |
| Restricted | 200,778 | (200,778) | - |
| Endowment funds | | | |
| Designated Fund | - | (19,172) | (19,172) |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>947,314</u> | <u>(1,159,598)</u> | <u>(212,284)</u> |

Comparatives for movement in funds

| | At 1.4.23 £ | Net movement in funds £ | At 31.3.24 £ |
|---------------------------|-----------------------|----------------------------------|-----------------------|
| Unrestricted funds | | | |
| General fund | 419,594 | (37,043) | 382,551 |
| Restricted funds | | | |
| Restricted | 1,798 | - | 1,798 |
| Endowment funds | | | |
| Designated Fund | 231,753 | (19,996) | 211,757 |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>653,145</u> | <u>(57,039)</u> | <u>596,106</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

16. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|-------------------------------------|-------------------------------------|------------------------------------|
| Unrestricted funds | | | |
| General fund | 868,612 | (905,655) | (37,043) |
| Restricted funds | | | |
| Restricted | 144,224 | (144,224) | - |
| Endowment funds | | | |
| Designated Fund | - | (19,996) | (19,996) |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>1,012,836</u> | <u>(1,069,875)</u> | <u>(57,039)</u> |

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1.4.23 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.25 £ |
|---------------------------|------------------------|--|--|-----------------------------|
| Unrestricted funds | | | | |
| General fund | 419,594 | (230,155) | 1,798 | 191,237 |
| Restricted funds | | | | |
| Restricted | 1,798 | - | (1,798) | - |
| Endowment funds | | | | |
| Designated Fund | 231,753 | (39,168) | - | 192,585 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>653,145</u> | <u>(269,323)</u> | <u>-</u> | <u>383,822</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 1,615,148 | (1,845,303) | (230,155) |
| Restricted funds | | | |
| Restricted | 345,002 | (345,002) | - |
| Endowment funds | | | |
| Designated Fund | - | (39,168) | (39,168) |
| | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | <u>1,960,150</u> | <u>(2,229,473)</u> | <u>(269,323)</u> |

| Name of restricted fund | Description, nature and purposes of the fund |
|------------------------------|--|
| London Borough of Islington: | |
| Main Grant | Finance received for all subsidised children in the setting, providing for their care and education |
| Rebate Grant | Reimbursements received for siblings and disabled children and all balance of grant from one term to the next |
| Two-year-old Grant | Finance received for 2-year-olds who qualify for this funding |
| Other LBI Grants | Graduate leader fund and training fund |

17. RELATED PARTY DISCLOSURES

The trustees did not receive remuneration in the year.

Trustees must be parents of the Nursery under the constitution. As parents the trustees paid fees in respect of their children. These fees are calculated in the same way as for other parents. No amounts were written off in respect of these fees due to non-payment or for any other reason.

Highbury Community Nursery

Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

| | 31.3.25 | 31.3.24 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| INCOME AND ENDOWMENTS | | |
| Donations and grants | | |
| Donations | 1,079 | 2,924 |
| Fundraising | 3,061 | 1,279 |
| Grants | <u>282,256</u> | <u>178,440</u> |
| | 286,396 | 182,643 |
| Fees charged | | |
| Fees charged | 656,404 | 823,042 |
| Investment Income | | |
| Investment income | <u>4,514</u> | <u>7,151</u> |
| Total incoming resources | 947,314 | 1,012,836 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 772,306 | 678,687 |
| Social security | 66,172 | 54,306 |
| Pensions | 15,469 | 13,266 |
| Fundraising | 1,508 | 129 |
| Recruitment | 8,121 | 11,073 |
| Food and Milk | 30,455 | 30,292 |
| Curriculum | 6,270 | 6,570 |
| Nappies | 3,939 | 5,355 |
| Toys and Learning Materials | 2,157 | 14,501 |
| Travel and Outings | 6,242 | 6,021 |
| Staff training & welfare | <u>23,926</u> | <u>24,016</u> |
| | 936,565 | 844,216 |
| Support costs | | |
| Management | | |
| Rates and water | 3,407 | 8,486 |
| Insurance | 592 | 572 |
| Light and heat | 16,263 | 14,229 |
| Telephone | 22,067 | 12,791 |
| Postage and stationery | 16,013 | 13,660 |
| Cleaning | 30,199 | 24,282 |
| Subscriptions | 4,169 | 2,392 |
| Office equipment and software | 17,680 | 27,762 |
| Repairs & maintenance | 38,348 | 30,975 |
| Legal Fees | - | 3,698 |
| Carried forward | 148,738 | 138,847 |

This page does not form part of the statutory financial statements

Highbury Community Nursery

Detailed Statement of Financial Activities
for the Year Ended 31 March 2025

| | 31.3.25 | 31.3.24 |
|----------------------------------|-------------------------|------------------|
| | £ | £ |
| Management | | |
| Brought forward | 148,738 | 138,847 |
| Consulting | - | 7,247 |
| Depreciation of tangible asset s | <u>19,175</u> | <u>19,996</u> |
| | 167,913 | 166,090 |
| Finance | | |
| Sundries | 4,369 | 28,536 |
| Bank charges | <u>5,435</u> | <u>8,834</u> |
| | 9,804 | 37,370 |
| Governance costs | | |
| Auditors' remuneration | 11,520 | 11,520 |
| Payroll and accounting services | <u>33,796</u> | <u>10,679</u> |
| | <u>45,316</u> | <u>22,199</u> |
| Total resources expended | <u>1,159,598</u> | <u>1,069,875</u> |
| Net expenditure | <u>(212,284)</u> | <u>(57,039)</u> |

This page does not form part of the statutory financial statements

HIGHBURY COMMUNITY NURSERY

England & Wales - Charity number 1020319

Accounts

REGISTERED COMPANY NUMBER: 02324172 (England and Wales)
REGISTERED CHARITY NUMBER: 1020319

Report of the Trustees and

Audited Financial Statements for the Year Ended 31 March 2024

for

Highbury Community Nursery
(A Company Limited by Guarantee)

Contents of the Financial Statements
for the Year Ended 31 March 2024

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| Statement of Financial Activities | 12 |
| Balance Sheet | 13 |
| Notes to the Financial Statements | 14 to 23 |
| Detailed Statement of Financial Activities | 24 to 25 |

Highbury Community Nursery

Report of the Trustees for the Year Ended 31 March 2024

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

STATUS AND GOVERNING DOCUMENT

Highbury Community Nursery is a registered charity (number 1020319) and a company limited by guarantee without share capital (company number 2324172).

The Nursery is governed by its memorandum and articles of association dated 1 December 1988 amended by special resolution passed 22 December 1992.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of Highbury Community Nursery are:

- 1) To advance the education of children aged under five years in the London Borough of Islington by the provision of safe and satisfying group play.
- 2) To provide facilities in the interests of social welfare for the recreation and leisure time occupation with the object of improving the conditions of life for the said children.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing its aim and objectives and in planning of future activities.

Organisation

Management of Highbury Community Nursery is the responsibility of the Trustees, who are the directors to General Meeting. The Management Committee meets at least six times a year.

STRATEGIC REPORT

Achievement and performance

Children

We have welcomed many new families into the nursery this year and the children are settling in and enjoying all the nursery experiences. The children have participated in many fun learning opportunities and outings following their interests including the Discovery Center, Soft Play, local parks and the library as well as whole nursery trips at Paradise Wildlife Park and picnic in the park attended by many parents. The school leavers enjoyed their graduation and a return to the restaurant. This year we have also begun donating to ARC foodbank where we take small groups of the older children once a month to make the donations and ask the families for support with this. The older children continue to participate in sports school and yoga sessions, wellbeing sessions; called 'peaceful kids' have been introduced to sunshine unit with great success. The phase 1 and 2 phonics sessions carried out by Katie our early years teacher with our older children continue to be successful in progressing children from their starting points through fun activities. The children have enjoyed opportunities to engage in Italian sessions carried out through fun songs and games.

The children have also had some rich experiences learning about other cultures and traditions through celebrating festivals from around the world such as Rosh Hashanah, Diwali and Holi, Chinese New Year and Thanksgiving which were enjoyed by all. Sam (Louie's dad) has shared his enjoyment of music with us through Ukulele and singing sessions which have been thoroughly enjoyed and we look forward to this continuing! And we have also had visits from "biggie" (Tracey Olman, Elijah and Felix's granny) to tell stories to the children as well as Anne (Zoe's mummy) who came to play the piano for the children and sing some songs. We have enjoyed arts and crafts with Azadeh and Brendan (Sevin's parents) sharing their traditions of Persian New Year, a Christmas story from Jo (Jess's Mum). Shruti, Khush and Anjli (Aarya, Sukhi & Shayan's Mums) for Diwali arts and craft. Again, Anjli (Shayan's Mum) for making Samosa's and reading a story to celebrate Diwali.

Staff/students/training

This year we have welcomed some new staff to our nursery team who are sharing their skills with the children. We have said goodbye to some staff who have moved on to pastures new and we wish them success in their new ventures. This year the staff have completed various online training courses including, safeguarding, First Aid, and many more.

Various internal staff workshops have taken place enhancing valuable skills and updating our new staff with the nursery ethos and policies.

STRATEGIC REPORT

Achievement and performance

Achievements

The children are enjoying exploring their environment, and learning through planning in the moment.

We passed our food and Hygiene inspection retaining our 5 stars.

We passed our Islington categorization inspection receiving a green rating (on the traffic light system).

With the help of 2 ex nursery children, Urdur and Baldur we are excited to have a fantastic new welcome sign for the nursery which has received great reviews. We also have some internal door signs in production also designed by ex nursery children.

We have worked hard to retain our Millie's Mark award. All staff working with the children are Paediatric First Aid Trained and we have been busy training our new staff to the required level of paediatric first aid and updating all practitioner skills to ensure everyone has the required knowledge.

The family services including our baby massage and sign and learn courses, first aid sessions and parent/carer workshops have been very popular again this year with full classes.

We have revamped our garden this year introducing new and exciting areas which have been enjoyed by all of the children.

We have introduced our library located in our front garden, which has proved very popular with the children and created some nice opportunities for families to share stories together. Donations are always welcome.

Fundraising

Our two raffle events throughout the year have raised valuable funds which we used towards the garden revamp.

Parent/carer participation

Some parents have really supported the nursery in other ways apart from what's mentioned above, such as, Vincent (Marcel's Dad) with his DIY skills, Nigel (Jess's Dad) with his endless recycling runs-especially during our garden revamp. Parents have also supported the nursery in other ways such as Nadia (Rose's Mum) for her thoughtful contribution of fans for the rooms. John and Shruti (Aarya and Lyla's Parents) for bookkeeping support. And a mixture of parents attended a garden sweep on a Saturday to support us in keeping our garden tidy.

We would also like to thank Geir and the committee who have provided us with support throughout the year.

STRATEGIC REPORT

Financial review

Financial position

The principal financial objective for the year continues to be to provide a consistent and high standard of care for the children at our nursery at a reasonable cost, maintaining prudent reserves and managing resources to benefit our community.

In 2022/23 we made a surplus of £31,989, however in 2023/24 we generated a deficit of £57,039 due to the increase in cost of living as well as our staffing costs being considerably higher compared the previous year. Unfortunately our admissions capacity was lower due to lack of staffing at certain times of the year therefore places could not be filled to its maximum.

Total expended resources increase by 4.8% compared to the prior year at £1,012,474

Staffing costs make up the majority of the nursery's expenses. The nursery continues to pay the London Living wage to all qualified staff, as well as running a pension plan. The nursery maintained the minimum required levels of staffing through the year. Overall staff costs decreased this year by 0.11% to £745,511 (2022/2023; £76,350).

Total incoming resources (excluding bank interest received) increased by 16% compared to last year (2021/22 increased by 14%). Covid-19 had affected parents needs therefore had also affected the Nursery's income however this has got better this year. Fee increases are determined by Islington Council each year. The mix of children attending the nursery also affects how the income varies.

The nursery continues to benefit from Islington Council's support through grants of £178,440 in the year (2022/23 we received £166,962)

The depreciation policy of capitalized building works is considered to be prudent and is held in a designated fund of £211,757 (2022/23; £233,239).

Investment policy and objectives

Investments are held in accordance with the Trustees' powers, which enable them to invest monies not required immediately for Highbury Community Nursery charitable objectives, as may be thought fit subject to any conditions required by law. The Trustees' investment policy is to select investments on a prudent and cautious basis, as these funds are required for the working capital for running the nursery.

The nursery benefits, as do individual and small companies, from the government's guarantee protection scheme of up to £85,000 per bank. The nursery currently holds a significant amount with one single bank and will review the benefits of diversifying its investment holdings to a number of banks in light of operational efficiency.

Reserves policy

In line with the Charities' Commission's recommendations for nurseries, the nursery maintained £596,106 of free reserves as at 31 March 2024. This amount exceeds nine months' average operating expenses.

Principal risks and uncertainties

The board meet 11 times a year and regularly accesses risk. It maintains a Risk Register covering financial, health and safety, resourcing, and legal risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees are elected on an annual basis at the AGM. Trustees are select based on the relevant experience they have for the task they are appointed for. With the exception of the trustee who provides specialist educational and curriculum experience all trustees are parents of children attending the nursery.

Decision making

The nursery management and committee regularly solicit and review suggestions from parents and staff for projects with a beneficial and lasting impact on the nursery which are discussed in the regular trustee meetings.

Fundraising

The Nursery and its Management Committee are very pleased with fundraising efforts during the year. These were completed by Management and Development Committee members and were thus at no cost to the Nursery.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02324172 (England and Wales)

Registered Charity number

1020319

Registered office

15 Aubert Park
London
N5 1TL

Trustees

The following Committee Members served during the year unless otherwise indicated:

MANAGEMENT COMMITTEE MEMBERS (TRUSTEES AND DIRECTORS)

Geir Freysson (Chair Person)

Committee Members

| | | |
|--------------------|------------------------|-------------------------|
| Shahar Avin | (Vice Chair) | Appointed January 2023 |
| Julian Triverio | (Treasurer) | Resigned November 2022 |
| Edouard Carakehian | (Treasurer) | Appointed November 2022 |
| Tameka Small | (Company Secretary) | Appointed November 2021 |
| Samantha Cheong | (Premises) | Resigned February 2022 |
| Fiona Shaw | (Parent Participation) | Appointed November 2021 |
| Khush Sinha | (Fundraising) | Appointed November 2020 |
| Katie Bloor | (Sustainability) | Appointed November 2022 |
| Janina Ketterer | (Garden Maintenance) | Resigned November 2022 |
| Alison Slatter | (Garden Maintenance) | Appointed January 2023 |
| Maxine Clay | (Educational Advisor) | Resigned April 2022 |

After the year-end, the following directors resigned:

| | | |
|---------------|------------------------|------------------------|
| Tameka Small | (Company Secretary) | Resigned November 2023 |
| Will Lockhart | (Minute Taker) | Resigned August 2023 |
| Fiona Shaw | (Parent Participation) | Resigned August 2023 |
| Khush Sinha | (Fundraising) | Resigned November 2023 |

After the year-end the following directors were appointed:

| | | |
|----------------|------------------------|-------------------------|
| Tom Ferguson | (Company Secretary) | Appointed December 2023 |
| Naomi Baster | (Minute Taker) | Appointed November 2023 |
| Anji Raval | (Parent Participation) | Appointed November 2023 |
| Claudia Headon | (Fundraising) | Appointed November 2023 |

Management committee members are directors of the company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011.

KEY MANAGEMENT

| | |
|------------------|--|
| Ann Reid | Senior Leadership team, Admissions |
| Catherine Antink | Senior Leadership team, Family Liaison |
| Vanisha Patel | Senior Leadership team, HR and Finance |

Independent Auditor

Lorraine Curtis
Nordens Audit Limited
The Retreat
406 Roding Lane South
Woodford Green
Essex
IG8 8EY

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill, West Malling
Kent
ME19 4JQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

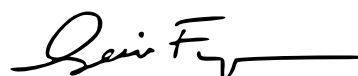
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Nordens Audit Limited were appointed as auditors in the year and have indicated their willingness to continue in office. A resolution proposing their re-appointment will be submitted at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on28 March 2025 and signed on the board's behalf by:



.....
Trustee

Opinion

We have audited the financial statements of Highbury Community Nursery (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These include but are not limited to the Companies Act 2006, GDPR, employment and Health & Safety legislation and tax legislation, and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include operational and employment laws and regulations including health and safety regulations, environmental regulations and GDPR.

We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making enquiries with management and those responsible for legal and compliance frameworks. We corroborated our enquiries through review of correspondence with regulatory bodies and gaining an understanding of the entity level controls of the company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.

We discussed among the audit engagement team including relevant internal tax specialists, regarding the opportunities and incentives, including management override of controls, that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. We also communicated the applicable laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The risk of management override of controls is the area where the financial statements were most susceptible to material misstatement due to fraud. In addition, the key principal risks related to the existence of inappropriate journal entries to impact the profit for the year and management bias in accounting estimates.

Procedures performed to address these were as follows:

- Walkthrough testing was carried out to identify and assess the design effectiveness of controls, management have in place to prevent and detect fraud, including known or suspected instances or non-compliance with laws and regulations and fraud,
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process,
- Using analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud,
- Assessing the appropriateness of accounting estimates and challenging any significant assumptions or judgements made by management,
- Incorporating testing of manual journal entries that were posted throughout the year. In particular, we focused on material journal entries, journal entries posted with unusual account combinations, and journal entries crediting revenue or cash. These were scrutinised for evidence of unusual entries,

Report of the Independent Auditors to the Members of
Highbury Community Nursery

- Selecting specific revenue transactions based on risk criteria and obtaining supporting documentation including sales invoice and corresponding purchase documentations to ensure revenue was appropriately recorded,
- Reviewing specific cost of sale transactions based on risk criteria and reviewing invoice documentation to ensure the expense was appropriately recorded,
- Evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lorraine Curtis (Senior Statutory Auditor)

Date: ...28 March 2025

Highbury Community Nursery

Statement of Financial Activities
for the Year Ended 31 March 2024

| | Notes | Unrestricted funds £ | Restricted fund £ | Designated Fund £ | 31.3.24 Total funds £ | 31.3.23 Total funds £ |
|---|-------|-------------------------|----------------------|----------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and grants | 2 | 38,419 | 144,224 | - | 182,643 | 204,859 |
| Fees charged | 3 | 823,042 | - | - | 823,042 | 840,054 |
| Investment income | 4 | 7,151 | - | - | 7,151 | 1,748 |
| Total | | 868,612 | 144,224 | - | 1,012,836 | 1,046,661 |
| EXPENDITURE ON Charitable activities | | | | | | |
| Cost of charitable activities | 5 | 905,655 | 144,224 | 19,996 | 1,069,875 | 1,014,672 |
| NET INCOME/(EXPENDITURE) | | (37,043) | - | (19,996) | (57,039) | 31,989 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 419,594 | 1,798 | 231,753 | 653,145 | 621,156 |
| TOTAL FUNDS CARRIED FORWARD | | 382,551 | 1,798 | 211,757 | 596,106 | 653,145 |

The notes form part of these financial statements

Highbury Community Nursery

Balance Sheet

31 March 2024

| | Notes | Unrestricted funds £ | Restricted fund £ | Designated Fund £ | 31.3.24 Total funds £ | 31.3.23 Total funds £ |
|--|-------|-------------------------|----------------------|----------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | | | |
| Tangible assets | 13 | 1,488 | - | 211,757 | 213,245 | 233,241 |
| CURRENT ASSETS | | | | | | |
| Debtors | 14 | 17,254 | - | - | 17,254 | 11,136 |
| Cash at bank and in hand | | 489,751 | 1,798 | - | 491,549 | 521,578 |
| | | <u>507,005</u> | <u>1,798</u> | - | <u>508,803</u> | 532,714 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | 15 | (125,942) | - | - | (125,942) | (112,810) |
| | | <u>381,063</u> | <u>1,798</u> | - | <u>382,861</u> | 419,904 |
| NET CURRENT ASSETS | | | | | | |
| | | <u>381,063</u> | <u>1,798</u> | - | <u>382,861</u> | 419,904 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | | |
| | | <u>382,551</u> | <u>1,798</u> | <u>211,757</u> | <u>596,106</u> | 653,145 |
| NET ASSETS | | | | | | |
| | | <u>382,551</u> | <u>1,798</u> | <u>211,757</u> | <u>596,106</u> | 653,145 |
| FUNDS | | | | | | |
| | 17 | | | | | |
| Unrestricted funds | | | | | 382,551 | 419,594 |
| Restricted funds | | | | | 1,798 | 1,798 |
| Endowment funds | | | | | 211,757 | 231,753 |
| | | | | | <u>596,106</u> | 653,145 |
| TOTAL FUNDS | | | | | | |
| | | | | | <u>596,106</u> | 653,145 |

The financial statements were approved by the Board of Trustees and authorised for issue on 28 March 2025 and were signed on its behalf by:



Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Highbury Community Nursery meets the definition of a public interest entity under FRS102.

The financial statements have been prepared in sterling which is the functional currency of the charity.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Critical accounting judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the plant and equipment and note 1.j for the useful economic lives for each class of assets.

Contributions in kind

The value of the contributions in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

1. ACCOUNTING POLICIES - continued

Income

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until the criteria for income recognition are met.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise materials for fund raising events.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Tangible fixed assets

Individual fixed assets costing are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

The rates used during the year were as follows:

| | |
|----------------------------|---|
| Office Equipment | 25% Straight Line |
| Building Development works | lower of the estimated useful life and the remaining terms of the lease, no longer than 20 years |

The lease on 15 Aubert Park runs to 2038.

Taxation

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

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are grants and donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1. ACCOUNTING POLICIES - continued

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee 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.

- Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Cash at bank and in hand

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

Financial instruments

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

2. DONATIONS AND GRANTS

| | Unrestricted Fund 2024 £ | Restricted Fund 2024 £ | Total 2024 £ | Total 2023 £ |
|----------------------------------|--------------------------------|------------------------------|-----------------|-----------------|
| Income from fundraising events | 1,278 | - | 1,278 | 1,632 |
| Donations | 2,924 | - | 2,924 | 1,900 |
| London Borough of Islington: | | | | |
| Main Grant | 34,216 | - | 34,216 | 31,329 |
| Nursery Education Grant over 3's | - | 128,241 | 128,241 | 117,581 |
| Rebate Grant | - | - | - | 13,772 |
| Other LBI Grants | - | 9,115 | 11,206 | 21,562 |
| SEN/Mentor Fee | - | 5,582 | 3,392 | 12,582 |
| University of Greenwich | - | - | - | 4,500 |
| | <u>38,419</u> | <u>144,224</u> | <u>182,643</u> | <u>204,859</u> |

In 2024, all income from fundraising was attributable to the general fund.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

3. FEES CHARGED

| | 31.3.24 | 31.3.23 |
|--------------|----------------|----------------|
| | £ | £ |
| Fees charged | <u>823,042</u> | <u>840,054</u> |

4. INVESTMENT INCOME

| | 31.3.24 | 31.3.23 |
|-------------------|----------------|----------------|
| | £ | £ |
| Investment income | <u>7,151</u> | <u>1,748</u> |

5. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Support costs (see note 6) | Totals |
|-------------------------------|---------------------|-----------------------------------|------------------|
| | £ | £ | £ |
| Cost of charitable activities | <u>844,216</u> | <u>225,659</u> | <u>1,069,875</u> |

6. SUPPORT COSTS

| | Management | Finance | Governance costs | Totals |
|-------------------------------|-------------------|----------------|-------------------------|----------------|
| | £ | £ | £ | £ |
| Cost of charitable activities | <u>166,090</u> | <u>37,370</u> | <u>22,199</u> | <u>225,659</u> |

7. NET INCOME/(EXPENDITURE)

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

| | 31.3.24 | 31.3.23 |
|-----------------------------|----------------|----------------|
| | £ | £ |
| Audit | <u>11,520</u> | 11,520 |
| Depreciation - owned assets | <u>19,996</u> | <u>22,174</u> |

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no employees with emoluments above £60,000 (2023: nil)

The key management personnel comprise the trustees, the nursery manager, the financial manager, the family liaison co-ordinator and the nursery administrator. The total employee benefits of the key management personnel of the charity were £156,651 (2023: £156,651).

The charity trustees were not paid, did not received any other benefits from employment nor payment of expenses from the charity in the year (2023: £nil).

Trustees' expenses

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

9. STAFF COSTS

| | 31.3.24 | 31.3.23 |
|---------------------|-----------------------|----------------|
| | £ | £ |
| Wages and salaries | 732,993 | 732,362 |
| Other pension costs | 13,266 | 13,988 |
| | <u>746,259</u> | <u>746,350</u> |

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

| | 31.3.24 | 31.3.23 |
|-------------------------|----------------|----------------|
| Average number of staff | 30 | 31 |
| | <u>30</u> | <u>31</u> |

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

10. MATERIAL TRANSFERS

A transfer of £20,692 (2023: £20,692) was made from designated funds to unrestricted fund. Tangible fixed assets are held in a designated fund, this enables the charity to give a fair view of its free reserves/general funds.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds | Restricted fund | Designated Fund | Total funds |
|------------------------------------|---------------------------|------------------------|------------------------|--------------------|
| | £ | £ | £ | £ |
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and grants | 123,713 | 81,146 | - | 204,859 |
| Fees charged | 840,054 | - | - | 840,054 |
| Investment income | 1,748 | - | - | 1,748 |
| Total | <u>965,515</u> | <u>81,146</u> | <u>-</u> | <u>1,046,661</u> |
| EXPENDITURE ON | | | | |
| Charitable activities | | | | |
| Cost of charitable activities | 911,828 | 80,666 | 22,178 | 1,014,672 |
| NET INCOME/(EXPENDITURE) | 53,687 | 480 | (22,178) | 31,989 |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | 365,907 | 1,318 | 253,931 | 621,156 |
| TOTAL FUNDS CARRIED FORWARD | <u>419,594</u> | <u>1,798</u> | <u>231,753</u> | <u>653,145</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

12. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. TANGIBLE FIXED ASSETS

| | Plant and machinery £ | Fixtures and fittings £ | Totals £ |
|-----------------------------------|--------------------------------------|--|---------------------|
| COST | | | |
| At 1 April 2023 and 31 March 2024 | <u>931,214</u> | <u>95,754</u> | <u>1,026,968</u> |
| DEPRECIATION | | | |
| At 1 April 2023 | 705,273 | 88,454 | 793,727 |
| Charge for year | <u>15,819</u> | <u>4,177</u> | <u>19,996</u> |
| At 31 March 2024 | <u>721,092</u> | <u>92,631</u> | <u>813,723</u> |
| NET BOOK VALUE | | | |
| At 31 March 2024 | <u>210,122</u> | <u>3,123</u> | <u>213,245</u> |
| At 31 March 2023 | <u>225,941</u> | <u>7,300</u> | <u>233,241</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.24 £ | 31.3.23 £ |
|---------------|----------------------|----------------------|
| Nursery fees | 12,100 | 9,761 |
| Other debtors | <u>5,154</u> | <u>1,375</u> |
| | <u>17,254</u> | <u>11,136</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.24 £ | 31.3.23 £ |
|---------------------------------|----------------------|----------------------|
| Parents deposits | 69,905 | 83,330 |
| Trade creditors | 29,921 | 495 |
| Social security and other taxes | 14,596 | 11,157 |
| Fees paid in advance | - | 5,523 |
| Accrued expenses | <u>11,520</u> | <u>12,305</u> |
| | <u>125,942</u> | <u>112,810</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 31.3.24 | 31.3.23 |
|-----------------|----------------|----------------|
| | £ | £ |
| Within one year | - | 5,565 |

17. MOVEMENT IN FUNDS

| | At 1.4.23 | Net movement in funds | At 31.3.24 |
|---------------------------|------------------|------------------------------|-------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 419,594 | (37,043) | 382,551 |
| Restricted funds | | | |
| Restricted | 1,798 | - | 1,798 |
| Endowment funds | | | |
| Designated Fund | 231,753 | (19,996) | 211,757 |
| TOTAL FUNDS | 653,145 | (57,039) | 596,106 |

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

| | Incoming resources | Resources expended | Movement in funds |
|---------------------------|---------------------------|---------------------------|--------------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 868,612 | (905,655) | (37,043) |
| Restricted funds | | | |
| Restricted | 144,224 | (144,224) | - |
| Endowment funds | | | |
| Designated Fund | - | (19,996) | (19,996) |
| TOTAL FUNDS | 1,012,836 | (1,069,875) | (57,039) |

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.4.22 £ | Net movement in funds £ | At 31.3.23 £ |
|---------------------------|----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 365,907 | 53,687 | 419,594 |
| Restricted funds | | | |
| Restricted | 1,318 | 480 | 1,798 |
| Endowment funds | | | |
| Designated Fund | 253,931 | (22,178) | 231,753 |
| TOTAL FUNDS | <u>621,156</u> | <u>31,989</u> | <u>653,145</u> |

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

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 965,515 | (911,828) | 53,687 |
| Restricted funds | | | |
| Restricted | 81,146 | (80,666) | 480 |
| Endowment funds | | | |
| Designated Fund | - | (22,178) | (22,178) |
| TOTAL FUNDS | <u>1,046,661</u> | <u>(1,014,672)</u> | <u>31,989</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1.4.22 £ | Net movement in funds £ | At 31.3.24 £ |
|---------------------------|----------------|----------------------------------|--------------------|
| Unrestricted funds | | | |
| General fund | 365,907 | 16,644 | 382,551 |
| Restricted funds | | | |
| Restricted | 1,318 | 480 | 1,798 |
| Endowment funds | | | |
| Designated Fund | 253,931 | (42,174) | 211,757 |
| TOTAL FUNDS | <u>621,156</u> | <u>(25,050)</u> | <u>596,106</u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 1,834,127 | (1,817,483) | 16,644 |
| Restricted funds | | | |
| Restricted | 225,370 | (224,890) | 480 |
| Endowment funds | | | |
| Designated Fund | - | (42,174) | (42,174) |
| TOTAL FUNDS | <u>2,059,497</u> | <u>(2,084,547)</u> | <u>(25,050)</u> |

| Name of restricted fund | Description, nature and purposes of the fund |
|-----------------------------|---|
| London Borough of Islington | |
| Main Grant | Finance received for all subsidised children in the setting, providing for their care and education |
| Rebate Grant | Reimbursements received for siblings and disabled children and all balance of grant from one term to the next |
| Two-year-old Grant | Finance received for 2 year olds who qualify for this funding |
| Other LBI Grants | Graduate leader fund and training fund |

18. RELATED PARTY DISCLOSURES

The trustees did not receive remuneration in the year.

Trustees must be parents of the Nursery under the constitution. As parents the trustees paid fees in respect of their children. These fees are calculated in the same way as for other parents. No amounts were written off in respect of these fees due to non-payment or for any other reason.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

| | 31.3.24 | 31.3.23 |
|---------------------------------|------------------|----------------|
| | £ | £ |
| INCOME AND ENDOWMENTS | | |
| Donations and grants | | |
| Gifts | - | 1 |
| Donations | 2,924 | 1,900 |
| Fundraising | 1,279 | 1,632 |
| Grants | 178,440 | 201,326 |
| | <hr/> | <hr/> |
| | 182,643 | 204,859 |
| Fees charged | | |
| Fees charged | 823,042 | 840,054 |
| Investment income | | |
| Investment income | 7,151 | 1,748 |
| | <hr/> | <hr/> |
| Total incoming resources | 1,012,836 | 1,046,661 |
| EXPENDITURE | | |
| Charitable activities | | |
| Wages | 732,993 | 732,362 |
| Pensions | 13,266 | 13,988 |
| Fundraising | 129 | 44 |
| Recruitment | 11,073 | 7,670 |
| Food and Milk | 30,292 | 38,772 |
| Curriculum | 6,570 | 5,984 |
| Nappies | 5,355 | 2,575 |
| Toys and Learning Materials | 14,501 | 17,350 |
| Travel and Outings | 6,021 | 5,584 |
| Staff training & welfare | 24,016 | 17,873 |
| Restricted project costs | - | 1,620 |
| | <hr/> | <hr/> |
| | 844,216 | 843,822 |
| Support costs | | |
| Management | | |
| Rates and water | 8,486 | 2,449 |
| Insurance | 572 | 546 |
| Light and heat | 14,229 | 16,373 |
| Telephone | 12,791 | 11,556 |
| Postage and stationery | 13,660 | 1,079 |
| Cleaning | 24,282 | 28,492 |
| Subscriptions | 2,392 | 4,349 |
| Office equipment and software | 27,762 | 29,309 |
| Repairs & maintenance | 30,975 | 24,902 |
| Carried forward | 135,149 | 119,055 |

Highbury Community Nursery

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

| | 31.3.24 | 31.3.23 |
|----------------------------------|------------------------|-----------------|
| | £ | £ |
| Management | | |
| Brought forward | 135,149 | 119,055 |
| Legal Fees | 3,698 | 719 |
| Consulting | 7,247 | 4,503 |
| Depreciation of tangible asset s | 19,996 | 22,178 |
| | <hr/> 166,090 | <hr/> 146,455 |
| Finance | | |
| Sundries | 28,536 | - |
| Bank charges | 8,834 | 9,391 |
| | <hr/> 37,370 | <hr/> 9,391 |
| Governance costs | | |
| Auditors' remuneration | 11,520 | 11,520 |
| Payroll and accounting services | 10,679 | 3,484 |
| | <hr/> 22,199 | <hr/> 15,004 |
| Total resources expended | <hr/> 1,069,875 | <hr/> 1,014,672 |
| Net (expenditure)/income | <hr/> (57,039) | <hr/> 31,989 |

This page does not form part of the statutory financial statements

HIGHBURY COMMUNITY NURSERY

England & Wales - Charity number 1020319

Accounts

Covid
CHARITY NUMBER: 1020319
COMPANY NUMBER: 2324172

DRAFT

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2023

For

HIGHBURY COMMUNITY NURSERY

(a company limited by guarantee not having share capital and a registered charity)

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

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HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE DETAILS

PRINCIPAL OFFICE 15 Aubert Park
London
N5 1TL

CHARITY NUMBER 1020319

COMPANY NUMBER 2324172

The following Committee Members served during the year unless otherwise indicated:

MANAGEMENT COMMITTEE MEMBERS (TRUSTEES AND DIRECTORS)

| | | |
|--------------------------|------------------------|---------------------------|
| Geir Freysson | (Chair person) | |
| Committee Members | | |
| Shahar Avin | (Vice Chair) | - Appointed November 2022 |
| Julian Triverio | (Treasurer) | - Resigned November 2022 |
| Edouard Carakehian | (Treasurer) | - Appointed November 2022 |
| Tameka Small | (Company Secretary) | - appointed November 2021 |
| Samantha Cheong | (Premises) | - Resigned February 2022 |
| Fiona Shaw | (Parent Participation) | - Appointed November 2021 |
| Khush Sinha | (Fundraising) | - Appointed November 2020 |
| Katie Bloor | (Sustainability) | - Appointed November 2022 |
| Janina Ketterer | (Garden Maintenance) | - Resigned November 2022 |
| Alison Slatter | (Garden Maintenance) | - Appointed November 2022 |
| Maxine Clay | (Educational Advisor) | - Resigned April 2022 |

TO BE UPDATED FOR ANY FURTHER CHANGES

After the year end the following directors resigned:

| | |
|--------------------------------------|------------------------|
| Will Lockhart (Minute Taker) | Resigned July 2023 |
| Fiona Shaw (Parent Participation) | Resigned August 2023 |
| Khush Sinha (Fundraising) | Resigned November 2023 |
| Tameka Small (Company Secretary) | Resigned November 2023 |

After the year end the following directors were appointed:

| | |
|------------------------------------|-----------------------|
| Naomi Baster (Minute Taker) | Appointed July 2023 |
| Claudia Headon (Fundraising) | Appointed November 23 |
| Tom Ferguson (Company Secretary) | Appointed November 23 |
| Anjli Raval (Parent Participation) | Appointed November 23 |

Management Committee members are directors of the company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011.

KEY MANAGEMENT

| | |
|------------------|----------------------------|
| Ann Reid | Nursery Manager |
| Noelle O'Boyce | Financial Manager |
| Catherine Antink | Family Liaison Coordinator |
| Joanne English | Nurse Administrator |

INDEPENDENT EXAMINER Francis Corbishley

**HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE DETAILS**

Moore Northern Home Counties Limited,
First Floor,
73-75 High Street,
Stevenage

BANKERS

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
Kent ME19 4JQ

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

STATUS AND GOVERNING DOCUMENT

Highbury Community Nursery is a registered charity (number 1020319) and a company limited by guarantee without share capital (company number 2324172).

The Nursery is governed by its memorandum and articles of association dated 1 December 1988 amended by special resolution passed 22 December 1992.

OBJECT OF THE CHARITY/PUBLIC BENEFIT

The object of Highbury Community Nursery is:

- 1) To advance the education of children aged under five years in the London Borough of Islington by the provision of safe and satisfying group play.
- 2) To provide facilities in the interests of social welfare for the recreation and leisure time occupation with the object of improving the conditions of life for the said children.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing its aim and objectives and in planning of future activities.

ORGANISATION

Management of Highbury Community Nursery is the responsibility of the Trustees, who are the directors to General Meeting. The Management Committee meets at least six times a year.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

Children

We have welcomed many new families into the nursery this year and the children are settling in and enjoying all the nursery experiences. The children have participated in many fun learning opportunities and outings following their interests including the postal museum, Horniman museum, the art gallery at the British museum as well as whole nursery trips at Paradise Wildlife Park and picnic in the park attended by many parents. The school leavers enjoyed their graduation and a return to the restaurant. The older children continue to participate in sports school and yoga sessions, wellbeing sessions 'peaceful kids' have been introduced to sunshine unit with great success. The phase 1 and 2 phonics sessions carried out by Katie Early years teacher with our older children continue to be successful in progressing children from their starting points through fun activities. The children have enjoyed opportunities to engage in Spanish and Greek sessions carried out through fun songs and games.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The children have also had some rich experiences learning about other cultures and traditions through celebrating festivals from around the world such as Rosh Hashanah, Diwali and Holi, Chinese New Year and Thanksgiving which were enjoyed by all. Sam (Louie's dad) has shared his enjoyment of music with us through Ukulele sessions which have been thoroughly enjoyed and we look forward this continuing! And we have also had visits from "biggie" (Tracey Olman, Elijah and Felix's granny) to tell stories to the children as well as Jo (Isobel and Jess's mum) who has come to tell stories in our grotto, Shruti (Aarya's mum) and Khush (Sukhi's mummy) came to do Diwali activities with the children whilst Anjli (Shayan's mum) made some tasty treats for the children and staff and came to read a book for Diwali. Nigel (Isobel and Jess' dad) has also supported us through the year with our recycling by taking it to the recycling centre for us. And a mixture of parents attended a garden sweep on a Saturday to support us in keeping our garden tidy, thank you all!

Staff/students/training

This year we have welcomed some new staff to our nursery team who are sharing their skills with the children. We have said goodbye to some staff who have moved on to pastures new and we wish them success in their new ventures. This year the staff have completed various online training courses including, safeguarding, First Aid, and many more.

Various internal staff workshops have taken place enhancing valuable skills and updating our new staff with the nursery ethos and policies.

Achievements

The children have adapted very well to the change of rooms now becoming rainbow unit and sunshine unit and are enjoying the extended environment.

We passed our food and Hygiene inspection retaining our 5 stars

We passed our Islington categorisation inspection receiving a green rating (on the traffic light system), with two training updates as recommendations.

The family services; in person baby massage and sign and learn sessions and workshops have reinstated with a high take up and we have reintroduced stay and play on a monthly basis.

Fundraising

Our two raffle events throughout the year and a silent auction to win a signed arsenal football shirt have raised valuable funds towards our garden redevelopment.

Parent/carer participation

We would also like to thank some parents for supporting us with tasks throughout the year, Vincent (Marcel's dad) for his DIY skills, Naomi (Nina's mum) and Nigel (Isobel and Jess's dad) for recycling runs.

We would also like to thank Geir and the committee who have provided us with support throughout the year.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

The principal financial objective for the year continues to be to provide a consistent and high standard of care for the children at our nursery at a reasonable cost, maintaining prudent reserves and managing resources to benefit our community.

In 2021/22 the nursery had not fully recovered from Covid-19 as its outgoing resources exceeded incoming resources, generating a deficit of £154,630 however in 2022/23 we made a surplus of £31,989

Total expended resources decrease by 3.7% compared to the prior year at £1,014,672 (2021/22; £1,052,915).

Staff costs make up the majority of the nursery's expenses. The nursery continues to pay the London Living wage to all qualified staff, as well as running a pension plan. The nursery maintained the required levels of staffing through the year. Overall staff costs decreased this year by 10% to £771,893 (2021/2022; £859,800).

Total incoming resources (excluding bank interest received) increased by 14% compared to last year (2020/21 decreased by 26%). Covid-19 had affected parents needs therefore had also affected the Nursery's income however this has got better this year. Fee increases are determined by Islington Council each year. The mix of children attending the nursery also affects how the income varies.

The nursery continues to benefit from Islington Council's support through grants of £201,327 in the year (2021/22; £225,728).

The depreciation policy of capitalised building works is considered to be prudent and is held in a designated fund 2022/23; £233,239 (2021/22; £253,931).

RESERVES POLICY

In line with the Charities' Commission's recommendations for nurseries, the nursery maintained **£774,468** of free reserves as at 31 March 2022. This amount exceeds **nine** months' average operating expenses.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE CHARITY

The board meet 11 times a year and regularly accesses risk. It maintains a Risk Register covering financial, health and safety, resourcing, and legal risks.

DECISION MAKING

The nursery management and committee regularly solicit and review suggestions from parents and staff for projects with a beneficial and lasting impact on the nursery which are discussed in the regular trustee meetings.

FUNDRAISING

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The Nursery and its Management Committee are very pleased with fundraising efforts during the year. These were completed by Management and Development Committee members and were thus at no cost to the Nursery.

INVESTMENT POLICY

Investments are held in accordance with the Trustees' powers, which enable them to invest monies not required immediately for Highbury Community Nursery charitable objectives, as may be thought fit subject to any conditions required by law. The Trustees' investment policy is to select investments on a prudent and cautious basis, as these funds are required for the working capital for running the nursery.

The nursery benefits, as do individual and small companies, from the government's guarantee protection scheme of up to £85,000 per bank. The nursery currently holds a significant amount with one single bank and will review the benefits of diversifying its investment holdings to a number of banks in light of operational efficiency.

TRUSTEES' APPOINTMENT

Trustees are elected on an annual basis at the AGM. Trustees are select based on the relevant experience they have for the task they are appointed for. With the exception of the trustee who provides specialist educational and curriculum experience all trustees are parents of children attending the nursery.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our Independent Examiner

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the Independent Examiner in connection with preparing the report, of which the Independent Examiner is unaware, and

- the trustees, having made enquiries of fellow directors have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information

APPROVAL

This report was approved by the Trustees on [] and by order of the Trustees, signed on their behalf, by:

Geir Freysson
Chair

Edouard Carakehian
Treasurer

**HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF HIGHBURY COMMUNITY NURSERY
YEAR ENDED 31 MARCH 2022**

I report to the trustees on my examination of the financial statements of Highbury Community Nursery (the charity) for the year ended 31 March 2023.

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 (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

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.

Francis Corbishley
Independent Examiner
Moore Northern Home Counties Limited
First Floor
73-75 High Street
Stevenage
Hertfordshire
SG1 3HR

Dated: []

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITY
YEAR ENDED 31 MARCH 2022

| | Notes | 2023 Unrestricted Funds £ | 2023 Restricted Funds £ | 2023 Total £ | 2022 Total £ |
|---|-------|------------------------------------|----------------------------------|-------------------------|--------------------|
| INCOME | | | | | |
| Donations | 3 | 1,632 | 1,900 | 3,532 | 940 |
| Charitable activities | | | | | |
| Grants received | 4 | 122,081 | 79,245 | 201,327 | 169,463 |
| Fees charged | | 840,054 | - | 840,054 | 727,602 |
| Investment income | | 1,748 | - | 1,748 | 280 |
| TOTAL INCOME | | <u>965,515</u> | <u>81,145</u> | <u>1,046,660</u> | <u>898,284</u> |
| EXPENDITURE | | | | | |
| Cost of raising funds | 6 | 44 | - | 44 | 143 |
| Cost of charitable activities | | 933,762 | 80,666 | 1014,628 | 1052,772 |
| TOTAL EXPENDITURE | | <u>933,806</u> | <u>80,666</u> | <u>1014,672</u> | <u>1052,915</u> |
| NET INCOME/(EXPENDITURE) | | 31,709 | 280 | 31,989 | (154,630) |
| RECONCILIATION OF FUNDS | | | | | |
| Funds bought forward at 1 April 2021 | | 619,838 | 1,318 | 621,158 | 775,786 |
| TOTAL FUNDS BALANCE CARRIED FORWARD AT 31 MARCH 2022 | | <u>651,547</u> | <u>1,598</u> | <u>653,145</u> | <u>621,156</u> |
| Other LBI Grants | | 1,318 | | | |
| Gifts Money from parents collection to all staff | | 280 | | | |
| | | <u>1,598</u> | | | |

There were no recognised gains or losses for 2022 or 2021 other than those included in the Statement of Financial Activities. All income and expenditure derive from continuing activities.

The notes on pages [to] form part of these financial statements.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

Company Number: 02324172

BALANCE SHEET
31 MARCH 2022

| | Notes | £ | 2023 £ | £ | 2022 £ |
|---|-------|----------------|-----------------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 233,239 | | 253,931 |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 11,137 | | 14,064 | |
| Cash at bank and in hand | | <u>521,578</u> | | <u>450,601</u> | |
| | | 532,715 | | 464,666 | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 10 | <u>112,809</u> | | <u>97,440</u> | |
| NET CURRENT ASSETS | | | | | |
| | | | 419,905 | | 367,225 |
| NET ASSETS | | | | | |
| | | | <u>653,145</u> | | <u>621,156</u> |
| FUNDS | | | | | |
| General Fund | | | 418,307 | | 365,907 |
| Designated Fund | 12 | | 233,239 | | 253,931 |
| Restricted Funds | 11 | | 1598 | | 1,318 |
| TOTAL FUNDS | | | | | |
| | 12 | | <u>653,145</u> | | <u>621,156</u> |

For the year ending 31 March 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies regime and in accordance with FRS 102 SORP

Approved by the Trustees on [] and signed on their behalf:

Geir Freysson
Chair

Edouard Carakehian
Treasurer

The notes on pages [] to [] form part of these financial statements.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Highbury Community Nursery meets the definition of a public interest entity under FRS102.

The financial statements have been prepared in sterling which is the functional currency of the charity.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

In the opinion of the trustees the charity remains a going concern. Whilst the effect of the Coronavirus and lockdown had a significant impact on the charity's income it has returned to pre-pandemic levels. This combined with healthy general fund reserves gives the trustees confidence about the charity's future and accordingly the financial statements have been prepared on a going concern basis.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until the criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

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

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are grants and donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise materials for fund raising events.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities.

i) Operating leases

The charity had one operating leases in the year which was in respect of its photocopier

j) Tangible fixed assets

Individual fixed assets costing are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

Asset Category

The rates used during the year were as follows:

| | |
|-----------------------|---|
| Office equipment | - 25% straight line |
| Building improvements | - lower of the estimated useful life and the remaining term of the lease, and no longer than 20 years |

The lease on 15 Aubert Park runs to 2038.

k) Debtors

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

l) Cash at bank and in hand

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

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

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

o) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the plant and equipment and note 1.j for the useful economic lives for each class of assets.

Contributions in kind

The value of the contributions in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

p) Employee benefits

- **Short term benefits**
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination benefits**
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital.

3. GRANTS, DONATIONS AND SIMILAR INCOMING RESOURCES

| | Unrestricted Fund 2023 £ | Restricted Fund 2023 £ | Total 2023 £ | <i>Total 2022 £</i> |
|--------------------------------|-----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income from fundraising events | 1,632 | - | 1,632 | 940 |
| Donations | - | 1,900 | 1,900 | |
| | <u>1,632</u> | <u>1,900</u> | <u>3,532</u> | <u>940</u> |

In 2021 all income from fundraising was attributed to the general fund

4. GRANTS RECEIVED IN RESPECT OF CHARITABLE ACTIVITIES

| | Unrestricted Fund 2023 £ | Restricted Fund 2023 £ | Total 2023 £ | <i>Total 2022 £</i> |
|---|--------------------------------|---------------------------------|-----------------------------|-----------------------------|
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 31,329 | 31,329 | 31,434 |
| <i>Nursery Education Grant over 3's</i> | 117,581 | - | 117,581 | 112,140 |
| <i>Rebate Grant</i> | - | 13,772 | 13,772 | 4,383 |
| <i>Two year old grants</i> | - | - | - | 11,608 |
| <i>Other LBI Grants</i> | - | 21,562 | 21,562 | - |
| University of Greenwich | 4,500 | - | 4,500 | 2,500 |
| Coronavirus Job Retention Scheme | - | - | - | - |
| | <u>122,081</u> | <u>79,245</u> | <u>201,327</u> | <u>169,463</u> |

In 2021 £171,962 of grant income was attributed to the general fund and £92,738 to the restricted fund.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

5. WAGES AND SALARIES

| | 2023 | 2022 |
|---------------------------------|----------------|---------|
| | £ | £ |
| Employee costs were as follows: | | |
| Salaries | 657,469 | 761,135 |
| Employers National Insurance | 14,094 | 15,650 |
| Employers Pension Contribution | 60,799 | 64,709 |
| | 732 | 841 |

The average number of employees during the year was (2022: 33).

There were no employees with emoluments above £60,000 (2022: nil)

The key management personnel comprise the trustees, the nursery manager, the financial manager, the family liaison co-ordinator and the nursery administrator. The total employee benefits of the key management personnel of the charity were £151,483 (2021: £146,451).

The charity trustees were not paid, did not received any other benefits from employment nor payment of expenses from the charity in the year (2021: £nil).

6. ANALYSIS OF EXPENDITURE

| | 2023 | 2023 | 2023 | 2022 |
|---|-----------------------------|-------------------------------------|-----------------|----------|
| | £ | £ | £ | £ |
| | Cost of Funds raising | Cost of Charitable activities | Total | Total |
| Staff costs including, recruitment, training & welfare | - | 771,893 | 771,893 | 859,800 |
| Care and Education costs | - | 70,266 | 70,266 | 63,558 |
| Office costs | - | 56,635 | 56,635 | 41,838 |
| Professional fees | - | 5,222 | 5,222 | 922 |
| Premises costs | - | 71,811 | 71,811 | 49,541 |
| Fundraising | 44 | - | 44 | 143 |
| Restricted Project Costs | - | - | - | 712 |
| Depreciation | - | 1,620 | 1,620 | - |
| Support costs | - | 4,455 | 4,445 | 7,433 |
| Governance costs | - | 10,559 | 10,559 | 2,160 |
| | 44 | 1,014,628 | 1014,672 | 1052,915 |

* Buildings Insurance is paid by the London Borough of Islington and deducted from grant income.

Further detail in respect of the expenditure for the year is at Note 16.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

| | Support Costs | Governance costs | 2023 Total | <i>2022 Total</i> |
|---------------------------------|---------------|------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| Independent Examination | | 959 | 959 | 2,160 |
| Audit | | 9,600 | 9,600 | |
| Payroll and accounting services | 4,445 | - | 4,445 | 7,433 |
| | <u>4,445</u> | <u>10,559</u> | <u>15,004</u> | <u>9,593</u> |

8. TANGIBLE FIXED ASSETS

| | Building Development Works & Soft Play Area | Furniture & Equipment | Total |
|--|--|--|--------------------------|
| COST | £ | £ | £ |
| At 1 April 2022 | 931,213.78 | 94,268.03 | 1,025,481.81 |
| Additions in period | | 1,486.00 | 1,486.00 |
| At 31 March 2023 | <u>931,213.78</u> | <u>95,754.03</u> | <u>1,026,967.81</u> |
| DEPRECIATION | | | |
| At 1 April 2021 | 689,133.63 | 82,418.95 | 771,552.58 |
| Provision in period | 16,138.73 | 6,038.59 | 22,177.31 |
| At 31 March 2022 | <u>705,272.35</u> | <u>88,457.54</u> | <u>793,729.89</u> |
| Net book value at 31 March 2022 | <u>225,940.43</u> | <u>7,296.49</u> | <u>233,237.92</u> |
| Net book value at 31 March 2021 | <u>242,080.15</u> | <u>11,849.08</u> | <u>253,929.23</u> |

9. DEBTORS

| | 2023 | <i>2022</i> |
|--------------|----------------------|---------------|
| | £ | £ |
| Prepayments | - | 2,641 |
| Nursery fees | 9,761 | 11,035 |
| Other | 1,375 | 389 |
| | <u>11,137</u> | <u>14,064</u> |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|----------------------|----------------|---------------|
| | £ | £ |
| Social Security | 11,157 | 10,416 |
| Trade creditors | 495 | 2,257 |
| Other creditors | - | 555 |
| Fees paid in advance | 5,523 | 7,629 |
| Parents' deposits | 83,330 | 68,068 |
| Accruals | 12,305 | 8,515 |
| | 112,809 | 97,440 |

11. RESTRICTED FUNDS

| | Balance at 1 April 2022 £ | Movement of Funds Resources Arising £ | Resources Used £ | Balance at 31 March 2023 £ |
|-----------------------------|------------------------------------|--|------------------------|-------------------------------------|
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 31,329 | 31,329 | - |
| <i>Rebate Grant</i> | - | 13,772 | 13,772 | - |
| <i>Two year old grants</i> | - | - | - | - |
| <i>Maternity Grants</i> | | 21,562 | 21,562 | 1,318 |
| <i>Other LBI Grants</i> | 1,318 | 12,582 | 12,582 | |
| <i>Other</i> | | 1,900 | 1,620 | 280 |
| Total | 1,318 | 81,145 | 80,865 | 1,598 |

Name of restricted fund

Description, nature and purposes of the fund

| | |
|-----------------------------|---|
| London Borough of Islington | |
| <i>Main Grant</i> | - Finance received for all subsidised children in the setting, providing for their care and education |
| <i>Rebate Grant</i> | - Reimbursements received for siblings and disabled children and all balance of grant from one term to the next |
| <i>Two year old Grant</i> | - Finance received for 2 year olds who qualify for this funding |
| <i>Other LBI Grants</i> | - Graduate leader fund and training fund |

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets 2023 £ | Net current Assets 2023 £ | Total 2023 £ | Total 2022 £ |
|---------------------------|---------------------------------------|------------------------------------|--------------------|--------------------|
| Unrestricted Funds | - | 418,307 | 418,307 | 365,907 |
| Designated Funds | 233,238 | - | 233,238 | 253,930 |
| Restricted Funds | - | 1,598 | 1,598 | 1,318 |
| Total | 233,238 | 419,905 | 653,143 | 621,156 |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

A transfer of £14,956 (2021: £17,202) was made from designated funds to unrestricted fund. Tangible fixed assets are held in a designated fund, this enables the charity to give a fair view of its free reserves/general funds.

13. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14. RELATED PARTY TRANSACTIONS

The trustees did not receive remuneration in the year.

Trustees must be parents of the Nursery under the constitution. As parents the trustees paid fees in respect of their children. These fees are calculated in the same way as for other parents. No amounts were written off in respect of these fees due to non-payment or for any other reason.

15. COMMITMENTS

At 31 March 2022 the company had commitments under non-cancellable operating leases as follows:

| | 2022 | 2021 |
|--------------------------|---------------|---------------|
| | £ | £ |
| Operating leases: | | |
| Within one year | 10,373 | <i>11,540</i> |
| Within two to five years | 5,565 | <i>15,939</i> |
| | 15,938 | <i>27,479</i> |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

16. DETAILED EXPENDITURE IN YEAR

| | 2023 | | 2022 | |
|---|---------|----------------|---------|----------------|
| | £ | £ | £ | £ |
| <i>Staff costs including training & welfare</i> | | | | |
| Salary costs | 732,362 | | 825,844 | |
| Staff pension | 13,988 | | 15,650 | |
| Staff Training & welfare | 17,873 | | 16,739 | |
| Recruitment | 7,670 | | 1,567 | |
| | | 771,893 | | 859,800 |
| <i>Care and Education costs</i> | | | | |
| Food and Milk | 38,772 | | 35,426 | |
| Curriculum | 5,984 | | 6,764 | |
| Nappies | 2,575 | | - | |
| Books | | | 45 | |
| Toys and Learning Materials | 17,350 | | 17,974 | |
| Travel and Outings | 5,584 | | 3,349 | |
| | | 70,266 | | 63,558 |
| <i>Office costs</i> | | | | |
| Subscriptions | 4,349 | | 3,856 | |
| Telephone | 11,556 | | 9,787 | |
| Postage and stationery | 1,079 | | 1,881 | |
| Office equipment & software | 29,309 | | 20,232 | |
| Water | 404 | | 404 | |
| Web Design | - | | - | |
| Bank charges | 9,391 | | 5,139 | |
| Insurance | 546 | | 539 | |
| General expenses | - | | - | |
| | | 56,635 | | 41,838 |
| <i>Professional fees</i> | | | | |
| Legal fees | 4,247 | | 922 | |
| Consulting | 975 | | | |
| | | 5,222 | | |
| <i>Premises costs</i> | | | | |
| n costs | | | 672 | |
| Repairs, renewals and maintenance | 24,902 | | 10,401 | |
| Cleaning | 28,491 | | 25,366 | |
| Heat and light | 16,373 | | 11,559 | |
| Water | 2,045 | | 1,542 | |
| | | 71,811 | | 49,541 |
| Fundraising | | 44 | | 143 |
| Depreciation | | 22,177 | | 27,519 |
| Restricted Project Costs | | 1,620 | | 0 |
| <i>Support costs</i> | | | | |
| Management accounts | 2,370 | | 4,438 | |
| Staff admin costs | 2,075 | | 2,995 | |
| | | 4,445 | | 7,433 |
| <i>Governance costs</i> | | | | |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

| | | |
|-------------------------|-------------------------------|-------------------------------|
| Audit Fee | 9,600 | - |
| Independent Examination | 959 | 2,160 |
| | <hr/> 10,559 | <hr/> 2,160 |
| | <hr/> <u>1,014,672</u> | <hr/> <u>1,052,915</u> |

HIGHBURY COMMUNITY NURSERY

England & Wales - Charity number 1020319

Accounts

CHARITY NUMBER: 1020319

COMPANY NUMBER: 2324172

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2022

For

HIGBURY COMMUNITY NURSERY

(a company limited by guarantee not having share capital and a registered charity)

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

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HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE DETAILS

PRINCIPAL OFFICE 15 Aubert Park
London
N5 1TL

CHARITY NUMBER 1020319

COMPANY NUMBER 2324172

The following Committee Members served during the year unless otherwise indicated:

MANAGEMENT COMMITTEE MEMBERS (TRUSTEES AND DIRECTORS)

| | | |
|--------------------------|------------------------|---|
| Geir Freysson | (Chair person) | |
| Committee Members | | |
| Julian Triverio | (Treasurer) | |
| Adam Painter | (Treasurer) | - resigned November 2021 |
| Aisling Morman | (Company Secretary) | - resigned November 2021 |
| Tameka Small | (Company Secretary) | - appointed November 2021 |
| Raquel Drummond | (Premises) | - resigned November 2021 |
| Samantha Cheong | (Premises) | - appointed November 2021, resigned February 2022 |
| Victoria Cowell | (Parent Participation) | - resigned November 2021 |
| Fiona Shaw | (Parent Participation) | |
| Khush Sinha | (Fundraising) | |
| Janina Ketterer | (Garden Maintenance) | |
| Maxine Clay | (Educational Advisor) | |

After the year end the following directors resigned:

| | |
|-----------------|---------------|
| Maxine Clay | April 2022 |
| Julian Triverio | November 2022 |
| Janina Ketterer | November 2022 |

After the year end the following directors were appointed:

| | |
|-------------------------------------|---------------|
| Edouard Carakehian (Treasurer) | November 2022 |
| Alison Slatter (Garden Maintenance) | November 2022 |
| Katie Bloor (Sustainability) | November 2022 |
| Will Lockhart (Minute taker) | November 2022 |
| Shahar Avin (Vice chair) | November 2022 |

Management Committee members are directors of the company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011.

KEY MANAGEMENT

| | |
|------------------|----------------------------|
| Ann Reid | Nursery Manager |
| Noelle O'Boyce | Financial Manager |
| Catherine Antink | Family Liaison Coordinator |
| Joanne English | Nurse Administrator |

INDEPENDENT EXAMINER Francis Corbishley
Moore Northern Home Counties Limited,
First Floor,
73-75 High Street,
Stevenage

BANKERS CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
Kent ME19 4JQ

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

STATUS AND GOVERNING DOCUMENT

Highbury Community Nursery is a registered charity (number 1020319) and a company limited by guarantee without share capital (company number 2324172).

The Nursery is governed by its memorandum and articles of association dated 1 December 1988 amended by special resolution passed 22 December 1992.

OBJECT OF THE CHARITY/PUBLIC BENEFIT

The object of Highbury Community Nursery is:

- 1) To advance the education of children aged under five years in the London Borough of Islington by the provision of safe and satisfying group play.
- 2) To provide facilities in the interests of social welfare for the recreation and leisure time occupation with the object of improving the conditions of life for the said children.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing its aim and objectives and in planning of future activities.

ORGANISATION

Management of Highbury Community Nursery is the responsibility of the Trustees, who are the directors to General Meeting. The Management Committee meets at least six times a year.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

Children

We have welcomed many new families into the nursery this year and the children are settling in and enjoying all the nursery experiences. The children have participated in many fun learning opportunities and outings following their interests including the postal museum, Horniman museum, the art gallery at the British museum as well as whole nursery trips at Whipsnade and picnic in the park attended by many parents. The school leavers enjoyed their graduation and a return to the restaurant. The older children continue to participate in sports school and yoga sessions, wellbeing sessions 'peaceful kids' have been introduced to sunshine unit with great success. The children have enjoyed some art sessions with Elodie learning about the artists and replicating their work such as the great wave by Hokusai. The phase 1 and 2 phonics sessions carried out by Katie Early years teacher with our older children continue to be successful in progressing children from their starting points through fun activities. The children have enjoyed opportunities to engage in French, Spanish and Greek sessions carried out through fun songs and games.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The children have also had some rich experiences learning about other cultures and traditions through celebrating festivals from around the world such as Rosh Hashanah, Diwali and Holi, Chinese New Year and Thanksgiving which were enjoyed by all. Sam (Louie's dad) has shared his enjoyment of music with us through Ukulele sessions which have been thoroughly enjoyed and we look forward this continuing! And in line with a developing puppy theme in Sunshine room the children enjoyed a trip to the park to walk Ruby the dog with 'Biggie' Elijah's gran.

Staff/students/training

This year we have welcomed some new staff to our nursery team who are sharing their skills with the children. We have said goodbye to some staff who have moved on to pastures new and we wish them success in their new ventures. This year the staff have completed various online training courses including, safeguarding, First Aid, and communication and language in response to new research regarding 'lockdown babies'.

Various internal staff workshops have taken place enhancing valuable skills and updating our new staff with the nursery ethos and policies.

Achievements

We have successfully implemented a change to our base rooms with the amalgamation of the baby and toddler rooms to create our new Rainbow unit and a slight change of age to the older room creating our new sunshine unit. This has enabled us to offer places more flexibly following a change in pattern in the uptake of places that we noticed following Covid. It has also reduced the transitions for the children making the flow between the rooms smoother. The children have adapted very well and are enjoying the extended environment.

We passed our food and Hygiene inspection retaining our 5 stars

We passed our Islington categorisation inspection receiving a green rating (on the traffic light system), with two training updates as recommendations.

The family services; in person baby massage and sign and learn sessions and workshops have reinstated with a high take up and we have reintroduced stay and play on a monthly basis. We made some adjustments to the garden during the summer closure

Fundraising

Our two raffle events throughout the year have raised valuable funds towards our spark bags to support the children's learning journey's.

Parent/carer participation

We would also like to thank some parents for supporting us with tasks throughout the year, Vincent (Marcel's dad) for his DIY skills, Naomi (Nina's mum) and Nigel (Isobel and Jess's dad) for recycling runs.

We would also like to thank Geir and the committee who have provided us with support throughout the year.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

The principal financial objective for the year continues to be to provide a consistent and high standard of care for the children at our nursery at a reasonable cost, maintaining prudent reserves and managing resources to benefit our community.

With Covid-19 receding in 2021/22, the nursery's income bounced back but has not fully recovered to pre-Covid level. On the other hand, total expended resources have modestly increased compared to prior year which generates a deficit on the nursery's income statement (albeit reduced compared to 2020/21). The nursery has sufficient reserves to cover the losses but has deferred its planned building development works.

In 2021/22 the nursery had not fully recovered from Covid-19 as its outgoing resources exceeded incoming resources, generating a deficit of £154,630 (2020/21; deficit of £221,865).

Total expended resources rose by +4% compared to the prior year at £1,052,915 (2020/21; £1,012,078).

Staff costs make up the majority of the nursery's expenses. The nursery continues to pay the London Living wage to all qualified staff, as well as running a pension plan. The nursery maintained the required levels of staffing through the year. Overall staff costs modestly rose by +1% compared to the prior year to reach £841,494 (2020/21: £837,230).

Total incoming resources (excluding bank interest received) increased by 14% compared to last year (2020/21 decreased by 26%). As explained above Covid-19 continues to affect the Nursery's income. Fee increases are determined by Islington Council each year. The mix of children attending the nursery also affects how the income varies.

The nursery continues to benefit from Islington Council's support through grants of £166,963 in the year (2020/21; £225,728).

The depreciation policy of capitalised building works is considered to be prudent and is held in a designated fund 2021/22; £253,931 (2020/21; £268,887).

RESERVES POLICY

In line with the Charities' Commission's recommendations for nurseries, the nursery maintained £619,838 of free reserves as at 31 March 2022. This amount exceeds *nine* months' average operating expenses.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE CHARITY

The board meet 11 times a year and regularly accesses risk. It maintains a Risk Register covering financial, health and safety, resourcing, and legal risks.

DECISION MAKING

The nursery management and committee regularly solicit and review suggestions from parents and staff for projects with a beneficial and lasting impact on the nursery which are discussed in the regular trustee meetings.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

FUNDRAISING

The Nursery and its Management Committee are very pleased with fundraising efforts during the year. These were completed by Management and Development Committee members and were thus at no cost to the Nursery.

INVESTMENT POLICY

Investments are held in accordance with the Trustees' powers, which enable them to invest monies not required immediately for Highbury Community Nursery charitable objectives, as may be thought fit subject to any conditions required by law. The Trustees' investment policy is to select investments on a prudent and cautious basis, as these funds are required for the working capital for running the nursery.

The nursery benefits, as do individual and small companies, from the government's guarantee protection scheme of up to £85,000 per bank. The nursery currently holds a significant amount with one single bank and will review the benefits of diversifying its investment holdings to a number of banks in light of operational efficiency.

TRUSTEES' APPOINTMENT

Trustees are elected on an annual basis at the AGM. Trustees are select based on the relevant experience they have for the task they are appointed for. With the exception of the trustee who provides specialist educational and curriculum experience all trustees are parents of children attending the nursery.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2022

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our Independent Examiner

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the Independent Examiner in connection with preparing the report, of which the Independent Examiner is unaware, and

- the trustees, having made enquiries of fellow directors have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information

APPROVAL

This report was approved by the Trustees on 23 January 2023 and by order of the Trustees, signed on their behalf, by:



Geir Freysson
Chair



Edouard Carakehian
Treasurer

**HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF HIGHBURY COMMUNITY NURSERY
YEAR ENDED 31 MARCH 2022**

I report to the trustees on my examination of the financial statements of Highbury Community Nursery (the charity) for the year ended 31 March 2022.

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 (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

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.



Francis Corbishley
Independent Examiner
Moore Northern Home Counties Limited
First Floor
73-75 High Street
Stevenage
Hertfordshire
SG1 3HR

Dated: 23 January 2023

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022

| | Notes | 2022 Unrestricted Funds £ | 2022 Restricted Funds £ | 2022 Total £ | 2021 Total £ |
|---|-------|------------------------------------|----------------------------------|--------------------|--------------------|
| INCOME | | | | | |
| Donations | 3 | 940 | - | 940 | 673 |
| Charitable activities | | | | | |
| <i>Grants received</i> | 4 | 114,640 | 54,823 | 169,463 | 264,700 |
| <i>Fees charged</i> | | 727,602 | - | 727,602 | 525,484 |
| Investment income | | 280 | - | 280 | (644) |
| TOTAL INCOME | | <u>843,462</u> | <u>54,823</u> | <u>898,285</u> | <u>790,213</u> |
| EXPENDITURE | | | | | |
| Cost of raising funds | 6 | 143 | - | 143 | - |
| Cost of charitable activities | | 997,949 | 54,823 | 1,052,772 | 1,012,078 |
| TOTAL EXPENDITURE | | <u>998,092</u> | <u>54,823</u> | <u>1,052,915</u> | <u>1,012,078</u> |
| NET INCOME/(EXPENDITURE) | | (154,630) | - | (154,630) | (221,865) |
| RECONCILIATION OF FUNDS | | | | | |
| Funds bought forward at 1 April 2021 | | 774,468 | 1,318 | 775,786 | 997,651 |
| TOTAL FUNDS BALANCE CARRIED FORWARD AT 31 MARCH 2022 | | <u>619,838</u> | <u>1,318</u> | <u>621,156</u> | <u>775,786</u> |

There were no recognised gains or losses for 2022 or 2021 other than those included in the Statement of Financial Activities. All income and expenditure derive from continuing activities.

The notes on pages 10 to 18 form part of these financial statements.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

Company Number: 02324172

BALANCE SHEET
31 MARCH 2022

| | Notes | £ | 2022 £ | £ | 2021 £ |
|---|-------|----------------|----------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 253,931 | | 268,887 |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 14,064 | | 22,319 | |
| Cash at bank and in hand | | 450,601 | | 598,978 | |
| | | <u>464,665</u> | | <u>621,297</u> | |
| CREDITORS: amounts falling due within one year | 10 | <u>97,440</u> | | <u>114,398</u> | |
| NET CURRENT ASSETS | | | <u>367,225</u> | | <u>506,899</u> |
| NET ASSETS | | | <u>621,156</u> | | <u>775,786</u> |
| FUNDS | | | | | |
| General Fund | | | 365,907 | | 505,581 |
| Designated Fund | 12 | | 253,931 | | 268,887 |
| Restricted Funds | 11 | | 1,318 | | 1,318 |
| TOTAL FUNDS | 12 | | <u>621,156</u> | | <u>775,786</u> |

For the year ending 31 March 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

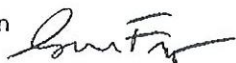
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

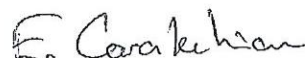
These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies regime and in accordance with FRS 102 SORP

Approved by the Trustees on 23 January 2023 and signed on their behalf:

Geir Freysson
Chair



Edouard Carakehian
Treasurer



The notes on pages 10 to 18 form part of these financial statements.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Highbury Community Nursery meets the definition of a public interest entity under FRS102.

The financial statements have been prepared in sterling which is the functional currency of the charity.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

In the opinion of the trustees the charity remains a going concern. Whilst the effect of the Coronavirus and lockdown had a significant impact on the charity's income it has returned to pre-pandemic levels. This combined with healthy general fund reserves gives the trustees confidence about the charity's future and accordingly the financial statements have been prepared on a going concern basis.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until the criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

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

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are grants and donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise materials for fund raising events.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities.

i) Operating leases

The charity had one operating leases in the year which was in respect of its photocopier

j) Tangible fixed assets

Individual fixed assets costing are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

Asset Category

The rates used during the year were as follows:

| | |
|-----------------------|---|
| Office equipment | - 25% straight line |
| Building improvements | - lower of the estimated useful life and the remaining term of the lease, and no longer than 20 years |

The lease on 15 Aubert Park runs to 2038.

k) Debtors

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

l) Cash at bank and in hand

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

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

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

o) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the plant and equipment and note 1.j for the useful economic lives for each class of assets.

Contributions in kind

The value of the contributions in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

p) Employee benefits

- **Short term benefits**
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination benefits**
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital.

3. GRANTS, DONATIONS AND SIMILAR INCOMING RESOURCES

| | Unrestricted Fund 2022 £ | Restricted Fund 2022 £ | Total 2022 £ | Total 2021 £ |
|--------------------------------|-----------------------------------|---------------------------------|--------------------|--------------------|
| Income from fundraising events | 940 | - | 940 | 523 |
| Donations | - | - | - | 150 |
| | <u>940</u> | <u>-</u> | <u>940</u> | <u>673</u> |

In 2021 all income from fundraising was attributed to the general fund

4. GRANTS RECEIVED IN RESPECT OF CHARITABLE ACTIVITIES

| | Unrestricted Fund 2022 £ | Restricted Fund 2022 £ | Total 2022 £ | Total 2021 £ |
|---|--------------------------------|---------------------------------|--------------------|--------------------|
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 31,434 | 31,434 | 35,252 |
| <i>Nursery Education Grant over 3's</i> | 112,140 | - | 112,140 | 132,990 |
| <i>Rebate Grant</i> | - | 4,383 | 4,383 | 12,597 |
| <i>Two year old grants</i> | - | 11,608 | 11,608 | 26,469 |
| <i>Other LBI Grants</i> | - | 7,398 | 7,398 | 18,420 |
| University of Greenwich | 2,500 | - | 2,500 | - |
| Coronavirus Job Retention Scheme | - | - | - | 38,972 |
| | <u>114,640</u> | <u>54,823</u> | <u>169,463</u> | <u>264,700</u> |

In 2021 £171,962 of grant income was attributed to the general fund and £92,738 to the restricted fund.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

5. WAGES AND SALARIES

| | 2022 | 2021 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Employee costs were as follows: | | |
| Salaries | 761,135 | 763,486 |
| Employers National Insurance | 15,650 | 15,217 |
| Employers Pension Contribution | <u>64,709</u> | <u>58,527</u> |
| | <u>841,494</u> | <u>837,230</u> |

The average number of employees during the year was 35 (2021: 35).

There were no employees with emoluments above £60,000 (2021: nil)

The key management personnel comprise the trustees, the nursery manager, the financial manager, the family liaison co-ordinator and the nursery administrator. The total employee benefits of the key management personnel of the charity were £151,483 (2021: £146,451).

The charity trustees were not paid, did not received any other benefits from employment nor payment of expenses from the charity in the year (2021: £nil).

6. ANALYSIS OF EXPENDITURE

| | 2022 | 2022 | 2022 | 2021 |
|--|-----------------------|-------------------------------|------------------|------------------|
| | £ | £ | £ | £ |
| | Cost of Funds raising | Cost of Charitable activities | Total | Total |
| Staff costs including, recruitment, training & welfare | - | 859,800 | 859,800 | 841,402 |
| Care and Education costs | - | 63,559 | 63,559 | 37,805 |
| Office costs | - | 41,838 | 41,838 | 44,550 |
| Professional fees | - | 922 | 922 | 316 |
| Premises costs | - | 49,541 | 49,541 | 48,997 |
| Fundraising | 143 | - | 143 | - |
| Restricted Project Costs | - | - | - | 712 |
| Depreciation | - | 27,519 | 27,519 | 28,701 |
| Support costs | - | 7,433 | 7,433 | 7,435 |
| Governance costs | - | 2,160 | 2,160 | 2,160 |
| | <u>143</u> | <u>1,052,772</u> | <u>1,052,915</u> | <u>1,012,078</u> |

* Buildings Insurance is paid by the London Borough of Islington and deducted from grant income.

Further detail in respect of the expenditure for the year is at Note 16.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

| | Support Costs | Governance costs | 2022 Total | 2021 Total |
|---------------------------------|---------------|------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Independent Examination | | 2,160 | 2,160 | 2,160 |
| Payroll and accounting services | 7,433 | - | 7,433 | 7,435 |
| | <u>7,433</u> | <u>2,160</u> | <u>9,593</u> | <u>9,595</u> |

8. TANGIBLE FIXED ASSETS

| | Building Development Works & Soft Play Area | Furniture & Equipment | Total |
|--|--|-----------------------------|------------------|
| | £ | £ | £ |
| COST | | | |
| At 1 April 2021 | 923,107 | 89,815 | 1,012,922 |
| Additions in period | 8,108 | 4,455 | 12,563 |
| At 31 March 2022 | <u>931,215</u> | <u>94,270</u> | <u>1,025,485</u> |
| DEPRECIATION | | | |
| At 1 April 2021 | 672,996 | 71,039 | 744,035 |
| Provision in period | 16,138 | 11,381 | 27,519 |
| At 31 March 2022 | <u>689,134</u> | <u>82,420</u> | <u>771,554</u> |
| Net book value at 31 March 2022 | <u>242,081</u> | <u>11,850</u> | <u>253,931</u> |
| Net book value at 31 March 2021 | <u>250,111</u> | <u>18,776</u> | <u>268,887</u> |

9. DEBTORS

| | 2022 | 2021 |
|--------------|---------------|---------------|
| | £ | £ |
| Prepayments | 2,641 | 2,862 |
| Nursery fees | 11,035 | 19,078 |
| Other | 388 | 379 |
| | <u>14,064</u> | <u>22,319</u> |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 |
|----------------------|--------|---------|
| | £ | £ |
| Social Security | 10,416 | 15,276 |
| Trade creditors | 2,257 | - |
| Other creditors | 555 | 5,552 |
| Fees paid in advance | 7,629 | 4,043 |
| Parents' deposits | 68,068 | 68,597 |
| Accruals | 8,515 | 20,930 |
| | 97,440 | 114,398 |

11. RESTRICTED FUNDS

| | Balance at | Movement of Funds | | Balance at |
|-----------------------------|-----------------|----------------------|-------------------|------------------|
| | 1 April 2021 | Resources Arising | Resources Used | 31 March 2022 |
| | £ | £ | £ | £ |
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 31,434 | 31,434 | - |
| <i>Rebate Grant</i> | - | 4,383 | 4,383 | - |
| <i>Two year old grants</i> | - | 11,608 | 11,608 | - |
| <i>Other LBI Grants</i> | 1,318 | 7,397 | 7,397 | 1,318 |
| Total | 1,318 | 54,823 | (54,823) | 1,318 |

| | Balance at | Movement of Funds | | Balance at |
|-----------------------------|-----------------|----------------------|-------------------|------------------|
| | 1 April 2020 | Resources Arising | Resources Used | 31 March 2021 |
| | £ | £ | £ | £ |
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 35,252 | (35,252) | - |
| <i>Rebate Grant</i> | - | 12,597 | (12,597) | - |
| <i>Two year old grants</i> | - | 26,469 | (26,469) | - |
| <i>Other LBI Grants</i> | 611 | 18,420 | (17,713) | 1,318 |
| Total | 611 | 92,738 | (92,031) | 1,318 |

| Name of restricted fund | Description, nature and purposes of the fund |
|-----------------------------|---|
| London Borough of Islington | |
| <i>Main Grant</i> | - Finance received for all subsidised children in the setting, providing for their care and education |
| <i>Rebate Grant</i> | - Reimbursements received for siblings and disabled children and all balance of grant from one term to the next |
| <i>Two year old Grant</i> | - Finance received to subsidise two-year-old children specifically |
| <i>Other LBI Grants</i> | - Graduate leader fund and training fund |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets 2022 £ | Net current Assets 2022 £ | Total 2022 £ | Total 2021 £ |
|---------------------------|---------------------------------------|------------------------------------|--------------------|--------------------|
| Unrestricted Funds | - | 365,907 | 365,907 | 505,581 |
| Designated Funds | 253,931 | - | 253,931 | 268,887 |
| Restricted Funds | - | 1,318 | 1,318 | 1,318 |
| Total | <u>253,931</u> | <u>367,225</u> | <u>621,156</u> | <u>775,786</u> |

A transfer of £14,956 (2021: £17,202) was made from designated funds to unrestricted fund. Tangible fixed assets are held in a designated fund, this enables the charity to give a fair view of its free reserves/general funds.

13. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14. RELATED PARTY TRANSACTIONS

The trustees did not receive remuneration in the year.

Trustees must be parents of the Nursery under the constitution. As parents the trustees paid fees in respect of their children. These fees are calculated in the same way as for other parents. No amounts were written off in respect of these fees due to non-payment or for any other reason.

15. COMMITMENTS

At 31 March 2022 the company had commitments under non-cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|--------------------------|---------------|---------------|
| Operating leases: | | |
| Within one year | 10,373 | 11,540 |
| Within two to five years | <u>5,565</u> | <u>15,939</u> |
| | <u>15,938</u> | <u>27,479</u> |

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

16. DETAILED EXPENDITURE IN YEAR

| | 2022 | | 2021 | |
|---|---------|------------------|---------|------------------|
| | £ | £ | £ | £ |
| <i>Staff costs including training & welfare</i> | | | | |
| Salary costs | 825,844 | | 822,013 | |
| Staff pension | 15,650 | | 15,217 | |
| Staff Training & welfare | 16,739 | | 4,030 | |
| Recruitment | 1,567 | | 142 | |
| | | 859,800 | | 841,402 |
| <i>Care and Education costs</i> | | | | |
| Food and Milk | 35,426 | | 27,234 | |
| Curriculum & books | 6,809 | | 1,577 | |
| Toys and Learning Materials | 17,974 | | 8,834 | |
| Travel and Outings | 3,350 | | 160 | |
| | | 63,559 | | 37,805 |
| <i>Office costs</i> | | | | |
| Subscriptions | 3,856 | | 2,569 | |
| Telephone | 9,787 | | 12,298 | |
| Postage and stationery | 1,881 | | 1,481 | |
| Office equipment & software | 20,232 | | 23,673 | |
| Bank charges | 5,139 | | 3,426 | |
| Insurance | 539 | | 510 | |
| General expenses | 404 | | 593 | |
| | | 41,838 | | 44,550 |
| <i>Professional fees</i> | | | | |
| Legal fees | | 922 | | 316 |
| <i>Premises costs</i> | | | | |
| Covid costs | 672 | | 3,757 | |
| Repairs, renewals and maintenance | 10,401 | | 8,690 | |
| Cleaning | 25,366 | | 25,938 | |
| Heat and light | 11,560 | | 8,075 | |
| Water | 1,542 | | 2,537 | |
| | | 49,541 | | 48,997 |
| Fundraising | | 143 | | - |
| Depreciation | | 27,519 | | 28,701 |
| Restricted Project Costs | | - | | 712 |
| <i>Support costs</i> | | | | |
| Management accounts | 4,438 | | 4,445 | |
| Staff admin costs | 2,995 | | 2,990 | |
| | | 7,433 | | 7,435 |
| <i>Governance costs</i> | | | | |
| Independent Examination | | 2,160 | | 2,160 |
| | | <u>1,052,915</u> | | <u>1,012,078</u> |

HIGHBURY COMMUNITY NURSERY

England & Wales - Charity number 1020319

Accounts

CHARITY NUMBER: 1020319

COMPANY NUMBER: 2324172

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2021

For

HIGHBURY COMMUNITY NURSERY

(a company limited by guarantee not having share capital and a registered charity)

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

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HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE DETAILS

PRINCIPAL OFFICE 15 Aubert Park
London
N5 1TL

CHARITY NUMBER 1020319

COMPANY NUMBER 2324172

The following Committee Members served during the year unless otherwise indicated:

MANAGEMENT COMMITTEE MEMBERS (TRUSTEES AND DIRECTORS)

| | | |
|--------------------------|------------------------|---------------------------|
| Geir Freysson | (Chair person) | |
| Nadja Alim | (Vice chair) | - resigned November 2020 |
| Committee Members | | |
| Martino Piemontese | (Treasurer) | - resigned November 2020 |
| Adam Painter | (Treasurer) | - appointed March 2021 |
| Aisling Morman | (Company Secretary) | |
| Raquel Drummond | (Premises Director) | |
| Victoria Cowell | (Parent Participation) | |
| Fiona Shaw | (Parent Participation) | - appointed November 2020 |
| Janice O'Neil | (Fundraising) | - resigned November 2020 |
| Katarzyna Foye | (Fundraising) | - resigned November 2020 |
| Khush Sinha | (Fundraising) | - appointed November 2020 |
| Veronika Ilinskaya | (Garden Maintenance) | - resigned November 2020 |
| Janina Ketterer | (Garden Maintenance) | - appointed November 2020 |
| Maxine Clay | (Educational Advisor) | |

After the year end the following directors resigned:

| | |
|-----------------|------------------------|
| Victoria Cowell | resigned November 2021 |
| Adam Painter | resigned November 2021 |
| Aisling Morman | resigned November 2021 |
| Raquel Drummond | resigned November 2021 |

After the year end the following directors were appointed:

| | | |
|-----------------|---------------------|-------------------------|
| Julian Triverio | (Treasurer) | appointed November 2021 |
| Tameka Small | (Company secretary) | appointed November 2021 |
| Samantha Cheong | (Premises) | appointed November 2021 |

Management Committee members are directors of the company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011.

KEY MANAGEMENT

| | |
|------------------|----------------------------|
| Ann Reid | Nursery Manager |
| Noelle O'Boyce | Financial Manager |
| Catherine Antink | Family Liaison Coordinator |
| Joanne English | Nursery Administrator |

INDEPENDENT EXAMINER Francis Corbishley
Moore Northern Home Counties Limited,
First Floor,
73-75 High Street,
Stevenage

BANKERS CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
Kent ME19 4JQ

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2021

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

STATUS AND GOVERNING DOCUMENT

Highbury Community Nursery is a registered charity (number 1020319) and a company limited by guarantee without share capital (company number 2324172).

The Nursery is governed by its memorandum and articles of association dated 1 December 1988 amended by special resolution passed 22 December 1992.

OBJECT OF THE CHARITY/PUBLIC BENEFIT

The object of Highbury Community Nursery is:

- 1) To advance the education of children aged under five years in the London Borough of Islington by the provision of safe and satisfying group play.
- 2) To provide facilities in the interests of social welfare for the recreation and leisure time occupation with the object of improving the conditions of life for the said children.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing its aim and objectives and in planning of future activities.

ORGANISATION

Management of Highbury Community Nursery is the responsibility of the Trustees, who are the directors to General Meeting. The Management Committee meets at least six times a year.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

Children

This year has been a somewhat different year due to the global pandemic, which has affected both income and attendance.

We had to restrict our usual exciting adventures this year but hope to return to activities and outings as soon as we are allowed. We did manage to have sports sessions from September as they were outdoors, which the children really enjoyed. We also had a graduation take away for the children going to school.

Staff/students/training

This year we have said goodbye to a few wonderful staff, we wish them all the very best for the future, we have also welcomed some new vibrant and creative staff who are bringing new activities and sunshine to the nursery.

The staff have attended lots of fabulous training especially over the reduced staff time from March to June, staff managed to complete many sessions as well as updating their knowledge in various areas of

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2021

early years including safeguarding and planning in the moment training. Staff are continuing to further educate themselves completing educational programmes as well as qualifications. Congratulations to the staff who successfully completed their courses. We will continue to have INSET days which provide both teams building and excellent training.

Achievements

We managed to get through the peak of Covid, staying open to keyworkers and eventually reopening our doors to everyone, we did furlough some staff but continued to pay the majority of the staff throughout Covid.

We continue to use ITERS/ECERS and to ensure we monitor our environment. This continues to influence positive changes on daily practice.

FINANCIAL REVIEW

The principal financial objective for the year continues to be to provide a consistent and high standard of care for the children at our nursery at a reasonable cost, maintaining prudent reserves and managing resources to benefit our community.

Covid-19 significantly affected the nursery's income in the year. The nursery was only open to families of keyworkers, therefore the income for April 2020 and May 2020 was significantly lower, with income of c£10,000 per month compared to a normal level of c.£60,000 per month. During this period the nursery claimed some of the wages costs via the Coronavirus Job Retention (furlough) scheme and funding of £12,000 was received from the London Borough of Islington to cover income losses. There were cost savings in respect of reduced food and milk costs and resources orders due to the lower number of children in attendance. Once restrictions were lifted the nursery was able to offer more places. However, it took until September 2020 for income to return to pre-covid levels but remained affected due to bubble closures. The nursery has sufficient reserves to cover the losses but has deferred its planned building development works.

As a consequence of Covid-19 in 2020/21 the nursery's outgoing resources exceeded incoming resources, generating a deficit of £221,865 (2019/20; £11,234).

Total expended resources were similar to the prior year at £1,012,078 (2019/20; £1,011,940).

Staff costs make up the majority of the nursery's expenses. The nursery continues to pay the London Living wage to all qualified staff, as well as running a pension plan. The nursery maintained the required levels of staffing through the year. Staff costs rose by 6% compared to the prior year (2019/20: 20%).

Total incoming resources (excluding bank interest received) decreased by 26% compared to last year (2019/20 increased by 9%). As explained above Covid-19 significantly affected the Nursery's income. Fee increases are determined by Islington Council each year. The mix of children attending the nursery also affects how the income varies.

The nursery continues to benefit from Islington Council's support through grants of £225,728 in the year (2019/20; £210,454).

The depreciation policy of capitalised building works is considered to be prudent and is held in a designated fund 2020/21; £268,887, (2019/20; £286,088).

RESERVES POLICY

In line with the Charities' Commission's recommendations for nurseries, the nursery maintained £774,468 of free reserves as at 31 March 2021. This amount exceeds nine months' average operating expenses.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2021

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE CHARITY

The board meet 11 times a year and regularly accesses risk. It maintains a Risk Register covering financial, health and safety, resourcing, and legal risks.

DECISION MAKING

The nursery management and committee regularly solicit and review suggestions from parents and staff for projects with a beneficial and lasting impact on the nursery which are discussed in the regular trustee meetings.

FUNDRAISING

The Nursery and its Management Committee are very pleased with fundraising efforts during the year. These were completed by Management and Development Committee members and were thus at no cost to the Nursery.

INVESTMENT POLICY

Investments are held in accordance with the Trustees' powers, which enable them to invest monies not required immediately for Highbury Community Nursery charitable objectives, as may be thought fit subject to any conditions required by law. The Trustees' investment policy is to select investments on a prudent and cautious basis, as these funds are required for the working capital for running the nursery.

The nursery benefits, as do individual and small companies, from the government's guarantee protection scheme of up to £85,000 per bank. The nursery currently holds a significant amount with one single bank and will review the benefits of diversifying its investment holdings to a number of banks in light of operational efficiency.

TRUSTEES' APPOINTMENT

Trustees are elected on an annual basis at the AGM. Trustees are select based on the relevant experience they have for the task they are appointed for. With the exception of the trustee who provides specialist educational and curriculum experience all trustees are parents of children attending the nursery.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
YEAR ENDED 31 MARCH 2021

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our Independent Examiner

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the Independent Examiner in connection with preparing the report, of which the Independent Examiner is unaware, and
- the trustees, having made enquiries of fellow directors have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information

APPROVAL

This report was approved by the Trustees on 31 January 2021 and by order of the Trustees, signed on their behalf, by:



Geir Freysson (Feb 1, 2022, 4:12pm)
Chair



Julian Triverio (Feb 1, 2022, 4:37pm)
Treasurer

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF HIGHBURY COMMUNITY NURSERY
YEAR ENDED 31 MARCH 2021

I report to the trustees on my examination of the financial statements of Highbury Community Nursery (the charity) for the year ended 31 March 2021.

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 (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

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.

F J Corbishley

Francis Corbishley (Feb 1, 2022, 4:40pm)

Independent Examiner

Moore Northern Home Counties Limited

First Floor

73-75 High Street

Stevenage

Hertfordshire

SG1 3HR

Dated: 01 Feb 2022

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITY
YEAR ENDED 31 MARCH 2021

| | Notes | 2021 Unrestricted Funds £ | 2021 Restricted Funds £ | 2021 Total £ | 2020 Total £ |
|---|-------|------------------------------------|----------------------------------|--------------------|--------------------|
| INCOME | | | | | |
| Donations | 3 | 673 | - | 673 | 1,424 |
| Charitable activities | | | | | |
| <i>Grants received</i> | 4 | 171,962 | 92,738 | 264,700 | 213,254 |
| <i>Fees charged</i> | | 525,484 | - | 525,484 | 782,103 |
| Investment income | | (644) | - | (644) | 3,925 |
| TOTAL INCOME | | <u>697,475</u> | <u>92,738</u> | <u>790,213</u> | <u>1,000,706</u> |
| EXPENDITURE | | | | | |
| Cost of charitable activities | 6 | 920,047 | 92,031 | 1,012,078 | 1,011,940 |
| TOTAL EXPENDITURE | | <u>920,047</u> | <u>92,031</u> | <u>1,012,078</u> | <u>1,011,940</u> |
| NET INCOME/(EXPENDITURE) | | (222,572) | 707 | (221,865) | (11,234) |
| RECONCILIATION OF FUNDS | | | | | |
| Funds brought forward at 1 April 2020 | | 997,040 | 611 | 997,651 | 1,008,885 |
| TOTAL FUNDS BALANCE CARRIED FORWARD AT 31 MARCH 2021 | | <u>774,468</u> | <u>1,318</u> | <u>775,786</u> | <u>997,651</u> |

There were no recognised gains or losses for 2021 or 2020 other than those included in the Statement of Financial Activities. All income and expenditure derive from continuing activities.

The notes on pages 9 to 17 form part of these financial statements.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)

Company Number: 02324172

BALANCE SHEET
31 MARCH 2021

| | Notes | £ | 2021 £ | £ | 2020 £ |
|---|-------|----------------|----------------|---------|-----------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 268,887 | | 286,088 |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | 22,319 | | 17,785 | |
| Cash at bank and in hand | | 598,978 | | 801,811 | |
| | | 621,297 | | 819,596 | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 10 | 114,398 | | 108,033 | |
| NET CURRENT ASSETS | | | 506,899 | | 711,563 |
| NET ASSETS | | | 775,786 | | 997,651 |
| FUNDS | | | | | |
| General Fund | | | 505,581 | | 710,952 |
| Designated Fund | 12 | | 268,887 | | 286,088 |
| Restricted Funds | 11 | | 1,318 | | 611 |
| TOTAL FUNDS | 12 | | 775,786 | | 997,651 |

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


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

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

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies regime and in accordance with FRS 102 SORP

Approved by the Trustees on 31 January 2022 and signed on their behalf:


 Geir Freysson (Feb 1, 2022, 4:12pm)
 Chair


 Julian Triverio (Feb 1, 2022, 4:37pm)
 Treasurer

The notes on pages 9 to 17 form part of these financial statements.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Highbury Community Nursery meets the definition of a public interest entity under FRS102.

The financial statements have been prepared in sterling which is the functional currency of the charity.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

In the opinion of the trustees the charity remains a going concern. Whilst the effect of the Coronavirus and lockdown had a significant impact on the charity's income it has returned to pre-pandemic levels. This combined with healthy general fund reserves gives the trustees confidence about the charity's future and accordingly the financial statements have been prepared on a going concern basis.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until the criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2021

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

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

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are grants and donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise materials for fund raising events.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities.

i) Operating leases

The charity had one operating leases in the year which was in respect of its photocopier

j) Tangible fixed assets

Individual fixed assets costing are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

HIGHBURY COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2021

Asset Category

The rates used during the year were as follows:

| | |
|-----------------------|---|
| Office equipment | - 25% straight line |
| Building improvements | - lower of the estimated useful life and the remaining term of the lease, and no longer than 20 years |

The lease on 15 Aubert Park runs to 2038.

k) Debtors

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

l) Cash at bank and in hand

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

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

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

o) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the plant and equipment and note 1.j for the useful economic lives for each class of assets.

Contributions in kind

The value of the contributions in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

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There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

p) Employee benefits

- **Short term benefits**
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination benefits**
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital.

3. GRANTS, DONATIONS AND SIMILAR INCOMING RESOURCES

| | Unrestricted Fund 2021 £ | Restricted Fund 2021 £ | Total 2021 £ | <i>Total 2020 £</i> |
|--------------------------------|-----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income from fundraising events | 523 | - | 523 | 564 |
| Donations | 150 | - | 150 | 860 |
| | <u>673</u> | <u>-</u> | <u>673</u> | <u>1,424</u> |

In 2020 all income from fundraising was attributed to the general fund

4. GRANTS RECEIVED IN RESPECT OF CHARITABLE ACTIVITIES

| | Unrestricted Fund 2021 £ | Restricted Fund 2021 £ | Total 2021 £ | <i>Total 2020 £</i> |
|---|--------------------------------|---------------------------------|-----------------------------|-----------------------------|
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 35,252 | 35,252 | 42,601 |
| <i>Nursery Education Grant over 3's</i> | 132,990 | - | 132,990 | 143,224 |
| <i>Rebate Grant</i> | - | 12,597 | 12,597 | 8,271 |
| <i>Two year old grants</i> | - | 26,469 | 26,469 | 3,240 |
| <i>Maternity Grant</i> | - | - | - | 9,803 |
| <i>Other LBI Grants</i> | - | 18,420 | 18,420 | 3,315 |
| London Metropolitan University | - | - | - | 2,800 |
| Coronavirus Job Retention Scheme | 38,972 | - | 38,972 | |
| | <u>171,962</u> | <u>92,738</u> | <u>264,700</u> | <u>213,254</u> |

In 2020 £146,024 of grant income was attributed to the general fund and £67,230 to the restricted fund.

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5. WAGES AND SALARIES

| | 2021 | 2020 |
|---------------------------------|-----------------------|----------------|
| | £ | £ |
| Employee costs were as follows: | | |
| Salaries | 763,486 | 720,366 |
| Employers National Insurance | 15,217 | 54,548 |
| Employers Pension Contribution | 58,527 | 13,541 |
| | <u>837,230</u> | <u>788,455</u> |

The average number of employees during the year was 35 (2020: 35).

There were no employees with emoluments above £60,000.

The key management personnel comprise the trustees, the nursery manager, the financial manager, the family liaison co-ordinator and the nursery administrator. The total employee benefits of the key management personnel of the charity were £146,451 (2020: £122,012).

The charity trustees were not paid, did not received any other benefits from employment nor payment of expenses from the charity in the year (2020: £nil).

6. ANALYSIS OF EXPENDITURE

| | 2021 | 2021 | 2021 | 2020 |
|---|-----------------------------|-------------------------------------|-------------------------|------------------|
| | £ | £ | £ | £ |
| | Cost of Funds raising | Cost of Charitable activities | Total | Total |
| Staff costs including, recruitment, training & welfare | - | 841,402 | 841,402 | 808,493 |
| Care and Education costs | - | 37,805 | 37,805 | 86,638 |
| Office costs | - | 44,550 | 44,550 | 45,418 |
| Professional fees | - | 316 | 316 | 1,849 |
| Premises costs | - | 48,997 | 48,997 | 24,969 |
| Restricted Project Costs | - | 712 | 712 | 2,704 |
| Depreciation | - | 28,701 | 28,701 | 27,229 |
| Support costs | - | 7,435 | 7,435 | 6,840 |
| Governance costs | - | 2,160 | 2,160 | 7,800 |
| | <u>-</u> | <u>1,012,078</u> | <u>1,012,078</u> | <u>1,011,940</u> |

* Buildings Insurance is paid by the London Borough of Islington and deducted from grant income.

Further detail in respect of the expenditure for the year is at Note 16.

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7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

| | Support Costs | Governance costs | 2021 Total | <i>2020 Total</i> |
|---------------------------------|---------------|------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| Auditors fees | - | - | - | 7,800 |
| Independent Examination | - | 2,160 | 2,160 | - |
| Payroll and accounting services | <u>7,435</u> | <u>-</u> | <u>7,435</u> | <u>6,840</u> |
| | <u>7,435</u> | <u>2,160</u> | <u>9,595</u> | <u>14,640</u> |

8. TANGIBLE FIXED ASSETS

| | Building Development Works & Soft Play Area | Furniture & Equipment | Total |
|--|--|--|-----------------------|
| | £ | £ | £ |
| COST | | | |
| At 1 April 2020 | 913,074 | 88,348 | 1,001,422 |
| Additions in period | 10,033 | 1,467 | 11,500 |
| | <u>923,107</u> | <u>89,815</u> | <u>1,012,922</u> |
| At 31 March 2021 | | | |
| DEPRECIATION | | | |
| At 1 April 2020 | 657,364 | 57,970 | 715,334 |
| Provision in period | 15,632 | 13,069 | 28,701 |
| | <u>672,996</u> | <u>71,039</u> | <u>744,035</u> |
| At 31 March 2021 | | | |
| Net book value at 31 March 2021 | <u>250,111</u> | <u>18,776</u> | <u>268,887</u> |
| Net book value at 31 March 2020 | <u>255,710</u> | <u>30,378</u> | <u>286,088</u> |

9. DEBTORS

| | 2021 | <i>2020</i> |
|--------------|----------------------|---------------|
| | £ | £ |
| Prepayments | 2,862 | 921 |
| Nursery fees | 19,078 | 16,227 |
| Other | <u>379</u> | <u>637</u> |
| | <u>22,319</u> | <u>17,785</u> |

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10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 | 2020 |
|----------------------|----------------|----------------|
| | £ | £ |
| Social Security | 15,276 | 13,191 |
| Trade creditors | - | 2,640 |
| Other creditors | 5,552 | 10,738 |
| Fees paid in advance | 4,043 | 8,060 |
| Parents' deposits | 68,597 | 62,064 |
| Accruals | 20,930 | 11,340 |
| | 114,398 | 108,033 |

11. RESTRICTED FUNDS

| | Balance at 1 April 2020 £ | Movement of Funds Resources Arising £ | Resources Used £ | Balance at 31 March 2021 £ |
|-----------------------------|------------------------------------|--|------------------------|-------------------------------------|
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 35,252 | (35,252) | - |
| <i>Rebate Grant</i> | - | 12,597 | (12,597) | - |
| <i>Two year old grants</i> | - | 26,469 | (26,469) | - |
| <i>Other LBI Grants</i> | 611 | 18,420 | (17,713) | 1,318 |
| Total | 611 | 92,738 | (92,031) | 1,318 |

| | Balance at 1 April 2019 £ | Movement of Funds Resources Arising £ | Resources Used £ | Balance at 31 March 2020 £ |
|-----------------------------|------------------------------------|--|------------------------|-------------------------------------|
| London Borough of Islington | | | | |
| <i>Main Grant</i> | - | 42,601 | (42,601) | - |
| <i>Rebate Grant</i> | - | 8,271 | (8,271) | - |
| <i>Two year old grants</i> | - | 3,240 | (3,240) | - |
| <i>Maternity Grant</i> | - | 9,803 | (9,803) | - |
| <i>Other LBI Grants</i> | - | 3,315 | (2,704) | 611 |
| Total | - | 67,230 | (66,619) | 611 |

Name of restricted fund

Description, nature and purposes of the fund

| | |
|-----------------------------|---|
| London Borough of Islington | |
| <i>Main Grant</i> | - Finance received for all subsidised children in the setting, providing for their care and education |
| <i>Rebate Grant</i> | - Reimbursements received for siblings and disabled children and all balance of grant from one term to the next |
| <i>Maternity Grant</i> | - Refund of maternity pay paid to staff members |
| <i>Other LBI Grants</i> | - Graduate leader fund and training fund |

HIGHBURY COMMUNITY NURSERY
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12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets 2021 £ | Net current Assets 2021 £ | Total 2021 £ | <i>Total 2020 £</i> |
|---------------------------|---------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Unrestricted Funds | - | 505,581 | 505,581 | 710,952 |
| Designated Funds | 268,887 | - | 268,887 | 286,088 |
| Restricted Funds | - | 1,318 | 1,318 | 611 |
| Total | <u>268,887</u> | <u>506,899</u> | <u>775,786</u> | <u>997,651</u> |

A transfer of £17,202 (2020: £57,605) was made from designated funds to unrestricted funds (2020: from the unrestricted funds to the designated funds) to cover funds for fixed assets depreciation & costs incurred in the year. Tangible fixed assets are held in a designated fund, this enables the charity to give a fair view of its free reserves/general funds.

13. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14. RELATED PARTY TRANSACTIONS

The trustees did not receive remuneration in the year.

Trustees must be parents of the Nursery under the constitution. As parents the trustees paid fees in respect of their children. These fees are calculated in the same way as for other parents. No amounts were written off in respect of these fees due to non-payment or for any other reason.

15. COMMITMENTS

At 31 March 2021 the company had commitments under non-cancellable operating leases as follows:

| | 2021 £ | 2020 £ |
|--------------------------|----------------------|----------------------|
| Operating leases: | | |
| Within one year | 11,540 | 11,543 |
| Within two to five years | <u>15,939</u> | <u>27,479</u> |
| | <u>27,479</u> | <u>39,019</u> |

HIGHBURY COMMUNITY NURSERY
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16. DETAILED EXPENDITURE IN YEAR

| | 2021 | | 2020 | |
|---|---------|------------------|---------|------------------|
| | £ | £ | £ | £ |
| <i>Staff costs including training & welfare</i> | | | | |
| Salary costs | 822,013 | | 774,915 | |
| Staff pension | 15,217 | | 13,541 | |
| Staff Training & welfare | 4,030 | | 13,106 | |
| Recruitment | 142 | | 6,931 | |
| | | 841,402 | | 808,493 |
| <i>Care and Education costs</i> | | | | |
| Food and Milk | 27,234 | | 38,749 | |
| Curriculum & books | 1,577 | | 6,490 | |
| Toys and Learning Materials | 8,834 | | 35,100 | |
| Travel and Outings | 160 | | 6,299 | |
| | | 37,805 | | 86,638 |
| <i>Office costs</i> | | | | |
| Subscriptions | 2,569 | | 3,328 | |
| Telephone | 12,298 | | 6,423 | |
| Postage and stationery | 1,481 | | 1,904 | |
| Office equipment & software | 23,673 | | 28,341 | |
| Web design | - | | 2,759 | |
| Bank charges | 3,426 | | 1,792 | |
| Insurance | 510 | | 508 | |
| General expenses | 593 | | 363 | |
| | | 44,550 | | 45,418 |
| <i>Professional fees</i> | | | | |
| Legal fees | | 316 | | 1,849 |
| <i>Premises costs</i> | | | | |
| Covid costs | 3,757 | | | |
| Repairs, renewals and maintenance | 8,690 | | 4,648 | |
| Cleaning | 25,938 | | 11,381 | |
| Heat and light | 8,075 | | 7,005 | |
| Water | 2,537 | | 1,935 | |
| | | 48,997 | | 24,969 |
| <i>Fundraising</i> | | | | |
| Depreciation | | 28,701 | | 27,229 |
| Restricted Project Costs | | 712 | | 2,704 |
| <i>Support costs</i> | | | | |
| Management accounts | 4,445 | | 4,260 | |
| Staff admin costs | 2,990 | | 2,580 | |
| | | 7,435 | | 6,840 |
| <i>Governance costs</i> | | | | |
| Independent Examination | 2,160 | | - | |
| Auditors fees | - | | 7,800 | |
| | | 2,160 | | 7,800 |
| | | 1,012,078 | | 1,011,940 |



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| Tue, 1st Feb 2022 16:40:53 UTC | Francis Corbishley - Signer (33a127a7ae44e810ddeb068a166937d2) |

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| Tue, 1st Feb 2022 16:40:53 UTC | The envelope has been signed by all parties. (83.219.51.124) |
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| Tue, 1st Feb 2022 12:13:22 UTC | Sent Geir Freysson a reminder to sign the document. (83.219.51.124) |
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