

Crag Bank Under Fives
Unaudited Financial Statements
31 July 2020

LAMONT PRIDMORE (SOUTH CUMBRIA) LTD

Chartered Accountants

61 Haws Hill
Carnforth
Lancashire
LA5 9DD

Crag Bank Under Fives

Financial Statements

Year ended 31 July 2020

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Crag Bank Under Fives

Trustees' Annual Report

Year ended 31 July 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 July 2020.

Reference and administrative details

Registered charity name	Crag Bank Under Fives
Charity registration number	1035396
Principal office	Crag Bank Village Hall Crag Bank Road Carnforth LA5 9EG
The trustees	Michelle Jackson (appointed 9 November 2020) Karen Riley Jane Halbard Julie Kitching Amy Wyatt Sabrina Barnes (appointed 2 March 2020)
Independent examiner	Lamont Pridmore (South Cumbria) Ltd 61 Haws Hill Carnforth Lancashire LA5 9DD

Structure, governance and management

Crag Bank under fives, Crag Bank Village Hall, Crag Bank, Carnforth, LA5 9EG is registered with the Charity Commissioners no. 1035396 and constituted by the Deed of Trust. New trustees are appointed by the continuing and retiring trustees.

Objectives and activities

The object of the Charity is to provide inexpensive childcare facilities for the pre school children of Crag Bank and surrounding area. The Charity provides five sessions of pre school, four sessions of playgroup and one parent and toddler session per week in every school term. The Charity employs six employees on a part time basis and relies heavily on parents' voluntary help with playgroup sessions.

The Charity also organises various fund raising events during the year to aid with running costs.

Achievements and performance

The Charity has been able to provide childcare in line with its objectives during the year, mainly due to Government legislation providing three and four year old children with up to five free sessions of childcare per week.

Crag Bank Under Fives

Trustees' Annual Report *(continued)*

Year ended 31 July 2020

Financial review

The Charity aims to maintain sufficient free reserves to enable them to cover the running costs of the playgroup for six months should income fall. Free reserves at the year end were £42,271 (2019 - £29,315).

The Charity retains sufficient reserves to meet its liabilities but understands the need to keep increased reserves.

The trustees' annual report was approved on 14. Feb. 22 and signed on behalf of the board of trustees by:

Michelle Jackson
Chairperson



Crag Bank Under Fives

Independent Examiner's Report to the Trustees of Crag Bank Under Fives

Year ended 31 July 2020

I report to the trustees on my examination of the financial statements of Crag Bank Under Fives ('the charity') for the year ended 31 July 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Karl Burrell FCCA

LAMONT PRIDMORE (SOUTH CUMBRIA) LTD
Chartered Accountants

61 Haws Hill
Carnforth
Lancashire
LA5 9DD

Crag Bank Under Fives
Statement of Financial Activities
Year ended 31 July 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income from:				
Charitable activities	4	76,486	76,486	79,491
Fundraising activities	5	264	264	1,009
Grants received	6	6,436	6,436	—
Total income		<u>83,186</u>	<u>83,186</u>	<u>80,500</u>
Expenditure				
Expenditure on charitable activities		70,230	70,230	67,726
Total expenditure		<u>70,230</u>	<u>70,230</u>	<u>67,726</u>
Net income and net movement in funds		<u>12,956</u>	<u>12,956</u>	<u>12,774</u>
Reconciliation of funds				
Total funds brought forward		29,315	29,315	16,541
Total funds carried forward		<u>42,271</u>	<u>42,271</u>	<u>29,315</u>

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

The notes on pages 6 to 9 form part of these financial statements.

Crag Bank Under Fives
Statement of Financial Position
31 July 2020

	Note	2020 £	2019 £
Current assets			
Cash at bank and in hand		44,161	30,245
Creditors: amounts falling due within one year	10	<u>1,890</u>	<u>930</u>
Net current assets		<u>42,271</u>	<u>29,315</u>
Total assets less current liabilities		<u>42,271</u>	<u>29,315</u>
Net assets		<u><u>42,271</u></u>	<u><u>29,315</u></u>
Funds of the charity			
Unrestricted funds		<u>42,271</u>	<u>29,315</u>
Total charity funds	11	<u><u>42,271</u></u>	<u><u>29,315</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 14 Feb 22 and are signed on behalf of the board by:

Michelle Jackson
Chairperson



Crag Bank Under Fives
Notes to the Financial Statements
Year ended 31 July 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Crag Bank Village Hall, Crag Bank, Carnforth, LA5 9EG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the use of estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Any estimate that has a degree of uncertainty or where judgement has been exercised in a particular area is expressly disclosed within the relevant accounting policy.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Crag Bank Under Fives

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Crag Bank Under Fives

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

4. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Lancaster City Council fee subsidies	67,812	67,812	68,488	68,488
Fees	8,674	8,674	11,003	11,003
	<u>76,486</u>	<u>76,486</u>	<u>79,491</u>	<u>79,491</u>

5. Fundraising activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising activities	264	264	1,009	1,009

6. Grants received

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Grants				
Other grant income	1,000	1,000	—	—
Government grant income	5,436	5,436	—	—
	<u>6,436</u>	<u>6,436</u>	<u>—</u>	<u>—</u>

7. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>960</u>	<u>930</u>

Crag Bank Under Fives

Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	<u>51,095</u>	<u>48,748</u>

The average head count of employees during the year was 6 (2019: 5).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

9. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Trustees paid fees and received duty payments on the same basis as any other parent or helper.

10. Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	<u>1,890</u>	<u>930</u>

11. Analysis of charitable funds

Unrestricted funds

	At 1 August 2019	Income	Expenditure	At 31 July 2020
	£	£	£	£
General funds	<u>29,315</u>	<u>83,186</u>	<u>(70,230)</u>	<u>42,271</u>

	At 1 August 2018	Income	Expenditure	At 31 July 2019
	£	£	£	£
General funds	<u>16,541</u>	<u>80,500</u>	<u>(67,726)</u>	<u>29,315</u>

12. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2020
	£	£
Current assets	<u>42,271</u>	<u>42,271</u>

	Unrestricted Funds	Total Funds 2019
	£	£
Current assets	<u>29,315</u>	<u>29,315</u>

Crag Bank Under Fives

Management Information

Year ended 31 July 2020

The following pages do not form part of the financial statements.

Crag Bank Under Fives
Detailed Statement of Financial Activities
Year ended 31 July 2020

	2020 £	2019 £
Income from:		
Lancaster City Council fee subsidies	67,812	68,488
Fees	8,674	11,003
Fundraising activities	264	1,009
Government grant income	5,436	–
Other grant income	1,000	–
Total income	<u>83,186</u>	<u>80,500</u>
Expenditure		
Expenditure on charitable activities		
Purchases	–	140
Wages and salaries	51,095	48,748
Rent	3,030	4,920
Training	1,534	136
Repairs and maintenance	1,068	1,782
Insurance	760	608
Cleaning	2,127	660
Equipment, books & toys	2,824	1,792
Refreshments	823	223
Ofsted	50	50
Accountancy fees	960	1,830
Office costs	1,657	1,437
Trips and entertainment	200	508
Dance and other teachers	3,255	4,360
Sundries	847	532
	<u>70,230</u>	<u>67,726</u>
Total expenditure	<u>70,230</u>	<u>67,726</u>
Net income	<u>12,956</u>	<u>12,774</u>