

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022
FOR
RED SQUIRRELS NURSERY**

RED SQUIRRELS NURSERY

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RED SQUIRRELS NURSERY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

The trustees (being members of Red Squirrels Nursery Committee) are pleased to present their annual report and accounts for the period ending 31st July 2022.

The financial statements have been prepared in accordance with section 133 Charities Act 2011 (receipts and payments basis).

Red Squirrels Nursery became a registered charity on 22nd April 1994 (registration no. 1036866), formerly North Stainmore Nursery.

OBJECTIVES AND ACTIVITIES

In setting our objectives and planning our activities, the trustees have given consideration to the charity commission's public benefit guidance.

The objectives of the charity are:

- a. To provide high quality day care and education for children aged 2 to 5.
- b. To help all children, regardless of sex, religious beliefs or ability to feel secure, happy and enjoy coming to nursery and gain in confidence.
- c. To enable all children to fulfil their potential, whatever their ability.
- d. To work through praise and encouragement, expect good standards of behaviour and enable children to work individually and together.
- e. Through play, provide a stimulating and wide range of experiences and challenges to enable children to develop as active learners, to give a sound preparation for school life.
- f. To enable children to leave the nursery and start primary school as happy, considerate and enquiring pupils.
- g. To encourage parents to be involved in all aspects of their child's development.

ACHIEVEMENT AND PERFORMANCE

Building

The nursery and its covered outdoor area are organised to deliver the required seven areas of learning in line with the newest EYFS.

Staff Training

The staff have continued to follow a training programme to ensure that they are up to date with all core training. Every member of staff holds a recognised first aid qualification.

Ofsted Inspection

The nursery has worked hard to implement the recommendations made in the last Ofsted report (March 2017), which graded the nursery as 'good'. An Action Plan has been drawn up and procedures have been put in place to satisfy the recommendations.

The Ofsted Inspector made two recommendations for the nursery to act upon:

- a. Strengthen supervision systems further and ensure that targets set for staff development are more securely linked to improving outcomes for children.
- b. Strengthen further the use of professional development opportunities to raise the quality of teaching to an even higher level.

RED SQUIRRELS NURSERY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

FINANCIAL REVIEW

Reserves policy

The reserves as of the 31st July are £36,423, and reflect the hard work of the staff to keep the nursery running efficiently. The reserves are necessary to allow financial security over the summer and the start of the next academic year, when the number of children at nursery drops due to preschool children starting school. The reserves will also allow for annual wage reviews/ change in the minimum wage (April 2023), increases in utility bills and some building maintenance, for example updating the outdoor play area (planned for Easter/summer 2023). The reserves also allow for redundancies should the need arise, or to cover wages and agency staff in case of illness.

The statement of financial activities shows a profit of £13,375.

The accounts show a profit this year, which is due to the increased income from more children attending the nursery, and the fantastic efforts the staff have made to keep the nursery running efficiently. When the nursery re-opened in September 2020 it had a new staff and management structure. It now works together with the Primary school with some pre-school children spending time in class one. This collaboration has continued to work well. The nursery has a good number of children heading into the next academic year and we are therefore hoping to have another productive year.

The nursery monitors the budget closely to ensure appropriate spending. It has been a successful year, and we are optimistic that this year will see the nursery as a whole, grow and progress.

The nursery now has four regular members of staff, including a manager, a deputy manager and an apprentice. We are pleased to offer a five day week, and will monitor this in line with the budget, and the number of children requiring childcare. Over the next year we will again monitor the budget closely and continue to try and attract new children to our nursery. We look forward to another successful year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Red squirrels nursery adheres to the early years alliance constitution as its governing document and it runs as an unincorporated association.

Recruitment and appointment of new trustees

Red Squirrels Committee members are elected annually at the AGM in the Autumn Term.

All trustees give their time freely and no remuneration or expenses were paid in the year. Parents or family members of children attending the nursery are encouraged to join the committee as a trustee member if they feel able to.

Organisational structure

The charity operates from its own purpose-built accommodation on the site of Warcop C of E Primary School. The nursery is a provider of education and care for children aged 2 to 5 years who travel from surrounding towns and villages. The charity is registered as a provider with OFSTED. We are also registered with the current Government Grant Scheme for eligible children to receive free/subsidised education from the age of 2 also the term following their 3rd birthday.

The Trustees currently employ 4 part-time members of staff, which includes an apprentice and bank staff, all of whom hold a recognised qualification in childcare. Volunteer helpers have also given their time to the charity on a regular basis. We are supported by an Early Years Development Worker and an Early Years Advisory Teacher.

The charity offers nursery education and care to children aged between 2 to 5 years. At Warcop, we have operated on 5 full days when economically possible, and this is sometimes reduced to four full days when there has been insufficient demand.

Members of staff have continued to implement the Early Years Foundation Stage, which was implemented in September 2021. Emphasis has been placed on observing and recording children's interests to inform the planning of activities. The nursery uses a "Tapestry Online Learning Journal" for every child, where development and progress is recorded and shared with each child's parent.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1036866

RED SQUIRRELS NURSERY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JULY 2022

Principal address

Warcop C of E School
Appleby-in-Westmorland
Cumbria
CA16 6NX

Trustees

Mrs C Patterson
Mrs C J Shihadah
Mrs J Bailey (resigned 29.11.21)
Mrs G Hutchison Chairperson (resigned 29.11.21)
Mrs C Thorpe Chairperson (appointed 29.11.21)
Mrs E Hope (appointed 29.11.21)
Mrs S Lofthouse (appointed 29.11.21)
Mrs E Porter (appointed 29.11.21)

Independent Examiner

Mr J F Hornby, FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

Approved by order of the board of trustees on 3 March 2023 and signed on its behalf by:

Mrs C J Shihadah - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
RED SQUIRRELS NURSERY**

Independent examiner's report to the trustees of Red Squirrels Nursery

I report to the trustees on my examination of the accounts of Red Squirrels Nursery for the year ended 31 July 2022

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed 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 which gives me cause to believe that in, any material respect:

1. accounting records were not kept in accordance with section 130 of the Act or
2. the accounts do not accord with the accounting records

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

Mr J F Hornby, FCA
J F Hornby & Co
Chartered Accountants
The Tower
Daltongate Business Centre
Daltongate
Ulverston
Cumbria
LA12 7AJ

3 March 2023

RED SQUIRRELS NURSERY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2022

	Notes	31.7.22 Unrestricted fund £	31.7.21 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		66,201	39,705
		<hr/>	<hr/>
EXPENDITURE ON			
Raising funds	2	45,634	29,452
Other		7,192	1,185
		<hr/>	<hr/>
Total		52,826	30,637
		<hr/>	<hr/>
NET INCOME		13,375	9,068
RECONCILIATION OF FUNDS			
Total funds brought forward		23,048	13,980
		<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		36,423	23,048
		<hr/>	<hr/>

The notes form part of these financial statements

RED SQUIRRELS NURSERY

BALANCE SHEET 31 JULY 2022

	Notes	31.7.22 Unrestricted fund £	31.7.21 Total funds £
CURRENT ASSETS			
Cash at bank and in hand		36,423	23,048
NET CURRENT ASSETS		<u>36,423</u>	<u>23,048</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		36,423	23,048
NET ASSETS		<u>36,423</u>	<u>23,048</u>
FUNDS	6		
Unrestricted funds		36,423	23,048
TOTAL FUNDS		<u>36,423</u>	<u>23,048</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 3 March 2023 and were signed on its behalf by:

Mrs C J Shihadah - Trustee

RED SQUIRRELS NURSERY

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on a receipts and payments basis.

Income

All income is recognised in the Statement of Financial Activities once the income is received.

Expenditure

Expenditure is accounted for on a payments basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

2. RAISING FUNDS

Raising donations and legacies

	31.7.22	31.7.21
	£	£
Staff costs	38,509	25,847
Support costs	-	3,605
	<hr/>	<hr/>
	38,509	29,452
	<hr/>	<hr/>

3. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

RED SQUIRRELS NURSERY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2022

4. STAFF COSTS

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

	31.7.22	31.7.21
Childcare	3	3
Administration	1	1
	<u>4</u>	<u>4</u>

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

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	39,705
EXPENDITURE ON	
Raising funds	29,452
Other	1,185
Total	<u>30,637</u>
NET INCOME	9,068
RECONCILIATION OF FUNDS	
Total funds brought forward	13,980
TOTAL FUNDS CARRIED FORWARD	<u>23,048</u>

6. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	At 31.7.22 £
Unrestricted funds			
General fund	23,048	13,375	36,423
TOTAL FUNDS	<u>23,048</u>	<u>13,375</u>	<u>36,423</u>

RED SQUIRRELS NURSERY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2022

6. 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	66,201	(52,826)	13,375
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>66,201</u>	<u>(52,826)</u>	<u>13,375</u>

Comparatives for movement in funds

	At 1.8.20 £	Net movement in funds £	At 31.7.21 £
Unrestricted funds			
General fund	13,980	9,068	23,048
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>13,980</u>	<u>9,068</u>	<u>23,048</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	39,705	(30,637)	9,068
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>39,705</u>	<u>(30,637)</u>	<u>9,068</u>

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

	At 1.8.20 £	Net movement in funds £	At 31.7.22 £
Unrestricted funds			
General fund	13,980	22,443	36,423
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>13,980</u>	<u>22,443</u>	<u>36,423</u>

RED SQUIRRELS NURSERY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2022

6. 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	105,906	(83,463)	22,443
TOTAL FUNDS	<u>105,906</u>	<u>(83,463)</u>	<u>22,443</u>

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2022.

8. TANGIBLE FIXED ASSETS

The financial statements being prepared on a receipts and payments basis the cost of tangible fixed assets is not capitalised. At 31st July 2022 the charity owned tangible fixed assets with an estimated value of £2,280 (2021: £2,280).

RED SQUIRRELS NURSERY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2022

	31.7.22 £	31.7.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Nursery fees	11,127	6,668
Donations	-	50
Grants	52,109	32,936
Swimming contribution	56	-
Fundraising	98	51
Additional funding	2,811	-
	<hr/>	<hr/>
	66,201	39,705
Total incoming resources	<hr/>	<hr/>
	66,201	39,705
EXPENDITURE		
Raising donations and legacies		
Wages	37,690	25,394
Pensions	819	453
	<hr/>	<hr/>
	38,509	25,847
Other		
Rent	1,075	495
Light and heat	3,452	131
Building maintenance	1,069	559
Consumables and equipment	1,596	-
	<hr/>	<hr/>
	7,192	1,185
Support costs		
Management		
Insurance	2,370	1,946
Telephone	321	170
Sundries and cleaning	240	282
Subscriptions	401	223
Activities	751	-
Milk	-	13
Snacks	391	-
Changing resources	425	-
Uniforms	125	-
Training	140	72
Accountant fees	603	-
School hours	1,358	899
	<hr/>	<hr/>
	7,125	3,605
Total resources expended	<hr/>	<hr/>
	52,826	30,637
Net income	<hr/>	<hr/>
	13,375	9,068

This page does not form part of the statutory financial statements