

Little Owls (Broseley)

Charity No. 1043532

Trustees' Report and Unaudited Accounts

31 March 2024

Little Owls (Broseley)
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Little Owls (Broseley)

Trustees Annual Report

The trustees present their report with the unaudited financial statements of the charity for the year ended 31 March 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1043532

Principal Office

Dark Lane School Campus
Dark Lane
Broseley
Shropshire
TF12 5LW

Trustees

The following trustees served during the year:

L. Bailey
K. Harley
K. Lawrence
S. Hatton

Accountants

P1 Accounting Services Ltd
C11 Tweedale Industrial Est
Madeley
Telford
TF7 4JR

Bankers

Lloyds Bank PLC
8 High Street
Bridgnorth
Shropshire
WV16 4DN

OBJECTIVES AND ACTIVITIES

The aims of the charity are to enhance the development and education of the children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups. This is done by offering the appropriate play, education and care facilities, family learning and extended hours groups, together with the rights of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability. We continue to develop our practice with continued professional development ensuring our staff operate to the highest standard. We receive government funding for three and four year olds and continue to offer sufficient places for parents to use this entitlement.

ACHIEVEMENTS AND PERFORMANCE

With increasing costs across most sectors, we have tried to keep our prices low to ensure all families can still access affordable, good quality childcare. Following an OFSTED inspection in September 2022, we maintained the grading of 'Good' which has allowed the nursery to continue claiming the 2-year old funding.

FINANCIAL REVIEW

Any reserves generated are placed in a deposit account to pay for unexpected contingencies and to build up a reserve to pay for replacement fixed assets.

PLANS FOR FUTURE PERIODS

Our plan is to continue to provide nursery services at the standard achieved in the past and to expand the activities offered to both children and parents throughout the year. However, we anticipate a challenging year ahead due to the new funding being introduced from April 2024 for two-year olds and 9-month olds from September 2024, and a gradual increase until September 2025.

After September 25, we are also looking at increasing the nursery fees to support the increase in outgoings including National Minimum Wage. We are in talks with Broseley CofE Primary school, as they have shown an interest in taking on the nursey, but also exploring other possible ways to manage the setting to ensure we are sustainable. The structure of the nursery is set to remain the same and investment is to be made in both staff training and the services currently offered.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The nursery is registered with Ofsted. The terms of this registration means the nursery must adhere to their welfare requirements. These are regulated by Ofsted through their inspections. The nursery is also regulated termly by Shropshire Council. HR policies are currently developed through the support of Peninsula.

A nursery manager is employed to oversee the day to day running of the nursery. The parent committee meet every six to eight weeks to oversee and support this. The nursery also employs several other staff including administration and room leaders.

Statement of trustees' responsibilities in relation to the financial statements

The charity trustees 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).

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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are a group of people charged with the governance of the charity. During the year, no trustee had any financial interest in the charity.

Signed on behalf of the charity's trustees

Stacey Hatton
Chairperson/trustee
20 December 2024

Little Owls (Broseley)
Statement of Financial Activities
for the year ended 31 March 2024

		Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
	Notes			
Income and endowments				
from:				
Charitable activities	3	367,756	367,756	338,552
Investments	4	227	227	106
Total		367,983	367,983	338,658
Expenditure on:				
Charitable activities	5	17,166	17,166	16,932
Other	6	350,405	350,405	340,992
Total		367,571	367,571	357,924
Net gains on investments		-	-	-
Net income/(expenditure)	7	412	412	(19,266)
Transfers between funds		-	-	-
Net income/(expenditure) before other gains/(losses)		412	412	(19,266)
Other gains and losses				
Net movement in funds		412	412	(19,266)
Reconciliation of funds:				
Total funds brought forward		110,687	110,687	129,953
Total funds carried forward		111,099	111,099	110,687

Little Owls (Broseley)**Balance Sheet****at 31 March 2024****Charity No. 1043532**

		2024	2023
		£	£
Fixed assets			
Tangible assets	9	96,782	104,223
		<u>96,782</u>	<u>104,223</u>
Current assets			
Debtors	10	118	118
Cash at bank and in hand		18,612	11,114
		<u>18,730</u>	<u>11,232</u>
Creditors: Amount falling due within one year	11	(4,413)	(4,768)
Net current assets		<u>14,317</u>	<u>6,464</u>
Total assets less current liabilities		<u>111,099</u>	<u>110,687</u>
Net assets excluding pension asset or liability		<u>111,099</u>	<u>110,687</u>
Total net assets		<u><u>111,099</u></u>	<u><u>110,687</u></u>
The funds of the charity			
Restricted funds	12		
Unrestricted funds	12		
General funds		111,099	110,687
		<u>111,099</u>	<u>110,687</u>
Reserves	12		
Total funds		<u><u>111,099</u></u>	<u><u>110,687</u></u>

Approved by the trustees on 20 December 2024

And signed on their behalf by:

S. Hatton

Chairperson/trustee

20 December 2024

for the year ended 31 March 2024

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Little Owls (Broseley)

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Statement of Financial Activities - prior year

	Unrestricted funds 2023 £	Total funds 2023 £
Income and endowments from:		
Charitable activities	338,552	338,552
Investments	106	106
Total	<u>338,658</u>	<u>338,658</u>
Expenditure on:		
Charitable activities	16,932	16,932
Other	340,992	340,992
Total	<u>357,924</u>	<u>357,924</u>
Net income	<u>(19,266)</u>	<u>(19,266)</u>
Net income before other gains/(losses)	<u>(19,266)</u>	<u>(19,266)</u>
Other gains and losses:		
Net movement in funds	<u>(19,266)</u>	<u>(19,266)</u>
Reconciliation of funds:		
Total funds brought forward	129,953	129,953
Total funds carried forward	<u><u>110,687</u></u>	<u><u>110,687</u></u>

3 Income from charitable activities

Unrestricted	Total 2024	Total 2023
£	£	£
367,756	367,756	338,552
<u>367,756</u>	<u>367,756</u>	<u>338,552</u>

4 Income from investments

Unrestricted	Total 2024	Total 2023
£	£	£
227	227	106
<u>227</u>	<u>227</u>	<u>106</u>

5 Expenditure on charitable activities

	Unrestricted	Total 2024	Total 2023
	£	£	£
<i>Expenditure on charitable activities</i>			
	17,166	17,166	16,932
<i>Governance costs</i>			
	<u>17,166</u>	<u>17,166</u>	<u>16,932</u>

6 Other expenditure

	Unrestricted	Total 2024	Total 2023
	£	£	£
Employee costs	298,319	298,319	288,249
Premises costs	26,857	26,857	24,990
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	7,441	7,441	7,544
General administrative costs	13,169	13,169	14,022
Legal and professional costs	4,619	4,619	6,187
	<u>350,405</u>	<u>350,405</u>	<u>340,992</u>

7 Net income/(expenditure) before transfers

	2024	2023
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	7,441	7,544

8 Staff costs

	2024	2023
Salaries and wages	284,283	276,276
Social security costs	8,920	7,643
Pension costs	4,208	3,862
	<u>297,411</u>	<u>287,781</u>

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

9 Tangible fixed assets

	£	£	£
Cost or revaluation			
At 1 April 2023	166,936	42,376	209,312
At 31 March 2024	<u>166,936</u>	<u>42,376</u>	<u>209,312</u>
Depreciation and impairment			
At 1 April 2023	69,988	35,101	105,089
Depreciation charge for the year	6,677	764	7,441
At 31 March 2024	<u>76,665</u>	<u>35,865</u>	<u>112,530</u>
Net book values			
At 31 March 2024	<u>90,271</u>	<u>6,511</u>	<u>96,782</u>
At 31 March 2023	<u>96,948</u>	<u>7,275</u>	<u>104,223</u>

10 Debtors

	2024	2023
	£	£
Other debtors	118	118
	<u>118</u>	<u>118</u>

11 Creditors:

amounts falling due within one year

	2024	2023
	£	£
Trade creditors	4,222	2,755
Other taxes and social security	-	693
Accruals	191	1,320
	<u>4,413</u>	<u>4,768</u>

12 Movement in funds

	At 1 April 2023	Incoming resources (including other gains/losses)	Resources expended	At 31 March 2024
	£	£	£	£
Restricted funds:				
Unrestricted funds:				
General funds	110,687	367,983	(367,571)	111,099
Total funds	<u>110,687</u>	<u>367,983</u>	<u>(367,571)</u>	<u>111,099</u>

13 Analysis of net assets between funds

	Unrestricted funds	Total
	£	£
Fixed assets	96,782	96,782
Net current assets	14,317	14,317
	<u>111,099</u>	<u>111,099</u>

14 Reconciliation of net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash and cash equivalents	11,114	7,498	18,612
	<u>11,114</u>	<u>7,498</u>	<u>18,612</u>
Net debt	<u>11,114</u>	<u>7,498</u>	<u>18,612</u>

15 Commitments

Pension commitments

	2024	2023
	£	£
The pension cost charge to the charity amounted to:	<u>4,208</u>	<u>3,862</u>

Little Owls (Broseley)
Statement of Cash flows
for the year ended 31 March 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net income/(expenditure) per Statement of Financial Activities	412	(19,266)
Adjustments for:		
Depreciation of property, plant and equipment	7,441	7,544
Dividends, interest and rents from investments	(227)	(106)
Decrease in trade and other receivables	-	345
Decrease in trade and other payables	(355)	(448)
Net cash provided by/(used in) operating activities	<u>7,271</u>	<u>(11,931)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	227	106
Net cash from investing activities	<u>227</u>	<u>106</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	7,498	(11,825)
Cash and cash equivalents at the beginning of the year	11,114	22,939
Cash and cash equivalents at the end of the year	<u>18,612</u>	<u>11,114</u>
Components of cash and cash equivalents		
Cash and bank balances	18,612	11,114
	<u>18,612</u>	<u>11,114</u>

Little Owls (Broseley)
Detailed Statement of Financial Activities
for the year ended 31 March 2024

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:			
Charitable activities	367,756	367,756	338,552
	<u>367,756</u>	<u>367,756</u>	<u>338,552</u>
Investments	227	227	106
	<u>227</u>	<u>227</u>	<u>106</u>
Total income and endowments	367,983	367,983	338,658
Expenditure on:			
Charitable activities	17,166	17,166	16,932
	<u>17,166</u>	<u>17,166</u>	<u>16,932</u>
Total of expenditure on charitable activities	17,166	17,166	16,932
Employee costs			
Salaries/wages	284,283	284,283	276,276
Employer's NIC	8,920	8,920	7,643
Pension costs	4,208	4,208	3,862
Staff entertainment	592	592	419
Staff recruitment	-	-	49
Staff training	316	316	-
	<u>298,319</u>	<u>298,319</u>	<u>288,249</u>
Premises costs			
Rent	3,840	3,840	3,840
Rates	1,036	1,036	510
Light, heat and power	6,823	6,823	7,128
Premises cleaning	4,625	4,625	5,219
Premises repairs and maintenance	8,050	8,050	5,369
Other premises costs	2,483	2,483	2,924
	<u>26,857</u>	<u>26,857</u>	<u>24,990</u>
General administrative costs, including depreciation and amortisation			
Depreciation of	7,441	7,441	7,544
Bank charges	34	34	(105)
Equipment leasing and hire charges	6,163	6,163	7,654
General insurances	2,329	2,329	2,511

Little Owls (Broseley)**Detailed Statement of Financial Activities**

Software, IT support and related costs	426	426	525
Stationery and printing	987	987	956
Subscriptions	1,025	1,025	1,048
Telephone, fax and broadband	2,205	2,205	1,433
	<u>20,610</u>	<u>20,610</u>	<u>21,566</u>
Legal and professional costs			
Accountancy and bookkeeping	2,387	2,387	3,955
Other legal and professional costs	2,232	2,232	2,232
	<u>4,619</u>	<u>4,619</u>	<u>6,187</u>
Total of expenditure of other costs	<u>350,405</u>	<u>350,405</u>	<u>340,992</u>
Total expenditure	<u>367,571</u>	<u>367,571</u>	<u>357,924</u>
Net gains on investments	-	-	-
	<u>412</u>	<u>412</u>	<u>(19,266)</u>
Net income/(expenditure)			
Net income/(expenditure) before other gains/(losses)	<u>412</u>	<u>412</u>	<u>(19,266)</u>
Other Gains	-	-	-
	<u>412</u>	<u>412</u>	<u>(19,266)</u>
Net movement in funds			
Reconciliation of funds:			
Total funds brought forward	110,687	110,687	129,953
Total funds carried forward	<u>111,099</u>	<u>111,099</u>	<u>110,687</u>