

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**



Company registration number: 3287888  
Registered charity number: 1059859

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

CONTENTS	Page
Trustees' report	1 – 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12 -13
Cash flow statement	14
Notes to the financial statements	15 – 23

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021**

The trustees present their report and the financial statements for the year ended 31 March 2021. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **OUR PURPOSE AND ACTIVITIES**

The Charity's mission statement reads:

Our purpose is to relate to each child as a unique individual and tailor our care and teaching to their specific needs in order to equip each child with a love of learning that will help them to flourish and reach their full potential. Our vision is to invite children into a wonderful, playful, learning adventure; to continue to deliver a consistently excellent service to the communities we serve and to be their first choice.

We are committed to:

- Celebrating diversity, promoting equality and fairness,
- Being inclusive regardless of physical or learning ability,
- Adults learning from children and children learning through play; and
- Prioritising the voice and the perspective of the child.

We will work in partnership with parents, carers, children, staff, volunteers, Trustees, funders and the wider community to realise our vision, values and purpose. These commitments are underpinned by the Charity's updated vision and values, which were developed by the whole staff team in 2016 and revised in 2019:

- Empowerment
- Innovation
- Trust

#### **ACHIEVEMENTS AND PERFORMANCE**

As with all sectors of society, 2020/21 presented the charity with significant challenges. The impacts of the Coronavirus pandemic were felt throughout the financial year, which began with the Centre restricted to key worker childcare, while the vast majority of staff were furloughed. After re-opening more fully during the summer, the charity was required to implement a wide array of complex and operationally inefficient control measures. "Bubbled" year groups, contact group isolations and additional monitoring & reporting all increased operating costs, while lower attendance, restricted hours and no new intake limited private income.

The charity was able to secure external funding from a variety of sources including the National Lottery Communities Fund and mosaic of private charitable trusts. Alongside the support of the Coronavirus Job Retention Scheme (furlough), these donations were essential in keeping the charity's finances largely balanced throughout this unprecedented disruption, while remaining open at all times and offering the maximum possible value and consistency of support to its service users.

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

Although the charity's financial reserves could have been used to ride out extended disruption, the ongoing underfunding of Early Years services means that there was little confidence that the charity would be able to rebuild these required reserves after the immediate challenges passed. Generating significant surpluses for several years would have required expenditure (and therefore service quality) to be cut to unacceptably low levels, while also increasing private fees in a way that would have put childcare out of the reach of many local families. As such, it was deemed essential to the charity's overall mission that everything possible was done to avoid significant depletion of the reserves, particularly as initial estimates as to the length of the disruption were likely to be highly inaccurate.

In consideration of the extreme challenges faced, the charity's strategic and practice development plans were reduced to three simple goals:

1. Mitigate the financial impacts of the crisis by any means possible
2. Provide quality, consistent childcare and family support services
3. Take action to protect the staff team's safety, health and emotional wellbeing – whether actively working or furloughed.

External training opportunities were understandably limited throughout the year, but some courses did continue online. One member of staff completed their Level 3 Diploma and another finished their Degree in Early Years. A full inset day was delivered in August 2020.

Although co-working and community activities were also restricted, the charity developed innovative solutions including art displays in public places and Covid-secure events such as a walking trail of murals in St Pauls that families could follow as part of celebrations for Black History Month. Creative solutions were found to allow a full calendar of cultural and religious celebrations to be celebrated, whilst staff stayed in touch with children who were unable to attend by sending activities home and sharing video recordings of songs and stories.

The Centre is registered by OFSTED and has consistently received positive feedback through the inspection process. The outcome of a full OFSTED inspection in August 2016 was that the quality of both the education and care provided is "Good", with many areas being "Outstanding". This Ofsted rating is a sign of continued high standards and improvement at the Centre before and since the previous inspection in 2012, as the requirements for a "Good" grading have become significantly more challenging in the intervening period. The report highlights some particular areas of strength and notes that: "Children enjoy their time in nursery and play, learn and develop well. They have access to a good range of resources that effectively support their enjoyment and progress", "there is an effective key-person system" and "staff plan challenging activities based on their interests". OFSTED also detailed that the managers and staff work successfully together as a team and maintain good relationships with parents. Reinspection is expected within the 2021/22 academic year.

The Centre is also assessed against the Local Authority's Quality Improvement Framework and has been consistently rated as providing good provision, with many areas of outstanding performance.

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **How our activities deliver public benefit**

The Trustees have had due regard to the Charity Commission guidance on public benefit in deciding what activities the Charity should undertake and confirm that all the Charity's activities are undertaken to further our charitable purposes for the public benefit. All of our charitable activities focus on the childcare, education and support services for families in the local community and are undertaken to further our charitable purposes for the public benefit.

#### **FINANCIAL REVIEW**

##### **Financial position and performance of the charity**

The charity's main funding comes from two sources: grant funding for nursery provision from Bristol City Council; and nursery fees from parents.

During the year the charity received total income of £850,927, of which £128,383 was restricted income. It had expenditure for the year of £817,227, of which £141,418 was restricted. There was therefore total net income for the year of £33,700.

At 31 March 2021 the charity had net assets of £626,395, of which £231,522 are unrestricted funds, and £394,873 are restricted funds. Movements in restricted funds are shown in note 12 to the accounts.

##### **Risk management**

The major risks to which the charity is exposed have been reviewed and systems are in place to mitigate these risks.

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

Procedures are in place to ensure compliance with health and safety of staff, volunteers, service users and visitors to the centre including the protection of children.

The continuing implementation of the Early Years Foundation Stage (EYFS) and use of the Bristol Standard Quality Framework ensure a consistent quality for all operational aspects of the organisation.

An operational plan is in place and regular reviews take place to address external risks and ensure that the charity continues to deliver its aims within the context of the changing political and funding environment. All procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **Reserves policy**

The trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least 3 months of the expenditure, which equates to approximately £180,000. The actual free reserves at 31 March 2021 were £157,009 (2020: £118,344).

#### **PLANS FOR THE FUTURE**

As several of the restrictions and challenges faced will continue into 2021/22, the charity's immediate priorities remain simplified. Once there is increased confidence in its future operating environment, the charity plans to continue to build on existing partnership working arrangements to develop and support the delivery of services and improve the life chances of children and families. It plans to review current services to ensure that activities continue to fulfil the charitable aims in the evolving communities it serves, building its strengths through a partnership approach. Specific plans include the continuation of childcare and education services, the reintroduction of internal and external groups and activities for parents and striving to ensure as close a working relationship as possible is maintained with the Local Authority, whilst managing the ongoing delivery of an increasingly unsustainable FEEE funding system for three and four-year-olds. A full Practice Development Plan is in place and comprises elements deferred from 2020/21, as well as new requirements such as the overhaul of the EYFS Curriculum that will be in use from September 2021. The charity's Practice Manager returned from Maternity Leave at the start of 2021/22 and will be leading this considerable project with support from the senior team.

The high-level goals the charity will seek to deliver are: consistently good and improving standards of care and education for all children attending the Centre, on-going financial sustainability and the attainment of a good or outstanding Ofsted inspection rating in 2021/22.

The garden areas have not been refreshed since 2010 and after extended delays to this project, it is hoped that a thorough and practice-lead consultation will make the best use of space and provide enhanced learning opportunities for all attending children. Financial restrictions may lead to this project being undertaken in a piecemeal fashion, with a combined 'single contractor' project likely to be unaffordable in the short to medium term.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The organisation is a charitable company limited by guarantee, incorporated on 4 December 1996 and registered as a charity on 18 December 1996. The company was established under a Memorandum of Association which established the object and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **Recruitment and appointment of management committee**

The directors of the company are also charity trustees for the purposes of the charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected each year at the organisation's Annual General Meeting.

The charity's work focuses on providing services for families living and working in a multicultural area of deprivation. The Management Committee seeks to ensure that the needs of all sectors of the community are reflected through the diversity of the trustee body. The emphasis is on maintaining a majority of local parents as members, and drawing on the expertise of local partner organisations and individuals with a particular interest in supporting the work of the organisation.

Parents using Centre services are encouraged to join the Committee and opportunities are advertised through the Centre Newsletter, local networks and by word of mouth. The charity shares a site with and works in partnership with The City Academy.

#### **Trustee induction and training**

Most trustees are already familiar with the practical work of the charity having used its services or worked in partnership with the organisation. Potential Trustees are given information about the Centre and the Trustee role.

Trustees are subject to enhanced Disclosure & Barring Service and Ofsted suitability checks. A range of training opportunities are available and Trustees are encouraged to attend these.

Training offered includes Understanding the Roles and Responsibilities of Trustees, Paediatric First Aid and Safeguarding Children.

#### **Organisational structure**

Easton Community Children's Centre has a Management Committee of not less than three members who meet at least six times a year and are responsible for the strategic direction and policy of the charity. At present the Committee has six members, all of whom are parents who have used or currently use the services provided by the Centre.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the General Manager supported by a Practice Manager.

The General Manager is responsible for ensuring that

- the charity delivers the specified services and meets key performance indicators;
- appropriate staff are in place and are supported in meeting the charitable objectives;
- trustees receive up to date and relevant information to inform the decision making and strategic planning process.

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

The General Manager also has responsibility for the day to day operational management of the Centre, including ensuring that Health and Safety standards are met.

#### **Related parties**

In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The local authority has responsibility for implementing national objectives and the charity has established close working relationships with Early Years and Childcare Service within Bristol City Council which support the delivery of the charity's aims within the broader aims for development in this area of work. The charity is funded by the Local Authority to deliver some services through a Service Level Agreement. In addition to regular reviews of the work completed under the Service Level Agreements, Bristol City Council assesses the Centre each term against its own Quality Improvement Framework.

The organisation has established partnership links with a number of local organisations with complimentary aims and objectives and accesses the support of both national and local umbrella organisations including The National Council for Voluntary Organisations, Bristol Association for Neighbourhood Daycare (BAND) and VOSCUR.

The Centre is OFSTED approved and registered with Bristol City Council to provide free nursery education for two, three and four-year olds. Centre staff work closely with other organisations and professionals (for example, health visitors, educational psychologists and speech and language therapists) to establish effective partnerships which support the fulfilment of the charitable aims in providing the most relevant support for children and families. They also support community focused childcare developments both locally and nationally.



**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

**GENERAL INFORMATION**

<b>Company number</b>	3287888
<b>Charity number</b>	1059859
<b>Trustees</b>	Rosalind Wild (Chair) Serena Drysdale John Rossiter Katrina Drovandi Rachel Hall Emma Cook ( <i>resigned 17 October 2020</i> ) Shankaron Nur Elwynne Green ( <i>appointed 16 March 2021</i> )
<b>Principal staff</b>	James Rideout                      General Manager Lucy Jefferies                      Practice Manager (Maternity Leave) Isabel Ruddick                      Acting Practice Manager
<b>Registered office and operational address</b>	Easton Community Children's Centre Russell Town Avenue Bristol BS5 9JF
<b>Bankers</b>	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB
<b>Independent Examiner</b>	Burnside Chartered Accountants 61 Queen Square Bristol BS1 4JZ

## **EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The charity trustees (who are also the directors of Easton Community Children's Centre Limited for 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 of the incoming resources and application of resources, including the income and expenditure, of the charity 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

#### **THE TRUSTEES**

The trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page 6.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 7. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

**Independent Examiner**

In accordance with company law, as the charity's Trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the charity's Independent Examiner is unaware; and
- As the Trustees of the charity we have taken all steps that ought to have been taken in order to make ourselves aware of any relevant audit information and to establish that the charity's Independent Examiner is aware of that information.

Approved by the Trustee Board on ..... and signed on its behalf by:

.....  
Rosalind Wild  
(Chair of Trustees)

Date .....

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021, which are set out on pages 11 to 23.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

**Name:** Mark Pooley  
**Relevant professional qualification or body:** ICAEW  
**Address:** Burnside Chartered Accountants, 61 Queen Square, Bristol BS1 4JZ  
**Date:**

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME & EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>INCOME AND EXPENDITURE</b>		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total funds 2021</b>	<b>Total funds 2020</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME</b>					
<i>Income from</i>					
<i>Charitable activities:</i>					
Nursery fees and subsidies	3	707,875	118,883	826,758	776,430
Other grants		13,871	9,500	23,371	33,165
Investment income		65	-	65	681
Other income		733	-	733	24
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL INCOME</b>		<b>722,544</b>	<b>128,383</b>	<b>850,927</b>	<b>810,300</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE ON:</b>					
<i>Charitable activities:</i>					
Provision of nursery care and education	4	675,809	141,418	817,227	870,669
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		<b>675,809</b>	<b>141,418</b>	<b>817,227</b>	<b>870,669</b>
		<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure) and net movement in funds for the year		46,735	(13,035)	33,700	(60,369)
<b>Reconciliation of funds</b>					
Total funds brought forward		184,787	407,908	592,695	653,064
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		231,522	394,873	626,395	592,695
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 15 to 23 form part of these accounts.

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

All income and expenditure derive from continuing activities.

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)****BALANCE SHEET**  
**AT 31 MARCH 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	8	459,032	471,539
CURRENT ASSETS			
Debtors	9	18,476	23,516
Cash at bank and in hand		189,275	162,573
		—————	—————
		207,751	186,089
CREDITORS: Amounts falling due within one year	10	(40,388)	(64,933)
		—————	—————
NET CURRENT ASSETS		167,363	121,156
		—————	—————
NET ASSETS		626,395	592,695
		—————	—————
THE FUNDS OF THE CHARITY:			
Restricted	11, 12	394,873	407,908
Unrestricted	11, 12	231,522	184,787
		—————	—————
TOTAL CHARITY FUNDS	11, 12	626,395	592,695
		—————	—————

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**BALANCE SHEET**

**AT 31 MARCH 2021 (continued)**

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the directors and authorised for issue on ....., and are signed on their behalf by:

.....  
Rosalind Wild (Trustee)

The notes on pages 15 to 23 form part of these accounts.

Company registration number: 3287888

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

	Total funds <u>2021</u> £	Total funds <u>2020</u> £
<b><i>Cash used in operating activities</i></b>	38,260	(11,438)
<i>Cash flows from investing activities:</i>		
Purchase of fixed assets	(11,622)	(13,257)
Interest received	65	681
	_____	_____
Increase/(decrease) in cash & cash equivalents	26,703	(24,014)
	_____	_____
<b><i>Cash &amp; cash equivalents at beginning of year</i></b>	162,573	186,587
	_____	_____
<b><i>Cash &amp; cash equivalents at end of year</i></b>	189,276	162,573
	_____	_____

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

<b><i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i></b>	33,700	(60,369)
<i>Adjustments for:</i>		
Depreciation charges	24,129	24,181
Interest received	(65)	(681)
(Increase)/decrease in debtors	5,041	4,676
Increase/(decrease) in creditors	(24,545)	20,755
	_____	_____
	38,260	(11,438)
	_____	_____



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

- a) 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.

Easton Community Children's Centre Limited meets the definition of a public benefit entity under FRS 102. 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

At 31 March 2021, the charity had total funds of £626,395 (2020: £592,695). Restricted funds amounted to £394,873 (2020: £407,908). The free reserves of the charity, being unrestricted general reserves less fixed assets held in general reserves, totalled £157,009 (2020: £118,344). The target for free reserves is to hold 3 months of running costs, which currently equates to around £180,000.

COVID-19 did cause the charity operational difficulties in 2020/21, but the charity adapted the way that it operated to ensure the continuation of its children's nursery education in a safe environment for them and our staff. Our main funder, Bristol City Council, continues to support us.

In September 2021 the charity returned to "business as usual" in its provision of nursery education. A breakeven budget has been set for 2021/22.

The trustees therefore have a reasonable expectation that the Centre will be in operation 12 months from the date of approval of these accounts and that the charity remains a going concern. The accounts have therefore been prepared on a going concern basis.

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

1. ACCOUNTING POLICIES (continued)

c) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Income received by way of donations and gifts is included in full in the statement of financial activities when receivable.

Revenue grants are credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless they relate to a specific future period, in which case they are deferred.

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted fund.

Nursery fee income and subsidies are included in the statement of financial activities when they are earned in respect of the children's attendance at the nursery.

d) Interest receivable

Interest is included when receivable by the charity.

e) Expenditure and irrecoverable VAT

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

f) Tangible Fixed Assets

Tangible fixed assets are capitalised at cost. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold property & improvements: straight line basis over the term of the lease (50 years)

Fabric of leasehold property: 10% straight line

Fixtures, fittings & equipment: 25% reducing balance

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

1. ACCOUNTING POLICIES (continued)

g) 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.

h) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

i) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

j) The charitable company makes contributions to a defined contribution pension scheme on behalf of its employees. Contributions are charged to the statement of financial activities in the year that they are due.

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

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

2. PRIOR PERIOD COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2020 £
INCOME			
<i>Income from</i>			
<i>Charitable activities:</i>			
Nursery fees and subsidies	776,430	-	776,430
Other grants	27,750	5,415	33,165
Investment income	681	-	681
Other income	24	-	24
	<hr/>	<hr/>	<hr/>
TOTAL INCOME	804,885	5,415	810,300
	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Provision of nursery care and education	847,539	23,130	870,669
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE	847,539	23,130	870,669
	<hr/>	<hr/>	<hr/>
Net income/(expenditure) and net movement in funds for the year	(42,654)	(17,715)	(60,369)
	<hr/>	<hr/>	<hr/>

3. NURSERY FEES AND SUBSIDIES

	2021 £	2020 £
Parent nursery fees	357,223	475,073
3 and 4 year olds funding	286,991	249,085
2 year olds enhanced provision	29,277	35,427
Registration fees	1,700	1,400
Special educational needs funding	7,684	15,445
Job Retention Scheme grants	118,883	-
Covid-19 relief grants	25,000	-
	<hr/>	<hr/>
	826,758	776,430
	<hr/>	<hr/>

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

4. EXPENDITURE – PROVISION OF NURSERY CARE AND EDUCATION

	Nursery costs £	Total 2021 £	Total 2020 £
Staff salaries (note 6)	672,353	672,353	648,168
Other staff costs	636	636	2,357
Agency staff cover	9,021	9,021	47,544
Catering	26,524	26,524	39,242
Activity costs	22,766	22,766	29,101
Premises costs	31,143	31,143	36,520
Office costs	13,251	13,251	18,019
Training	1,910	1,910	5,331
Bad debts	(265)	(265)	1,591
Depreciation	24,129	24,129	24,181
Audit and accountancy	13,254	13,254	12,850
Legal and professional	2,505	2,505	5,765
	—————	—————	—————
	817,227	817,227	870,669
	=====	=====	=====

5. NET INCOME/(EXPENDITURE) FOR THE YEAR

2021	2020
£	£

This is stated after charging:

Depreciation of owned assets	24,129	24,181
Accountant's remuneration:		
Independent examination	2,200	2,000
Accounting services	1,100	1,000
	=====	=====

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

6. STAFF COSTS

	2021 £	2020 £
Wages and salaries	598,461	579,460
Social security costs	38,116	35,804
Pension contributions	35,776	32,904
	_____	_____
	672,353	648,168
	_____	_____

No employee earned £60,000 p.a. or more (2020: £nil).

No trustee received any remuneration from the charity during the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). There were no related party transactions with trustees during the year.

The average number of employees during the year was 42 (2020: 44).

The key management personnel of the charity comprise the trustees, the General Manager, the Practice Manager, the Office Manager, the Outreach Programme Manager, a Senior Room Leader and 6 Room Leaders. The total employee benefits of the key management personnel of the charity were £247,206 (2020: £217,729).

7. TAXATION

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

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

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

8. TANGIBLE ASSETS

	<u>Leasehold property</u> £	<u>Leasehold improvements</u> £	<u>Fixtures, fittings &amp; equipment</u> £	<u>Total</u> £
<b>COST</b>				
At 1 April 2020	130,000	550,021	101,643	781,664
Additions	-	8,241	3,381	11,622
Disposals	-	-	-	-
	_____	_____	_____	_____
At 31 March 2021	130,000	558,262	105,024	793,286
	_____	_____	_____	_____
<b>DEPRECIATION</b>				
At 1 April 2020	57,200	162,107	90,818	310,125
Charge for the year	2,600	17,977	3,552	24,129
Depreciation on disposals	-	-	-	-
	_____	_____	_____	_____
At 31 March 2021	59,800	180,084	94,370	334,254
	_____	_____	_____	_____
<b>NET BOOK VALUE</b>				
At 31 March 2021	70,200	378,178	10,654	459,032
	=====	=====	=====	=====
At 31 March 2020	72,800	387,914	10,825	471,539
	=====	=====	=====	=====

9. DEBTORS	2021 £	2020 £
Trade debtors	17,363	27,254
Provisions for doubtful debts	(6,849)	(9,547)
Prepayments and other debtors	7,962	5,809
	_____	_____
	18,476	23,516
	=====	=====

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

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

10. CREDITORS	2021	2020
	£	£
Amounts falling due within one year:		
Payments on account	10,201	10,927
Trade creditors	3,886	6,377
Accruals	8,853	6,803
Deferred income	-	23,817
Other taxation and social security	11,394	12,501
Other creditors	6,054	4,508
	—	—
	40,388	64,933
	=====	=====

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	General funds £	Total £
Tangible fixed assets	384,519	74,513	459,032
Cash at bank and in hand	10,354	178,921	189,275
Other net current assets/(liabilities)	-	(21,912)	(21,912)
	—	—	—
Net assets at the end of the year	394,873	231,522	626,395
	=====	=====	=====



**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**

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

12. MOVEMENTS IN FUNDS

	At 1 April <u>2020</u>	Incoming Resources £	Resources Expended £	At 31 March <u>2021</u> £
<b>Restricted funds</b>				
Premises reserve – original building	86,591	-	(2,600)	83,991
Buildings and gardens fund: extensions	318,505	-	(17,977)	300,528
Community allotment fund	2,812	-	(1,958)	854
Job Retention Scheme grants	-	118,883	(118,883)	-
John James Foundation	-	5,000	-	5,000
Bristol City Council Originators Funding	-	4,500	-	4,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	407,908	128,383	(141,418)	394,873
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Unrestricted funds</b>				
General funds	184,787	722,544	(675,809)	231,522
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	592,695	850,927	(817,227)	626,395
	<hr/>	<hr/>	<hr/>	<hr/>

13. RELATED PARTY TRANSACTIONS

There are no related party transactions that require disclosure in the accounts.

The following page does not form part of the statutory accounts

**EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)****INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
INCOME		
Nursery fees and subsidies	826,758	776,430
Other grants	23,371	33,165
Interest receivable	65	681
Sundry income	733	24
	<hr/>	<hr/>
Total income for year	850,927	810,300
	<hr/>	<hr/>
	2021 Total £	2020 Total £
EXPENDITURE		
Staff wages	598,460	579,460
Employers national insurance	38,116	35,804
Pension contributions	35,776	32,904
Other staff costs	636	2,357
Agency staff cover	9,021	47,544
Training costs	1,910	5,331
Activities and nursery sundries	22,766	29,101
Catering	26,524	39,242
Light and heat	8,159	8,419
Telephone	2,310	2,643
Printing, postage, stationery	6,111	6,836
Rates, including water	2,080	4,785
Repairs and maintenance	8,130	12,759
Cleaning and waste disposal	10,498	8,068
Insurance	2,519	2,492
Advertising and PR	350	455
Computer costs	2,245	3,330
Travel and subsistence	64	430
UK entertainment	(200)	1,983
Legal and professional	2,505	5,765
Accountancy fees and book-keeping	13,254	12,850
Bad debts	(265)	1,591
Subscriptions	805	812
Bank charges and interest payable	1,324	1,527
Depreciation	24,129	24,181
	<hr/>	<hr/>
Expenditure for year	817,227	870,669
	<hr/>	<hr/>
NET INCOME/(EXPENDITURE) FOR THE YEAR	33,700	(60,369)
	<hr/>	<hr/>