

EASTON COMMUNITY CHILDREN'S CENTRE LIMITED

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



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 2022**

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and the financial statements for the year ended 31 March 2022. 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 2021:

- Connectedness - 'To love and be loved'
- Innovation - 'Knowing what to do when you don't know what to do'
- Environmental Accountability - 'Living Sustainably'
- Communication - 'Express Yourself'
- Physical Health - 'Leading a healthy lifestyle'
- Emotional Well-being - 'THE foundation for learning'

ACHIEVEMENTS AND PERFORMANCE

The Trustees are proud to relate the substantial achievements of the setting over the year April 2021- April 2022 during an unprecedented time of financial and recruitment pressure due to the Covid-19 pandemic and other national policy factors. The nursery's first goal during the pandemic has been survival and we are proud that the centre has stayed open and our services have not diminished during this period, despite chronic and worsening underfunding of 'free early education entitlement' and an industry-wide recruitment crisis.

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Due to the Centre's reputation for a strong commitment to staff wellbeing and commitment to investing in their personal and career development through funded training, have retained adequate staffing levels, including bank staff, to enable our services to continue. This is fortunate as a substantial demand for places at all stages of the setting remains.

Keeping the doors open has not come without a cost, however, and the nursery's reserves have been depleted during this financial year. The trustees have also been forced to make tough decisions on raising fees to levels higher than we would wish.

Alongside the care and education of the children enrolled at the Centre, we have continued with substantial outreach activities for the wider community. These activities, such as allotment cultivation and fun with food/weaning classes have proved popular and help fulfil our wider social mission. We are also particularly proud of the work the Centre continues to do on Equality, Diversity and Inclusion, led by the newly created post of Inclusion Manager. The nursery operates in an ethnically diverse area with many large pockets of economic disadvantage and the Trustees are delighted that the setting's slogan 'A Sense of Belonging, Not Just Fitting In' has been so successfully embedded in our practice over the previous year.

In the second half of the year a great deal of work went into devising a new management structure to put the Centre on a solid footing in the post-Covid era. Addressing the issue of chronic understaffing at senior management level and the impact on senior staff's health and wellbeing of leading the centre through the Covid pandemic, it was agreed to enlarge the Senior Team and divide the current Centre Manager role into two to create three senior leadership positions. From the start of the 2022/23 financial year the centre will therefore be led by a Centre Director who will oversee a Centre Manager and Business and Operations Manager, with new job descriptions created for all roles. Recruitment for all these roles has been completed and while we are very sad to say goodbye to former General Manager James Rideout, we are delighted to welcome Lucy Jefferies as Centre Director, Izzy Ruddick as Centre Manager and Sally Williamson as Business and Operations Manager.

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 2022/23 academic year.

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022 (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 £819,315, of which £5,516 was restricted income. It had expenditure for the year of £870,033, of which £22,919 was restricted. There was therefore total net expenditure for the year of £50,718.

At 31 March 2022 the charity had net assets of £575,677, of which £198,207 are unrestricted funds, and £377,470 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 2022 (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 £219,000. The actual free reserves at 31 March 2022 were £122,357 (2021: £157,009).

PLANS FOR THE FUTURE

The start of the financial year 2022-23 will bring big changes for the nursery with a full management restructure, replacing the post of General Manager with a Centre Director overseeing a Centre Manager and Business and Operations Manager. Prompted by the departure of the former General Manager, this restructure will enable the nursery to build in resilience in the management of the nursery, which has been sorely tested by the Covid pandemic. All new staff have been recruited and are ready to begin their new roles.

A 3-year Strategic Plan has been developed by centre management, in consultation with all staff and the Trustees. Priorities in the short term include ensuring the financial sustainability of the centre, faced with rising costs and funding income declining in real terms; coupled with ensuring the charity meets the needs of the local community, members of which are also facing a cost-of-living crisis.

In 2022 the charity intends to commence work on a long-awaited garden project, having successfully obtained external funding through fundraising to carry out the first two phases of an existing development plan. External fundraising for development of the garden is ongoing and is a priority to enhance the experience provided by the centre and facilitate outreach work enabling local families who cannot or do not attend regular sessions to also benefit.

The Strategic Plan is also an opportunity to focus energies on some areas of work that are not core operations but considered worthwhile; this includes the environmental sustainability of the centre, and our campaigning work. While the sector is under increasing duress from external political and economic pressures, the charity intends to be proactive and vocal in lobbying for improvements to childcare funding and provision to be made on a local and national level.

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

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.

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 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.

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

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.

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 2022 (continued)

GENERAL INFORMATION

Company number	3287888								
Charity number	1059859								
Trustees	Rosalind Wild (Chair) Serena Drysdale John Rossiter Katrina Drovandi (<i>resigned 30/11/21</i>) Rachel Hall Shankaron Nur (<i>resigned 17/08/22</i>) Elwynne Green Rahul Patel (<i>appointed 27/10/21, resigned 29/08/22</i>)								
Principal staff	<table><tr><td>James Rideout</td><td>General Manager (resigned 31/03/22)</td></tr><tr><td>Sally Williamson</td><td>Business Operations Manager (from 03/05/22)</td></tr><tr><td>Lucy Jefferies</td><td>Practice Manager</td></tr><tr><td>Isabel Ruddick</td><td>Centre manager from January 2022</td></tr></table>	James Rideout	General Manager (resigned 31/03/22)	Sally Williamson	Business Operations Manager (from 03/05/22)	Lucy Jefferies	Practice Manager	Isabel Ruddick	Centre manager from January 2022
James Rideout	General Manager (resigned 31/03/22)								
Sally Williamson	Business Operations Manager (from 03/05/22)								
Lucy Jefferies	Practice Manager								
Isabel Ruddick	Centre manager from January 2022								
Registered office and operational address	Easton Community Children's Centre Russell Town Avenue Bristol BS5 9JF								
Bankers	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB								
Independent Examiner	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 2022 (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 7.

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 2022 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)

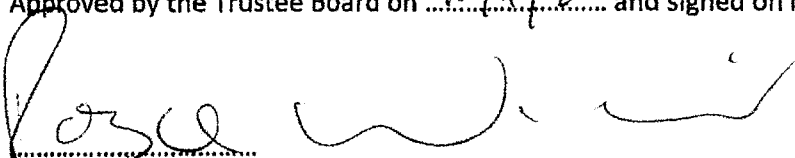
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

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 18/11/22 and signed on its behalf by:



Rosalind Wild
(Chair of Trustees)

Date 18/11/22

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 2022, 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

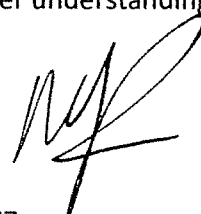
Relevant professional qualification or body:

ICAEW

Address: Burnside Chartered Accountants, 61 Queen Square, Bristol BS1 4JZ

Date:

18/11/2022



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

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

INCOME AND EXPENDITURE		Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
	Note	£	£	£	£
INCOME					
<i>Income from</i>					
<i>Charitable activities:</i>					
Nursery fees and subsidies	3	810,940	-	810,940	826,758
Other grants		500	4,350	4,850	23,371
Investment income		-	-	-	65
Other income		2,359	1,166	3,525	733
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOME		813,799	5,516	819,315	850,927
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:					
<i>Charitable activities:</i>					
Provision of nursery care and education	4	847,114	22,919	870,033	817,227
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE		847,114	22,919	870,033	817,227
		<hr/>	<hr/>	<hr/>	<hr/>
Net (expenditure)/income and net movement in funds for the year		(33,315)	(17,403)	(50,718)	33,700
Reconciliation of funds					
Total funds brought forward		231,522	394,873	626,395	592,695
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		198,207	377,470	575,677	626,395
		<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 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	8	444,500	459,032
CURRENT ASSETS			
Debtors	9	18,004	18,476
Cash at bank and in hand		147,673	189,275
		<hr/>	<hr/>
		165,677	207,751
CREDITORS: Amounts falling due within one year	10	(34,500)	(40,388)
		<hr/>	<hr/>
NET CURRENT ASSETS		131,177	167,363
		<hr/>	<hr/>
NET ASSETS		575,677	626,395
		<hr/>	<hr/>
THE FUNDS OF THE CHARITY:			
Restricted	11, 12	377,470	394,873
Unrestricted	11, 12	198,207	231,522
		<hr/>	<hr/>
TOTAL CHARITY FUNDS	11, 12	575,677	626,395
		<hr/>	<hr/>

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

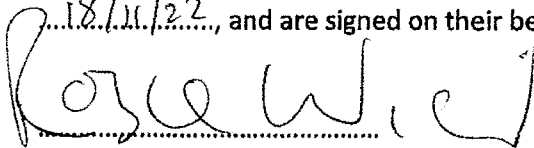
AT 31 MARCH 2022 (continued)

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 18/11/22, and are signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Rosalind Wild', written over a dotted line.

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 2022**

	Total funds <u>2022</u> £	Total funds <u>2021</u> £
<i>Cash (used)/generated in operating activities</i>	(36,268)	38,260
<i>Cash flows from investing activities:</i>		
Purchase of fixed assets	(5,334)	(11,622)
Interest received	-	65
	_____	_____
(Decrease)/increase in cash & cash equivalents	(41,602)	26,703
	_____	_____
<i>Cash & cash equivalents at beginning of year</i>	189,275	162,572
	_____	_____
<i>Cash & cash equivalents at end of year</i>	147,673	189,275
	_____	_____

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

<i>Net (expenditure)/income for the reporting period (as per the statement of financial activities)</i>	(50,718)	33,700
<i>Adjustments for:</i>		
Depreciation charges	19,866	24,129
Interest received	-	(65)
Decrease in debtors	472	5,041
(Decrease) in creditors	(5,888)	(24,545)
	_____	_____
	(36,268)	38,260
	_____	_____

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

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

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 2022, the charity had total funds of £575,677 (2021: £626,395). Restricted funds amounted to £377,470 (2021: £394,873). The free reserves of the charity, being unrestricted general reserves less fixed assets held in general reserves, totalled £122,357 (2021: £157,009). The target for free reserves is to hold 3 months of running costs, which currently equates to around £219,000.

The 2022/23 budget shows that the charity will break even before the depreciation charge is accounted for.

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 2022 (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 2022 (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 2022 (continued)**

2. PRIOR PERIOD COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £
INCOME			
<i>Income from</i>		-	
<i>Charitable activities:</i>			
Nursery fees and subsidies	707,875	118,883	826,758
Other grants	13,871	9,500	23,371
Investment income	65	-	65
Other income	733	-	733
	<hr/>	<hr/>	<hr/>
TOTAL INCOME	722,544	128,383	850,927
	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:			
<i>Charitable activities:</i>			
Provision of nursery care and education	675,809	141,418	817,227
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE	675,809	141,418	817,227
	<hr/>	<hr/>	<hr/>
Net income/(expenditure) and net movement in funds for the year	46,735	(13,035)	33,700
	<hr/>	<hr/>	<hr/>

3. NURSERY FEES AND SUBSIDIES

	2022 £	2021 £
Parent nursery fees	531,469	357,223
3 and 4 year olds funding	237,389	286,991
2 year olds enhanced provision	23,305	29,277
Registration fees	820	1,700
Special educational needs funding	6,734	7,684
Job Retention Scheme grants	11,223	118,883
Covid-19 relief grants	-	25,000
	<hr/>	<hr/>
	810,940	826,758
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (continued)**

4. EXPENDITURE – PROVISION OF NURSERY CARE AND EDUCATION

	Nursery costs £	Total 2022 £	Total 2021 £
Staff salaries (note 6)	683,563	683,563	672,353
Other staff costs	10,900	10,900	636
Agency staff cover	11,484	11,484	9,021
Catering	37,618	37,618	26,524
Activity costs	27,182	27,182	22,766
Premises costs	39,273	39,273	31,143
Office costs	16,112	16,112	13,251
Training	7,488	7,488	1,910
Bad debts	-	-	(265)
Depreciation	19,866	19,866	24,129
Audit and accountancy	14,767	14,767	13,254
Legal and professional	1,780	1,780	2,505
	<hr/>	<hr/>	<hr/>
	870,033	870,033	817,227
	<hr/>	<hr/>	<hr/>

5. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
Depreciation of owned assets	19,866	24,129
Accountant's remuneration:		
Independent examination	2,300	2,200
Accounting services	1,180	1,100
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (continued)**

6. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	612,740	598,461
Social security costs	35,105	38,116
Pension contributions	35,718	35,776
	—	—
	683,563	672,353
	—	—

No employee earned £60,000 p.a. or more (2021: nil).

No trustee received any remuneration from the charity during the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). There were no related party transactions with trustees during the year.

The average number of employees during the year was 42 (2021: 42).

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 £251,168 (2021: £247,206).

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 2022 (continued)****8. TANGIBLE ASSETS**

	<u>Leasehold property</u> £	<u>Leasehold improvements</u> £	<u>Fixtures, fittings & equipment</u> £	<u>Total</u> £
COST				
At 1 April 2021	130,000	558,262	105,024	793,286
Additions	-	-	5,334	5,334
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	130,000	558,262	110,358	798,620
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 April 2021	59,800	180,084	94,370	334,254
Charge for the year	2,600	13,269	3,997	19,866
Depreciation on disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	62,400	193,353	98,367	354,120
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 March 2022	67,600	364,909	11,991	444,500
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	70,200	378,178	10,654	459,032
	<hr/>	<hr/>	<hr/>	<hr/>

9. DEBTORS

	2022 £	2021 £
Trade debtors	21,893	17,363
Provisions for doubtful debts	(6,849)	(6,849)
Prepayments and other debtors	2,960	7,962
	<hr/>	<hr/>
	18,004	18,476
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (continued)**

10. CREDITORS	2022	2021
	£	£
Amounts falling due within one year:		
Payments on account	3,889	10,201
Trade creditors	2,756	3,886
Accruals	6,666	8,853
Other taxation and social security	10,671	7,547
Other creditors	10,518	9,901
	—	—
	34,500	40,388
	—	—

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	General funds £	Total £
Tangible fixed assets	368,650	75,850	444,500
Cash at bank and in hand	8,820	138,853	147,673
Other net current assets/(liabilities)	-	(16,496)	(16,496)
	—	—	—
Net assets at the end of the year	377,470	198,207	575,677
	—	—	—

EASTON COMMUNITY CHILDREN'S CENTRE LIMITED (LIMITED BY GUARANTEE)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (continued)****12. MOVEMENTS IN FUNDS**

	At 1 April <u>2021</u> £	Incoming Resources £	Resources Expended £	At 31 March <u>2022</u> £
Restricted funds				
Premises reserve – Original Building	83,991	-	(2,600)	81,391
Buildings and Gardens Fund: Extensions	300,528	-	(13,269)	287,259
Community Allotment Fund	854	-	(854)	-
Healthy Eating – One City Fund	-	2,800	(1,816)	984
John James Foundation	5,000	-	-	5,000
Bristol City Council Originators Funding	4,500	500	(4,380)	620
Tesco Garden Fund	-	1,166	-	1,166
Smaller Funds	-	1,050	-	1,050
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	394,873	5,516	(22,919)	377,470
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds				
General funds	231,522	813,799	(847,114)	198,207
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	626,395	819,315	(870,033)	575,677
	<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)**DRAFT****INCOME AND EXPENDITURE ACCOUNT**
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
INCOME		
Nursery fees and subsidies	810,940	826,758
Other grants	4,850	23,371
Interest receivable	-	65
Sundry income	3,525	733
	<hr/>	<hr/>
Total income for year	819,315	850,927
	<hr/>	<hr/>
	2022	2021
	Total	Total
	£	£
EXPENDITURE		
Staff wages	612,740	598,460
Employer's national insurance	35,105	38,116
Pension contributions	35,718	35,776
Other staff costs	9,488	636
Agency staff cover	11,484	9,021
Training costs	7,488	1,910
Activities and nursery sundries	27,182	22,766
Catering	37,618	26,524
Light and heat	6,331	8,159
Telephone	5,227	2,310
Printing, postage, stationery	6,183	6,111
Rates, including water	2,618	2,080
Repairs and maintenance	13,463	8,130
Cleaning and waste disposal	14,232	10,498
Insurance	2,628	2,519
Advertising and PR	502	350
Computer costs	2,036	2,245
Travel and subsistence	258	64
UK entertainment	1,155	(200)
Legal and professional	1,780	2,505
Accountancy fees and book-keeping	14,767	13,254
Bad debts	-	(265)
Subscriptions	823	805
Bank charges and interest payable	1,341	1,324
Depreciation	19,866	24,129
	<hr/>	<hr/>
Expenditure for year	870,033	817,227
	<hr/>	<hr/>
NET (EXPENDITURE)/INCOME FOR THE YEAR	(50,718)	33,700
	<hr/>	<hr/>