

REGISTERED COMPANY NUMBER: 03375306
REGISTERED CHARITY NUMBER: 1063463

KINGS HEATH PLAYCARE

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 August 2020



Inform
ACCOUNTING

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Kings Heath Playcare

Report of the Trustees for the Year Ended 31 August 2020

The trustees present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Principal activity and constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 23 May 1997.

The principal object of the company is to provide wraparound and holiday childcare facilities for primary school children, and the training and development of childcare staff.

Method of appointment or election of trustees

Kings Heath Playcare is governed by a Board of Trustees.

Under the requirements of the Articles of Association the trustees are appointed for an unlimited term. However, one third of them are required to retire by rotation at the Annual General Meeting at which they may be re-elected.

The Board of Trustees may appoint trustees to fill vacancies or additional trustees, but they must stand for re-election at the following Annual General Meeting.

New trustees may be appointed by the charity by ordinary resolution at the Annual General Meeting in accordance with the notice required by the Articles of Association, or if recommended by the Board of Trustees.

Due to the nature of the charity's work, the trustees are generally parents of children attending the scheme or are employees of Kings Heath Primary School.

The trustees seek to ensure that the Board of Trustees reflects the needs of the scheme where possible, which includes trustees with experience of working with children and child protection, as well as trustees with traditional business skills.

The Board of Trustees also aim to ensure that a senior member of the leadership team at Kings Heath Primary School is represented on the Board. In the event of particular skills being lost due to retirements, individuals are approached to offer themselves to serve as trustees.

All trustees give their time voluntarily and received no benefits or expenses from the charity other than those disclosed in Note 3.

Due to the Covid-19 pandemic no AGM could be held before the accounts were finalised. As a result, all trustees remain until an AGM can be held.

ACHIEVEMENT AND PERFORMANCE

The scheme has continued to operate at close to capacity, with waiting lists existing for much of the year even with increased numbers of places offered at both infant and junior sites. Additional one off funding has been obtained which enabled Playcare to provide support for children with additional needs during the summer holidays. Funding opportunities will continue to be pursued. Training has continued during the year with Playcare taking advantage of free training from the Local Authority and paying for additional courses as necessary. Staff training included training around 'feeling valued' as an employee.

This year Playcare recruited three new members of staff in the roles of Bank Play Worker's. Their support has been fundamental in the running of provisions during Covid-19, where we have succeeded in remaining open and delivering a provision in crucial times to these parents that identified as key workers.

Our organisation received an interim inspection from Ofsted, where the inspector was pleased with the implemented actions following on from our previous inspection.

Staff have received updated mandatory training related to first-aid, safeguarding and child protection and food hygiene. The staff will be carrying out further training to enhance their skills and knowledge in the sector.

These activities are undertaken for the public benefit. The trustees have given due consideration to the Charity Commission's guidance on Public Benefit requirement under the Charities Act 2011. Both the infant and junior sites benefitted from cash from the reserves in order to buy new games and toys, which were chosen by the children.

FINANCIAL REVIEW

Total income for the year was £216,027 (2019: £224,895) of which £216,027 was unrestricted (2019: £224,895) and £Nil was restricted (2019: £Nil).

Total funds carried forward at the year end were £159,681 (2019: £154,425) of which £159,681 was unrestricted (2019: £154,425) and £Nil were restricted (2019: £Nil).

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

The charity maintains unrestricted reserves of about 3 to 6 months expenditure. The trustees believe that this will enable the charity to continue operations in the event of a significant drop in income and would be sufficient to cover winding up costs in the event that the charity decided to stop operating.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity number

1063463

Registered office address

Kings Heath Primary School
Valentine Road
Kings Heath
Birmingham
B14 7AJ

Trustees

Ms L Southworth (resigned 1 May 2020)
Ms C Manzotti
Ms E West
Mr D Moore
Ms L Tattum
Ms R Wenban-Smith (appointed 1 January 2020, resigned 1 May 2021)

Company secretary

Mr D Moore

Independent examiner

Sian Kelly ACMA
Inform Accounting Limited
4 Emmanuel Court
Reddicroft
Sutton Coldfield
West Midlands
B73 6AZ

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

Approved by order of the board of trustees on 27th August 2021 and signed on its behalf by:

Ms L Tattum - Treasurer

Independent Examiner's Report to the Trustees of Kings Heath Playcare

We report on the accounts for the year ended 31 August 2020 set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to our attention.

Basis of the independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

- (1) which gives us reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Sian Kelly ACMA
Inform Accounting Limited
4 Emmanuel Court
Reddicroft
Sutton Coldfield
West Midlands
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27th August 2021

Kings Heath Playcare

**Statement of Financial Activities
for the Year Ended 31 August 2020**

	Not es	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME FROM					
Fees from playcare provision		194,632	-	194,632	221,982
Awards and grants		3,384	-	3,384	2,870
Bank interest received		52	-	52	43
Other income		<u>17,959</u>	<u>-</u>	<u>17,959</u>	<u>-</u>
Total		216,027	-	216,027	224,895
EXPENDITURE ON					
Charitable activities	2	207,357	-	207,357	212,302
Governance costs		<u>3,414</u>	<u>-</u>	<u>3,414</u>	<u>1,752</u>
Total		210,771	-	210,771	214,054
NET INCOME/(EXPENDITURE)		5,256	-	5,256	10,841
Transfers between funds		-	-	-	-
Net movement in funds		5,256	-	5,256	10,841
RECONCILIATION OF FUNDS					
Total funds brought forward		154,425	-	154,425	143,584
TOTAL FUNDS CARRIED FORWARD		<u>159,681</u>	<u>-</u>	<u>159,681</u>	<u>154,425</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Kings Heath Playcare

**Balance Sheet
At 31 August 2020**

	Not es	Unrestricted funds £	Restricted funds £	Total 2020 funds £	Total 2019 funds £
FIXED ASSETS					
Tangible assets	5	595	-	595	-
CURRENT ASSETS					
Debtors	6	8,372	-	8,372	11,947
Cash at bank		<u>164,506</u>	<u>-</u>	<u>164,506</u>	<u>184,137</u>
		172,878	-	172,878	196,084
CREDITORS					
Amounts falling due within one year	7	(13,792)	-	(13,792)	(41,659)
NET CURRENT ASSETS		<u>159,086</u>	<u>-</u>	<u>159,086</u>	<u>154,425</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>159,681</u>	<u>-</u>	<u>159,681</u>	<u>154,425</u>
NET ASSETS		<u>159,681</u>	<u>-</u>	<u>159,681</u>	<u>154,425</u>
FUNDS	9				
Unrestricted funds:					
General fund				159,681	154,425
Restricted funds				-	-
TOTAL FUNDS				<u>159,681</u>	<u>154,425</u>

For the financial year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and

The trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 27th August 2021 and were signed on its behalf by:

Ms L Tattum - Treasurer

1. ACCOUNTING POLICIES

Statutory information

Kings Heath Playcare is a charitable company limited by guarantee and is incorporated in the United Kingdom (England and Wales). The registered office address and operational address is Kings Heath Primary School, Valentine Road, Kings Heath, Birmingham, B14 7AJ.

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the charity.

Expenditure

This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the charity to pay out resources.

Governance costs

These are the costs associated with the general running of the charity and its strategic management, rather than the costs of its charitable activities and day to day management.

Taxation

The charity is exempt from tax on its charitable activities.

Tangible fixed assets and depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment – 33.3% straight line

Fund accounting

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

Public benefit entity

The charity 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.

Going concern

Based on the monetary assets and human resources available at 31 August 2020, the trustees believe that the charity is a going concern.

VAT

Since the charity is not VAT registered, all input VAT is charged with the expenses to which it refers.

2. EXPENDITURE ON CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff related costs	173,236	154,555
External training	-	160
Facilities	12,645	24,366
Legal, professional and other outside services	11,656	9,398
Financial and insurance	1,204	1,595
Bad debts	-	1,631
Supplies	4,721	7,747
Activities, trips, games and play equipment	2,177	6,644
Marketing and website	294	781
Administration expenditure	4,838	7,177
	<u>210,771</u>	<u>214,054</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

During the year ended 31 August 2020 there were no trustee expenses (2019: Nil).

4. STAFFING COSTS

	2020 £	2019 £
Salaries and wages	169,639	149,499
Social security costs	2,116	1,717
Employers pensions	1,481	3,339
	<u>173,236</u>	<u>154,555</u>

The average number of employees during the year was 20 (2019: 13) of which 8 was full time (2019: 1).

The charity has an Auto Enrolment Pension Scheme which opened on 1 April 2017.

5. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST OR VALUATION	
At 1 September 2019	-
Additions	<u>827</u>
At 31 August 2020	<u>827</u>
DEPRECIATION	
At 1 September 2019	-
Provided during the year	<u>232</u>
At 31 August 2020	<u>232</u>
NET BOOK VALUE	
At 31 August 2020	<u><u>595</u></u>
At 31 August 2019	<u><u>-</u></u>

6. DEBTORS

	2020 £	2019 £
Trade debtors – amounts owed for playcare fees	7,825	10,878
Prepayments and accrued income	547	1,069
Other debtors	<u>0</u>	<u>0</u>
	<u><u>8,372</u></u>	<u><u>11,947</u></u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	-	1,557
Overpayments and amounts received in advance from parents	-	28,555
Taxation and social security	3,843	659
Accruals and deferred income	9,474	9,747
Other creditors	<u>475</u>	<u>1,141</u>
	<u><u>13,792</u></u>	<u><u>41,659</u></u>

8. SHARE CAPITAL

The company is limited by guarantee and does not have any share capital.

In the event of the company being wound up the members would be required to contribute an amount not exceeding £1.

9. MOVEMENT IN FUNDS

	At 01.09.19 £	Net movement in funds £	Transfers between funds £	At 31.08.20 £
Unrestricted funds				
General fund	154,425	5,256	-	159,681
Restricted funds				
None	-	-	-	-
	<u>154,425</u>	<u>5,256</u>	<u>-</u>	<u>159,681</u>
TOTAL FUNDS	<u>154,425</u>	<u>5,256</u>	<u>-</u>	<u>159,681</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	216,027	(210,771)	-	5,256
Restricted funds				
None	-	-	-	-
	<u>216,027</u>	<u>(210,771)</u>	<u>-</u>	<u>5,256</u>
TOTAL FUNDS	<u>216,027</u>	<u>(210,771)</u>	<u>-</u>	<u>5,256</u>

10. CONTINGENT LIABILITIES

As at 31 August 2020 there were no contingent liabilities (2019: Nil).

11. RELATED PARTY TRANSACTIONS

Kings Heath Playcare is based at Kings Heath Primary School and takes all its term time pupils from the school. Ms S Hanson is the Headteacher of the school.

Kings Heath Primary School charges the charity for a share of utility and caretaking costs on a regular basis. In addition to this it charges for ad hoc hall hires, copying and equipment purchased via the school. Costs during the year were £NIL (2019: £11,099).

Kings Heath Playcare

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2020**

	2020 £	2019 £
INCOME		
Incoming resources from charitable activities		
Fees from playcare provision	194,632	221,982
Awards and grants	<u>3,384</u>	<u>2,870</u>
	198,016	224,852
Bank interest received	52	43
Other income	<u>17,959</u>	<u>-</u>
Total incoming resources	216,027	224,895
EXPENDITURE		
Charitable activities		
Supplies	4,721	7,747
Activities, trips, games and play equipment	2,177	6,644
Salaries and wages	169,639	149,499
Social security costs	2,116	1,717
Employers pensions	1,481	3,339
Staff training	-	160
Rent and rates	12,632	13,255
Light and heat	-	11,099
Insurance	490	506
Cleaning	13	13
Repairs and renewals	-	-
Computer running costs	273	168
Printing, postage and stationery	1,473	979
Marketing and website	294	781
Telephone	1,856	1,921
Sundry expenses	695	3,048
Legal and professional fees	8,242	8,105
Licences and subscriptions	309	602
Bank charges	714	1,088
Bad debts	-	1,631
Depreciation	<u>232</u>	<u>-</u>
	207,357	212,302
Governance costs		
Accountancy	<u>3,414</u>	<u>1,752</u>
Total resources expended	210,771	214,054
Net income/(expenditure)	<u>5,256</u>	<u>10,841</u>