

Charity Registration No. 1074901

Company Registration No. 03639507 (England and Wales)

MID TYNE KIDS CLUB
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

MID TYNE KIDS CLUB

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Kate McGill Sarah Marshall Fiona Hamilton	(Appointed 10 June 2021)
Secretary	Fiona Hamilton	
Charity number	1074901	
Company number	03639507	
Principal address	C/o Broomley First School Main Road Stocksfield Northumberland NE43 7NN	
Registered office	C/o Broomley First School Main Road Stocksfield Northumberland NE43 7NN	
Independent examiner	John Hart St Matthews House Haugh Lane Hexham Northumberland NE46 3PU	

MID TYNE KIDS CLUB

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MID TYNE KIDS CLUB

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the club's articles and memorandum of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The club's objectives are to provide good quality, affordable childcare both after school and during the school holidays. This is achieved by operating a Kids Club for children at First and Middle schools in the local area, in the age range 4 to 12. The club operates from Broomley First School, Stocksfield.

Public benefit

The trustees have considered the guidance produced by the Charity Commission on the provision of public benefit and they confirm that public benefit has been provided by having aims that fall within the charitable purposes of the advancement of education.

Achievements and performance

The club has fared well over a difficult period including a second lockdown due to the COVID-19 pandemic. The club remained open to key workers throughout the pandemic and operated fully in between the first and second lockdown although numbers utilising the club during this period were greatly reduced. No staff were furloughed and colleagues were grateful for the strong financial position of the club which ultimately enabled the facility to remain open. From Easter 2021 and the return of all children to the classroom the numbers of children attending the club increased significantly.

The finances of the club remain healthy with strong reserves. The board is also continuing to work with the external accountants to enhance the club's accounting systems.

The club continues to be a secure and happy environment for all the children across the age range, and with specific areas designed for both the younger intake and the older children, to create bespoke environments to cater for the specific needs of our age range.

We have consistency of care delivered by our experienced staff, most of whom have been with Mid Tyne Kids Club for many years. The team work well together and create a happy, engaged environment for all the children. Two members of the team also hold positions on the teaching staff at Broomley First School, which creates consistency for the children between school and the after-school club, which is a real positive. The team continue to be led by our highly experienced and committed manager of the club.

Financial review

The club has reported a net deficit of £4,922 (2020 - net deficit £6,961) and unrestricted funds of £36,693 (2020 - £41,615) are held at the year end, of which £30,000 represent designated funds.

Reserves policy

It is the policy of the club that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the club's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees decided it would be appropriate to formally recognise the club's reserves policy and set aside 6 months expenditure, calculated at £30,000, as a designated fund.

MID TYNE KIDS CLUB

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Principal Risks

The trustees have assessed the major risks to which the club is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

At the start of every academic year and new intake, the team work hard with the children to develop their awareness of safety procedures, such as in the event of a fire or other emergency, and the necessity to observe the rules of not leaving the premises. We are very aware of all the principal risks and regularly audit against the regular Health & Safety assessments conducted.

Future developments and COVID-19

Due to having strong financial reserves, the club has been able to continue to operate and pay all of its staff since the COVID-19 pandemic started in March 2020. The club felt it was important to continue to support the community and remain open to key worker children. The decision was therefore made to use reserves to pay staff, whilst brining in minimal income.

The Board feels positive with children numbers increasing above pre pandemic levels. The club was open over the summer holidays and current uptake has been strong since restrictions have relaxed.

The current account bank balance is currently circa £1.8k, with an additional £30.7k in the deposit account, and the club therefore remains financially strong. If a further wave of COVID-19 were to hit, the Committee would have to review the different staffing options available to them at that time.

Structure, governance and management

The club is a company limited by guarantee. The governing document is the memorandum and articles of association and the operations of the club are overseen by the board of trustees who are also directors of the club and act on a voluntary basis. The trustees meet regularly to review the financial performance of the club and resolve any operational issues .

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Kate McGill

Francesca Smith

(Resigned 1 February 2021)

Sarah Marshall

Fiona Hamilton

(Appointed 10 June 2021)

New trustees are actively encouraged from parents of children attending the club. At each Annual General Meeting one third of the trustees retire and can offer themselves for re-election. Our trustee induction procedures ensure familiarity with all of terms of reference, Job Descriptions, Volunteer Policy; ensuring DBS in place, and with procedures for reading and signing to confirm understanding and knowledge of all club policies and procedures, with any role specific training required in handover from Chair, Secretary or Treasurer roles being provided.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Day to day operation of the club is assigned to the club manager.

The trustees' report was approved by the Board of Trustees.

Dated: 31 May 2022

Kate McGill

Director and trustee

MID TYNE KIDS CLUB

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MID TYNE KIDS CLUB

I report to the trustees on my examination of the financial statements of Mid Tyne Kids Club (the club) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the club (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the club 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 the club's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the club as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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
- 4 the financial statements 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 financial statements to be reached.

John Hart

St Matthews House
Haugh Lane
Hexham
Northumberland
NE46 3PU

Dated: 31 May 2022

MID TYNE KIDS CLUB

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

Current financial year					
		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Total 2020 £
	Notes				
<u>Income from:</u>					
Donations and legacies	2	8,000	-	8,000	-
Charitable activities - income	3	40,891	-	40,891	39,952
Investments	4	118	-	118	162
Total income		49,009	-	49,009	40,114
<u>Expenditure on:</u>					
Charitable activities - expenditure	5	53,931	-	53,931	46,526
Other	9	-	-	-	549
Total resources expended		53,931	-	53,931	47,075
Net expenditure for the year					
Net movement in funds		(4,922)	-	(4,922)	(6,961)
Fund balances at 1 September 2020		11,615	30,000	41,615	48,576
Fund balances at 31 August 2021		6,693	30,000	36,693	41,615

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MID TYNE KIDS CLUB

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Charitable activities - income	3	39,952	-	39,952
Investments	4	162	-	162
Total income		40,114	-	40,114
<u>Expenditure on:</u>				
Charitable activities - expenditure	5	46,526	-	46,526
Other	9	549	-	549
Total resources expended		47,075	-	47,075
Gross transfers between funds		(30,000)	30,000	-
Net expenditure for the year/ Net movement in funds		(36,961)	30,000	(6,961)
Fund balances at 1 October 2019		48,576	-	48,576
Fund balances at 31 August 2020		11,615	30,000	41,615

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MID TYNE KIDS CLUB

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		7,248		7,431
Current assets					
Debtors	11	5,057		4,170	
Cash at bank and in hand		31,149		36,824	
		<u>36,206</u>		<u>40,994</u>	
Creditors: amounts falling due within one year	12	<u>(6,761)</u>		<u>(6,810)</u>	
Net current assets			29,445		34,184
Total assets less current liabilities			<u>36,693</u>		<u>41,615</u>
Income funds					
<u>Unrestricted funds - general</u>					
Designated funds	13	30,000		30,000	
General unrestricted funds		<u>6,693</u>		<u>11,615</u>	
			36,693		41,615
			<u>36,693</u>		<u>41,615</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 31 May 2022

Kate McGill
Trustee

Sarah Marshall
Trustee

Company Registration No. 03639507

MID TYNE KIDS CLUB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Mid Tyne Kids Club is a private company limited by guarantee incorporated in England and Wales. The registered office is C/o Broomley First School, Main Road, Stocksfield, Northumberland, NE43 7NN.

The club is a public benefit entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the club's governing document, the Companies Act 2006 and "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)". The club is a Public Benefit Entity as defined by FRS 102.

The club has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the club. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the club has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the club is legally entitled, after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fee income, for childcare services, is recorded in the period to which it relates.

1.5 Expenditure

Expenditure is recorded on an accruals basis, inclusive of VAT.

MID TYNE KIDS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Assets are capitalised where their cost is greater than £100.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Portacabin	Depreciated over 20 years
Equipment	15% reducing balance
Fixtures and Fittings	15% reducing balance

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks and any bank overdraft. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Basic financial assets, including debtors and cash and bank balances are measured at transaction price.

Basic financial liabilities, including creditors and bank loans are recognised at transaction price.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds general 2021 £	Total 2020 £
Grant Income	8,000	-

3 Charitable activities - income

	Operating a Kids Club 2021 £	Operating a Kids Club 2020 £
Fee income	40,891	39,952

MID TYNE KIDS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	118	162

5 Charitable activities - expenditure

	2021 £	2020 £
Staff costs	43,207	35,747
Depreciation and impairment	1,282	1,140
Provision of services	2,430	2,936
	<u>46,919</u>	<u>39,823</u>
Share of support costs (see note 6)	4,532	3,739
Share of governance costs (see note 6)	2,480	2,964
	<u>53,931</u>	<u>46,526</u>

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Operating costs	1,681	-	1,681	1,795	-	1,795
Repairs and maintenance	1,133	-	1,133	233	-	233
Admin costs	1,205	-	1,205	729	-	729
Other staff costs	513	-	513	982	-	982
Accountancy and independent examination fees	-	2,480	2,480	-	2,964	2,964
	<u>4,532</u>	<u>2,480</u>	<u>7,012</u>	<u>3,739</u>	<u>2,964</u>	<u>6,703</u>
Analysed between Charitable activities	<u>4,532</u>	<u>2,480</u>	<u>7,012</u>	<u>3,739</u>	<u>2,964</u>	<u>6,703</u>

MID TYNE KIDS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the club during the year. No expenses were paid to any of the trustees.

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	6	6
	<u>6</u>	<u>6</u>
Employment costs	2021	2020
	£	£
Wages and salaries	42,808	35,483
Other pension costs	399	264
	<u>43,207</u>	<u>35,747</u>
	<u>43,207</u>	<u>35,747</u>

There were no employees whose annual remuneration was more than £60,000.

9 Other

	Total £ 2021	Unrestricted funds general 2020
Net loss on disposal of tangible fixed assets	-	549
	<u>-</u>	<u>549</u>
	<u>-</u>	<u>549</u>

MID TYNE KIDS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Tangible fixed assets

	Portacabin	Equipment	Fixtures and Fittings	Total
	£	£	£	£
Cost				
At 1 September 2020	48,280	2,077	1,101	51,458
Additions	-	-	1,099	1,099
	<u>48,280</u>	<u>2,077</u>	<u>2,200</u>	<u>52,557</u>
At 31 August 2021	48,280	2,077	2,200	52,557
Depreciation and impairment				
At 1 September 2020	42,852	947	228	44,027
Depreciation charged in the year	907	170	205	1,282
	<u>43,759</u>	<u>1,117</u>	<u>433</u>	<u>45,309</u>
At 31 August 2021	43,759	1,117	433	45,309
Carrying amount				
At 31 August 2021	<u>4,521</u>	<u>960</u>	<u>1,767</u>	<u>7,248</u>
At 31 August 2020	<u>5,428</u>	<u>1,130</u>	<u>873</u>	<u>7,431</u>

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	<u>5,057</u>	<u>4,170</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	35	35
Other creditors	4,386	4,493
Accruals and deferred income	<u>2,340</u>	<u>2,282</u>
	<u>6,761</u>	<u>6,810</u>

MID TYNE KIDS CLUB

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2019 £	Movement in funds Incoming resources £	Balance at 1 September 2020 £	Movement in funds Incoming resources £	Balance at 31 August 2021 £
Reserve fund	30,000	-	30,000	-	30,000
	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>

Reserve fund: the trustees agreed to formally set up a designated fund to represent 6 months expenditure that may be required, should there be a significant drop in funding, which would enable the club to provide continuity of care, whilst the future options for the club were being investigated.

14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	7,248	-	7,248	7,431	-	7,431
Current assets/ (liabilities)	(555)	30,000	29,445	4,184	30,000	34,184
	<u>6,693</u>	<u>30,000</u>	<u>36,693</u>	<u>11,615</u>	<u>30,000</u>	<u>41,615</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).