



National Day Nurseries Association

# **National Day Nurseries Association**

(A charitable company limited by guarantee)

## **Financial Statements for the year ended 31 March 2021**

Company registration No. 03738616

Registered charity No. 1078275 (England & Wales)  
SCO40610 (Scotland)

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# National Day Nurseries Association

## Annual report of the trustees

### For the year ended 31 March 2021

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#### **Name**

National Day Nurseries Association (NDNA)

#### **Registered office**

National Early Years Enterprise Centre, Longbow Close, Huddersfield, HD2 1GQ

#### **Scotland and Wales offices**

The Mansfield Traquair Centre, 15 Mansfield Place, Edinburgh, EH3 6BB  
Office 3, Crown House, 11 Well Street, Ruthin, Denbighshire, LL15 1AE

#### **Charity number**

1078275 (England and Wales)  
SCO40610 (Scotland)

#### **Company number**

03738616

#### **Auditors**

Revell Ward Ltd, First Floor Office Suite, Mill B, Colne Road Buildings, Colne Road, Huddersfield, HD1 3AG

#### **Bankers**

NatWest Bank, Commercial Banking, 2<sup>nd</sup> Floor, 8 Market Place, Huddersfield, HD1 2AN

Nationwide Building Society, Nationwide House, Pipers Way, Swindon SN38 1NW

Yorkshire Bank, Bering House, Mariner Court, Clydebank Business Park, Clydebank, G81 2NR

The Charity Bank Limited, Fosse House, 182 High Street, Tonbridge, TN9 1BE

#### **Solicitors**

Lupton Fawcett, Yorkshire House, East Parade, Leeds, LS1 5BD

# National Day Nurseries Association

## Annual report of the trustees

### For the year ended 31 March 2021

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#### Country of incorporation

Great Britain

#### List of trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are referred to as the trustees. The Trustees report includes requirements of the Directors' report as required by company law.

The trustees who served during the year were as follows:

	Date of original appointment
Sarah Carr, OBE (Chair)	13 May 2000
Tina Jones (Trustee – Wales)	23 March 1999
Hazel Moody (Trustee – South East)	30 July 2007
Christopher Gray (Trustee – North West)	3 August 2007
Penelope Vaughan-Pipe (Trustee – South West)	1 October 2007
Linda Maurice (Co-opted Trustee)	2 October 2007
Courteney Donaldson (Co-opted Trustee)	10 January 2011
Helen Gration (Trustee – Yorkshire)	21 September 2011
Jane Haywood (Co-opted Trustee)	19 August 2012
David Smyllie (Co-opted Trustee)	27 November 2013
Ann McEwan (Trustee – Scotland)	16 September 2015
Dave Poulson (Co-opted Trustee)	30 November 2016
Tracey Storey (Trustee – London)	13 September 2017
Sally Bonnar (Trustee – East Midlands)	13 September 2017
Philip Siddell (Trustee – West Midlands)	22 May 2018
Laura Bowery (Trustee – North East)	11 September 2019
Lesley Dawson (Co-opted Trustee)	17 March 2020
Tracy Hutchison (Trustee – East)	16 March 2021

#### Company Secretary and Chief Executive

Purnima Tanuku, OBE

1 April 2005

#### Qualifying third party indemnity provisions

The charity purchased insurance for liabilities incurred by its trustees in carrying out their duties.

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## Structure, Governance and Management

### Governing document

National Day Nurseries Association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 20 September 1999 and amended to allow for the current governance arrangement on 28 February 2007, 24 March 2010 and 26 May 2011. It is registered as a charity with the Charity Commission in England and Wales and with the Office of the Scottish Charity Regulator in Scotland.

### Appointment of trustees

The Strategic Board currently comprises 18 trustees including a National Chair. Of these, 11 represent members in each English region, Scotland and Wales and 6 are from wider sectors co-opted to support the work of the board and add special expertise. 1 new trustee joined during 2020-21.

At every Annual General Meeting, one-third of the board is subject to retirement by rotation. Nominations are invited from the regions of the retiring trustees through advertising in Nursery News and elections held to appoint a new regional trustee. If there are no other nominations and the retiring trustee is willing, they will be reappointed for a further term of office.

### Trustee induction and training

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making process, the business plan and the recent financial performance of the charity. They meet key employees of the charity and are encouraged to attend external training events as appropriate. A two-day board strategy event and training is held annually.

### Organisation

The strategic board administers the charity and meets at least 3 times a year. The Chief Executive, Purnima Tanuku is appointed by the strategic board to manage the day-to-day operation of the charity. The Chief Executive has delegated authority for dealing with matters such as finance and employment.

### Risk management

There is a robust risk assessment and management process established. This includes:

- Reviewing and monitoring both the strategic and operational risks the charity may face;
- Establishment of systems and procedures to measure and control risks identified; and
- Implementation of control measures to minimise any potential impact on the charity if risks materialise.

A 'traffic-light' risk reporting system is in use linking the organisation's performance monitoring framework and financial performance.

The principal risks and uncertainties facing the charity are the impact of Covid 19 on the sector and NDNA, public spending cuts resulting in a reduction in income from central government and local authority contracts, and increased competition for all services and contracts. Our strategy for managing this risk has enabled us to achieve a balanced portfolio of income streams by focusing on developing a wider customer base in the UK and beyond and a portfolio to suit their needs.

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#### Objectives and activities

##### NDNA vision and mission

The charity's vision is for all children and families to flourish through excellent early years learning and care.

The charity's mission is to lead and empower the sector so that nurseries and the early years workforce deliver sustainable, high quality learning and care.

NDNA is the champion of quality early years learning and care in nurseries. The charity works to support nurseries to deliver high quality learning and care, and to represent the sector.

##### NDNA aims and objectives for the year

The strategic aims NDNA set out for 2020-21 are:

- We are the strongest voice for nurseries and their workforce
- We promote and support high quality, sustainable early years provision
- We will enhance our support to the early years workforce
- We are strong and sustainable

**We are the strongest voice for nurseries and their workforce** – As the voice of the 21,000-strong nursery sector, NDNA is an integral part of the lives of more than a million young children and their families. The charity provides information, training and advice, which supports nurseries - and the 250,000 people who work in them - to deliver world class early learning and childcare. Working closely with local and national governments in England, Scotland and Wales, we deliver a comprehensive programme of policy work, campaigning on the cost, choice and quality of childcare; to benefit children, their families, nurseries and the economy.

**We promote and support high quality, sustainable early years provision** – NDNA's national programmes of activity ensure that nurseries and their workforce have the skills they need to deliver early years services, whilst remaining viable and sustainable. The range of services delivered by NDNA includes membership support services; accredited and non-accredited training programmes - both face-to-face and online via the NDNA Early Years Development Zone; events and conferences; publications; business support; Quality Counts accreditation and Millie's Mark. We also provide information and support to all child-carers and parents via our website.

**We will enhance our support to the early years workforce** – MyNDNA provides the early years workforce with direct access to up-to-date training and support, which can help them to improve the quality of their practice.

**We are strong and sustainable** – Effective delivery of the charity's mission is only possible if we protect our own financial sustainability and retain the commitment of our workforce. We manage our resources carefully and everyone plays an active part in the business planning process. The strategic challenges facing NDNA are discussed at Board level and all staff are involved in developing the business plan and ultimate responsibility for decision-making rests with the Board; supported by the Chief Executive and Senior Management Team.

The charity has a wholly-owned subsidiary, NDNA Services Limited.

NDNA does not fundraise from the public.

The original business plan for 2020-21 was approved by the Board in March 2020.

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By the end of March 2020, the first lockdown was introduced across the UK, in response to the emerging threat of the Covid-19 pandemic.

There was a lot of confusion and chaos for early years providers which created lots of challenges and uncertainties for the sector. We would like to record our thanks to all the early years providers for their resilience and dedication to support children and families through a most difficult period.

Our financial forecasts for the first quarter reflected significant uncertainty, and suggested a substantial deficit, based on reduced income from all sources.

#### **NDNA Covid-19 recovery plan**

NDNA moved quickly to develop and adopt a Covid-19 recovery plan, which set out how the charity would support the sector and operate sustainably during the course of the pandemic.

This plan focused on:

- Increasing level of service to NDNA members and the early years sector, to provide much-needed support.
- Maintaining our strategic ability to look ahead and monitor new threats and opportunities.
- Using Government support, such as the Coronavirus Job Retention Scheme (CJRS), effectively and appropriately, based on projected reduction in demand from April 2020.
- Securing NDNA's financial sustainability in the short and medium term, by managing costs, and exploring alternative delivery methods and income streams.
- Moving to monthly financial forecasting to reflect the rapidly changing business environment.
- Retaining the staff skills and expertise required to provide sector leadership in this changing environment.

This plan set out new ways of working to support the sector, whilst identifying cost savings. Monthly Board meetings were introduced via Zoom and monthly financial reforecasts allowed NDNA's leadership team to proactively manage costs and income streams.

NDNA invested self-generated reserves in IT infrastructure and a new telephone system to enable the remote capabilities needed to continue supporting members. By investing time and resources in the development of online delivery, NDNA was able to respond to the challenges brought by the pandemic quickly and efficiently, and to continue to deliver much-needed support to members, throughout this period of extreme uncertainty.

By the second half of the year, there was increasing demand for our online services and other support services, which was reflected in our monthly forecasts. We gradually brought furloughed employees back into the business to cope with the demand.

#### **Impact on the Sector**

The Covid-19 pandemic led to rapid, wide-scale changes in business operations across the UK, due to national lockdown restrictions, enhanced safety measures and social distancing rules. Meanwhile, regular changes to government guidelines and legal requirements, often at short notice, were difficult for nurseries to digest and keep track of.

NDNA reacted quickly from the start of the pandemic, ensuring that members received the latest information on a daily basis, through Covid-19 update emails, factsheets, webinars and through social media. Throughout the year, 309 Covid-19 specific updates were issued to members, distilling guidance on everything from changing government advice to Ofsted inspections to employment law.

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Between April 2020 and March 2021, NDNA research revealed a 35% increase in Nursery closures, so this support provided a lifeline to the sector enabling nurseries to manage risks, stay up to date and manage their operations safely and sustainably.

NDNA produced a range of resources, toolkits, information and advice to help settings and staff to respond to new challenges, such as positive cases, increasingly anxious parents and unsettled children. This support was gratefully received by the struggling sector.

A number of free resources were made available for members and non-members, to support them through challenging times:

*"I would like to take the opportunity to send a huge thank you to you and all of the NDNA team, for the exceptional support and advice that you have given to my nursery and the sector as a whole. I have never felt more grateful for being a member of a strong association that has the best interests of each and every provider at the forefront of everything they do. Thank you from the bottom of our hearts from all of the Buttercups team."*

**Emma Parfitt, Buttercups, Cardiff**

In addition, our #ThankOurNurseries campaign acknowledged the great work that NDNA's members have been doing to support children and families throughout the pandemic.

#### **Impact on the Workforce**

During this challenging year - for nurseries and their workforce - access to quality, affordable training has been more important than ever. An abundance of research tells us that high-quality childcare, delivered by qualified practitioners, is essential for the development of children in their earliest years. However, NDNA's year-long study alongside the Education Policy Institute into 'The Covid-19 pandemic and the early years workforce' revealed that nurseries are struggling to recruit and retain staff qualified at the levels they need and want.

Research confirms that the first five years shape each child's future health, happiness, growth, development and learning achievements, so the continued professional development of practitioners is essential to ensure children get the best start in life. NDNA's analysis of sector intelligence, surveys and a two-way dialogue with our members allow us to review and update our range of products and services, to ensure that we continue to meet members' needs:

*"Absolutely brilliant organisation that offer valuable online resources, updated policies and procedures, training for your whole staff team, from management to practitioners NDNA has got you covered."*

**Olimpia Malaescu, Pepperberry Day Nursery, Cheshire**

#### **Achievements and performance**

Members continue to recognise NDNA as their provider of choice for the delivery of high-quality training. This year we supported 38,036 learners through e-learning, live virtual classroom training, webinars and via the delivery of projects and contracts. Evaluation has demonstrated that 97% of those who access our training rate it as either good or excellent. Across the programmes we have delivered, it is clear that attendees gained benefit from NDNA's intervention, with over 84% citing increased learner confidence in their subject area because of our intervention.



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Alongside our support programmes, we have developed new publications and reviewed existing publications in line with changes to policy, legislation and best practice. Throughout this year, our factsheets have supported providers with a range of topics from business recovery and supporting parents with school readiness, to early years best practice. These have proved to be a valuable resource for the sector.

#### **Live Virtual Classroom Training**

Investment in the introduction of training via live virtual classroom (LVC), in July 2020, has enabled NDNA to continue providing much-needed support to nurseries, their managers and their workforce, despite lockdown restrictions.

This remote delivery meant that practitioners did not need to travel for training and spent minimal time away from the setting, which helped employers to manage staffing ratios in a workforce that is transient, short staffed and facing recruitment challenges. Our commitment is to continue to deliver LVC so we are able to offer wider services moving forward.

#### **Free Member Events, Resources, Training and Webinars**

In response to restrictions, we also increased delivery of short information sessions via webinar, mainly for leaders and managers; for instance, delivering a number of sessions to support with reopening post lockdown and recovery. During the course of the year, we ran 33 free member events and webinars, with a total of 2,606 registered attendees.

We invested in offering free resources and training to members and non-members, to support them through the difficult period.

#### **Millie's Mark and Quality Counts**

From the first lock down, employers and practitioners struggled to access essential training, such as Paediatric First Aid and accredited qualifications. Recognising these difficulties, the Department for Education (DfE) passed temporary legislation to 'disapply' elements of the EYFS and this had an impact on members who were registered with Quality Counts and Millie's Mark. NDNA responded to this by extending access to these programmes until disapplication has ceased.

We have continued to deliver Millie's Mark to support our members to keep children as safe as possible. This year 130 settings took up the Mark and 87 nurseries successfully achieved the standard, demonstrating they go above and beyond their regulatory duty. In total there are now 776 settings signed up to the Mark in England and 13 in Scotland, with 640 settings being awarded the Mark since it was launched.

#### **Childcare Works**

In Wales, the Welsh Government supports NDNA's Childcare Works project. This was paused for three months in March due to Covid-19 restrictions, before re-starting in July. The three-month pause meant the project ran until March 2021 instead of finishing in December 2020 and this enabled NDNA to support 32 candidates - who are not in employment, education or training - with a four-week training programme, followed by 12-week placements as Trainee Nursery Assistants, in nurseries across ten local authority areas. To meet Covid-19 guidelines, training from July onwards was delivered remotely and within three weeks, allowing TNAs to spend a total of 13 weeks on placements. Of the 32 total participants, 12 went on to take up employment after the project with eight taking on further training.

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#### **International**

Overseas nurseries that are looking to implement and follow the EYFS recognise the value that NDNA can offer. We have international members from 18 different countries. We continue to provide services to members overseas and maintain contact with international stakeholders.

We hosted a free international webinar, entitled 'Global Impact of Covid 19 on Early Years', this focused on the impact of the pandemic on staff and proposed strategies for the management of health and wellbeing that can really make a difference.

#### **Membership and Retention**

A strong membership base is critical to NDNA's mandate as the voice of the sector. The strength of our membership informs our work and our priorities, which are driven by the evidence we gather from our members.

Membership retention improved dramatically during the second part of the financial year, mainly due to the valued support that we provided to our members. This indicates that members are getting value from their membership, see a return on this investment and most are willing to renew, even in the toughest of times.

NDNA draws on the experience of our members and our own research, as well as analysis of the early years and childcare sector, to ensure we are the voice of our sector. We work across key stakeholders and decision makers in England, Scotland and Wales to advocate for policy approaches that support the charity's objectives and our members' needs.

#### **Member Engagement**

NDNA networks provide nursery owners and managers with the opportunity to meet and form a united voice at a local level. Networks, led by volunteer Network Officers, provide regular opportunities to share information, ideas and concerns, whilst improving NDNA's reach and the breadth and depth of our insight.

At the end of 2020-21, NDNA had 44 active networks across the UK. We introduced regular network chair meetings and these networks have continued to provide the insight that NDNA needs to represent the sector. We would like to thank all of our networks for their continued engagement with NDNA in highlighting local issues and challenges.

Free member events were delivered remotely, via Zoom, across each of the three nations, with an event covering each region of England. These events attracted 1,741 registered attendees, enabling nurseries and their workforce to benefit from updates on policy and practice, as well as professional development and networking. We worked with our corporate sponsors to deliver up to date information on topics such as health and safety and employment law, to cover all the legislative and regulatory changes due to Covid.

#### **Policy Engagement and Campaigns**

In England, Scotland and Wales, NDNA has met with Government Ministers, key stakeholder and working groups to provide the latest research, sector views and experiences; particularly in relation to Covid-19 and associated restrictions. NDNA has used member views and feedback to lobby and shape changes to guidance and secure extra support for the sector. This has included:

- Testing - We campaigned to get the early years workforce the safety equipment and testing kits needed under #TestAllEarlyYearsWorkers
- Thank early years campaign
- A plan for jobs needs a plan for early years

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- Business Rates – securing a Government U-turn that meant nurseries in England were added to the business rates holiday for 2020/21 and an extension into 2021/22
- Funding – lobbying for:
  - the additional £44 million for funded places in England
  - an increase in the Foundation Phase rate in Wales
  - additional financial support to settings in Scotland through the Transitional Support Fund and Temporary Restrictions Fund
- Working closely with HMRC and DWP to address the technical issues relating to tax-free childcare and childcare element of Universal Credit in order to support members and parents
- Free membership for members in Wales

To support our members and influence public debate on issues affecting early years, we engage with traditional and social media to reach as wide an audience as possible, achieving 305 pieces of national media coverage for our work and over 394 pieces in the trade press covering early years and education. Our following on social media has now reached; 15,500 on Facebook; 15,975 on Twitter; 7,121 on LinkedIn and 2,525 on Instagram.

*"I am sure I speak for the whole sector when I say, 'thank you', for your support during this very difficult time for day nursery operators and their wonderfully dedicated workforce. You have always championed the needs of the sector with skill and this desperate period is no exception. "*

**Ellen Lloyd Wilson, Little Stars Nursery, Wales**

#### **Funding**

The 2020 Comprehensive Spending Review, which usually determines the Government's public spending plans over a period of three to four years, was limited to a single year this time, due to uncertainty around Covid-19 and the Brexit trade deal. NDNA responded to the formal consultation and produced a key messages document that enabled our members to engage with MPs. The outcome of the spending review was an additional £44 million for early years funded places, to increase the hourly rates paid by local authorities.

In 2020/21 NDNA continued its research into local authority budgets and found a £62 million underspend in early years budgets across local authorities, at the end of March 2020. This information has been used by Schools Forums, NDNA members and our networks to discuss funding rates at the local level, and local authorities have, in some cases, passed underspent resources to providers.

#### **Covid Impact Research**

In 2020, NDNA also collaborated with the Education Policy Institute (EPI) on a year-long study, focusing on the impact of coronavirus on the early years sector and its workforce. This project will run until July 2021 and aims to highlight issues relating to recruitment and retention of staff in the private, voluntary and independent (PVI) sector; with a particular focus on the consequences of the pandemic on staff qualification levels, setting closures and on opportunities for continuing professional development (CPD).

Findings from the first two surveys highlighted that 71% of early years workers were furloughed during the first national lockdowns and the workforce shrank by an estimated 9% between March and August 2020. The second survey, conducted in the autumn, found that demand for places was slow to recover and both surveys highlighted concerns about the availability of SEND training and support with bereavement for children. These findings have been used to inform discussions with national governments about the real-time pressures providers and their staff were facing.

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#### **NDNA Cymru**

NDNA Cymru remains part of the Cwlwm Partnership and representation continues to be key to our work, we are a member of key strategic groups alongside other representative organisations, Welsh Government, Aware, Social Care Wales, Care Inspectorate Wales and Estyn.

#### **NDNA Scotland**

NDNA Scotland continues to represent members at key stakeholder meetings and supporting the Covid-19 Education Recovery Group working group on early learning and childcare. In addition, NDNA Scotland is a member of the Education Leaders Forum and ELC Sector Recovery Group (Covid-19).

We have retained the Scottish Government's Children, Young People and Families Early Intervention Fund (CYPFEIF) and Adult Learning and Empowering Communities Fund (ALEC) funding for six years and received positive feedback from the Corra Foundation on the reporting of the achievement of Fund outcomes. NDNA Scotland have consistently met all the requirements for the funding.

#### **MyNDNA**

We have 16,112 people registered on MyNDNA, our early years and childcare community. These practitioners receive weekly hints, tips and good practice guides. We have seen continued practitioner participation via MyNDNA, which has enabled us to enhance our offer, to further support the sector.

This free to join, online community continues to provide practical inspiration, activity ideas and resources for early years practitioners to use in their setting. We encourage use of these resources to support practitioners with their own professional development and we believe that MyNDNA has had a positive impact on the quality of early years practice, and therefore improved outcomes for children.

#### **Projects and Contracts**

Although the pandemic hit us early in this financial year, we still were able to support thousands of early years staff through the delivery of contracted projects. The restrictions imposed by government meant we had to change our delivery model and deliver projects in a virtual way. NDNA did this and successfully delivered the following:

- Completion of the Early Years Leaders Programme delivered on behalf of Greater London Authority
- Recruitment and part delivery of the EEF funded Pilot elements of the Maths Champion Programme, in England
- Continued delivery of Childcare Works, in Wales

32 unemployed people secured placements in member settings in Wales, bringing new recruits to the sector through our Childcare Works programme.

This year, we have continued to work with a range of companies to bring ideas, activities, campaigns and resources to children and parents via our membership base. For instance, NDNA's popular 'Healthy Body, Happy Me' campaign focused on the theme 'Nurture with Nature' and took place from 22nd – 26th March 2021. TTS and Consortium sponsored the week, promoting activities to inspire children's curiosity of nature. The total number of downloads for the campaign improved by 42% year on year with 6,486 compared with 4,549 downloads in 2019/20. Our daily guides provided ideas for learning, including at least one physical activity, plus a home-learning activity for members to share with parents.

NDNA's own long-term sustainability is essential if we are to continue delivering our charitable mission and maximise the impact of our activities.

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Through careful management and planning; cost savings, additional income from our products and services, appropriate use of government furlough scheme and increased income through our products and services, we were able to achieve a better year-end financial position than budget in the financial year 2020-21. This means that we are able to invest in the development of further support, for the benefit of nurseries, the early years workforce and the children who they educate and care for.

#### Financial review

2020-21 has seen us continue to maintain the strong and sustainable position of the organisation and its purpose in challenging times for the sector. We achieved an overall surplus of £243,565. Our unrestricted reserves now stand at £1,776,674.

During the year, we invested £6,871 out of designated funds on infrastructure development.

A further £144,930 has been put into the designated IT fund to invest in website development and additional IT support, plus a further £12,349 into the designated buildings fund to enable staff with hybrid working.

#### Investment policy

The trustees recognise the need to retain sufficient liquid assets to meet the charity's short-term obligations. Funds in excess of current requirements are invested in low-risk cash deposits or interest-bearing accounts.

We have prioritised 3 areas for investment to support our membership.

We plan to invest in a new website and CRM system, new communication solution and strengthen our IT infrastructure.

Through our IT strategy, we are expanding the IT team to improve our services to members across the UK.

We are enhancing our support to practitioners with virtual classroom training and e-learning.

#### Plans for the future

Throughout 2021, we have constantly reviewed our recovery plan and adjusted our delivery, in line with changes in government guidance. NDNA will continue to focus on delivering the highest quality training through online methods, including Live Virtual Classroom and webinars. We will also focus on virtual meetings to replace some of our face-to-face events like Member Events.

We will continue to invest in our online and international services. We will build on the growth of the MyNDNA community to reach wider audiences and individual practitioners in early years, providing targeted support. We will invest in IT infrastructure to enhance our products and services. New partnerships are being developed to improve our member benefits package and to generate new income streams.

**In England**, the revised Early Years Foundation Stage will come into effect for all providers from September 2021. To support practitioners and develop guidance for the sector, by the sector, NDNA was part of the Early Years Coalition, which produced 'Birth to 5 Matters'; non-statutory guidance to support the delivery of the new EYFS. NDNA will continue to support members through offering high quality training, resources, activity ideas and publications.

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Government investment in early years will be part of the Comprehensive Spending Review planned for 2021. NDNA will continue to gather evidence from our members to campaign for a recovery fund and increased funding for the early years sector, as part of the spending review. To ensure a strong voice across Parliament, NDNA will continue its work meeting and briefing MPs and within the All Party Parliamentary Group for Early Education and Childcare.

**In Scotland**, the delayed full roll-out of the 1,140 hours of funded ELC expansion will now take place from August 2021. NDNA Scotland will continue to work for solutions to funding challenges as well as ensuring that funding truly follows the child and maximising parental choice.

In March 2021, the UNCRC Incorporation (Scotland) Bill passed the Scottish Parliament and will become law this year. This Bill means public authorities, including nurseries delivering publicly funded places, will have to comply with children's rights. This is something the Early Learning and Childcare sector already does but NDNA Scotland will provide additional support to members around the new requirements, especially Child Rights and Wellbeing Impact Assessments.

With elections taking place in early 2021/22, NDNA Scotland will work to establish relationships with the new Scottish Government as well as a new intake of MSPs to ensure that elected representatives and ministers are aware of the work of PVI providers and the challenges they face.

**In Wales**, plans to prepare for the roll-out of the new Curriculum for Wales 2022 will continue. The Welsh Government has worked with early years practitioners both in the maintained and non-maintained sector, education professionals and local authorities to develop additional guidance for those using the curriculum with children aged three to five. NDNA Cymru will continue to work alongside the Welsh Government and other partners to ensure the non-maintained sector have the support they need with the new Curriculum for Wales ahead of full roll-out from September 2022.

With elections taking place in early 2021/22, NDNA Cymru will work to establish relationships with the new Welsh Government as well as a new intake of Senedd Members to ensure that elected representatives and ministers are aware of the work of the non-maintained sector and the challenges they face.

#### **Public benefit**

We constantly refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Evidence shows that investing in early years makes a difference to children's long-term outcomes. To achieve our vision and mission, our support and representation work aims to have a real influence and shape the early years policy agenda for the benefit of children and their families across England, Scotland and Wales. The impact of this is to develop an environment that enables the nursery sector to deliver the high quality care and learning that makes a difference to the outcomes for children, whilst also being sustainable businesses.

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The practical support we provide to nurseries to help them continually improve their early learning and childcare practice and to be sustainable businesses is central to the fulfilment of our mission. The benefit of our support services and projects as a national centre for early years excellence is the difference it makes to children and families, including:

- Affordable and accessible childcare for all sections of the community through supporting sustainable childcare including in areas of disadvantage.
- Enhanced skills in the early years workforce to be better equipped to provide the high quality of care and early learning that children deserve.
- Enhancing inclusion in early years through promotion of good practice.
- Supporting nursery providers in all areas to promote better outcomes for children and families.
- Sector sustainability, enterprise and, as a result, the safeguarding and creation of jobs in the childcare sector whilst enabling parents to work and train.
- Partnership programmes for economically inactive individuals to give them a solid basis to move into employment.
- Equipping parents with an increased understanding of quality childcare so they can make informed childcare choices and get the most out of their nursery that will help support children to do better.
- Supporting policy development to ensure public spending in early years achieves maximum impact to deliver outcomes for all children.

Throughout the pandemic, we provided free webinars, events and resources to members and non-members, recognising the financial challenges the sector faced.

#### **Support from our volunteers**

The Board of Trustees give considerable support to the organisation on a voluntary basis and we very much appreciate this. Members have also acted in various voluntary roles for NDNA through advising as members of our UK, Scotland and Wales policy committees and representing the sector at both national and local levels. Local NDNA networks run across the country, thanks to the time and commitment given by voluntary network officers. There is extensive volunteer activity across all three nations and the trustees would like to record their appreciation and thanks for this contribution, which is of great value to the charity.

#### **Pay policy for senior staff**

The directors consider the Strategic Board of Directors, who are the charity's trustees, and the senior management team comprise the Key Management Personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely, and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in notes 7 and 15 (respectively) to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, pay levels are benchmarked against pay levels in other charities of a similar size.

If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

# National Day Nurseries Association

## Annual report of the trustees

### For the year ended 31 March 2021

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#### **Reserves policy**

Trustees are under a general legal duty to apply charity funds within a reasonable time of receiving them and to justify the level of reserves held.

The reserves policy is informed by:

- how secure the organisation's future income streams are
- analysis of any future needs, opportunities, contingencies or risks, the effects of which are not likely to be met out of income
- the long term development and infrastructure, building strategy for the organisation.

The policy is re-examined each year as part of the formal process of reviewing the long-term strategy linked to the annual business planning process.

At the end of the year, the charity is holding total funds of £2,782,265. This includes restricted funds of £85,711, and an endowment fund of £723,200.

Unrestricted free reserves have increased by £64,246, and are now £1,776,674.

Free reserves at 31 March 2021 represent approximately 15.7 months of operating costs. We need to keep sufficient cash reserves to fund future developments that will contribute to the growth of the organisation, necessary for future sustainability.

The Reserves Policy was reviewed by the board in 2020, and it is considered as a matter of prudence under the current economic climate that NDNA should retain at least 9 months operating costs in reserve in order to service commitments, respond to changes in risks and fund future developments.

#### **Designated fund policy**

The charity has set aside funds for buildings maintenance, further development of our IT platform and for costs for development of services that will support the early years sector and the global community.

It is intended the remaining designated development fund of £25,194 will be used for projects to support services to early years practitioners.

The remaining designated IT fund of £6,892 will be allocated against depreciation of our new finance system, which was purchased in January 2019. An additional £144,930 has been added to IT fund to invest in website development and additional IT support.

The remaining designated building fund of £7,315 will be allocated against depreciation of Head Office refurbishment that has taken place in the last few financial years. An additional £12,349 has been added to the buildings fund to invest in hybrid working.

We anticipate that these funds will be fully utilised before March 2022.



# National Day Nurseries Association

## Annual report of the trustees

### For the year ended 31 March 2021

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#### **Trustees' responsibilities in relation to the financial statements**

The trustees (who are also the directors of National Day Nurseries Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including income and expenditure, of the group and parent charitable company for that period. In preparing these financial statements, the trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- 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 that are sufficient to show and explain the charitable company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group, 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement as to disclosure to our auditors**

In so far as the trustees are aware at the time of approving the trustees' annual report:

- there is no relevant audit information (as defined by section 418 of the Companies Act 2006), being information needed by the auditors in connection with preparing their report, of which the auditors are unaware, and
- the trustees, having made enquiries of fellow directors, have taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared taking advantage of the small companies exemption under the Companies Act 2006.

**By order of the Board**



Sarah Carr, OBE  
Chair of the Board of Trustees  
12 October 2021

# Report of the independent auditors to the members of National Day Nurseries Association For the year ended 31 March 2021

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## **Opinion**

We have audited the financial statements of National Day Nurseries Association (the 'charitable Group') for the year ended 31 March 2021 which comprise of the consolidated Statement of Financial Activities, consolidated and charity Balance Sheet, consolidated and charity Statement of Cash Flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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'.

## **In our opinion the financial statements:**

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the groups incoming resources and application of resources, including its results, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# Report of the independent auditors to the members of National Day Nurseries Association For the year ended 31 March 2021

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## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except for the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on Page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# Report of the independent auditors to the members of National Day Nurseries Association For the year ended 31 March 2021

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In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our planning procedures included gaining an understanding of the entity and its environment including the entity's legal and regulatory framework, any fraud indicators and internal control system via both discussions amongst the engagement team and with the directors. We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements including the risk of override of controls.

Based on our understanding of the company and its industry, the key laws and regulations we considered included the UK Companies Act, Charities Act (2011) and relevant tax legislation.

Audit procedures performed by the engagement team included but were not limited to:

- Evaluating and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Discussing with the directors the policies and procedures in place regarding identifying and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Reviewing relevant meeting minutes;
- Identifying and testing journal entries;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Reviewing and testing the accounting estimates to minimise potential bias.

# Report of the independent auditors to the members of National Day Nurseries Association For the year ended 31 March 2021

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The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements the less likely we would become aware of such non-compliance. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

## **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Karen Borowski FCA (Senior Statutory Auditor)  
for and on behalf of Revell Ward Limited  
Chartered Accountants and Statutory Auditors  
First Floor Office Suite  
Mill B  
Colne Road Buildings  
Colne Road  
Huddersfield  
HD1 3AG

Date: .....

National Day Nurseries Association  
Consolidated Statement of Financial Activities  
(incorporating income and expenditure account)  
For the year ended 31 March 2021

		Unrestricted				
	Notes	Unrestricted Funds	Designated Funds	Endowment Fund	Restricted Funds	Total
		£	£	£	£	2021
						2020
						£
<b>Income</b>						
Donations	2	200,315	-	-	-	200,315
Other trading activities						
Facilities hire		15,082	-	-	-	15,082
Income from Investments		12,896	-	-	-	12,896
		<u>228,293</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,293</u>
Income from charitable activities						
Membership services		792,066	-	-	-	792,066
Sector support services		559,129	-	-	-	559,129
Projects & contracts	3	19,328	-	-	1,004,716	1,024,044
Events, publicity and commercial		217,223	-	-	-	217,223
		<u>1,587,746</u>	<u>-</u>	<u>-</u>	<u>1,004,716</u>	<u>2,592,462</u>
<b>Total income</b>		<u>1,816,039</u>	<u>-</u>	<u>-</u>	<u>1,004,716</u>	<u>2,820,755</u>
<b>Expenditure</b>						
Expenditure on raising funds						
Facilities hire		4,326	17	-	-	4,343
Cost of raising donations		403,106	1,562	-	-	404,668
Expenditure on charitable activities						
Membership services		410,791	923	-	-	411,714
Sector support services		623,278	1,831	-	-	625,109
Projects & contracts		58,354	2,284	-	964,005	1,024,643
Events, publicity and commercial		106,459	254	-	-	106,713
Other expenditure						
Reversal of property impairment		-	-	-	-	(23,400)
<b>Total resources expended</b>	4	<u>1,606,314</u>	<u>6,871</u>	<u>-</u>	<u>964,005</u>	<u>2,577,190</u>
<b>Net income/(expenditure)</b>		<u>209,725</u>	<u>(6,871)</u>	<u>-</u>	<u>40,711</u>	<u>243,565</u>
Transfers between funds	12	<u>(145,479)</u>	<u>157,279</u>	<u>(11,800)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>64,246</u>	<u>150,408</u>	<u>(11,800)</u>	<u>40,711</u>	<u>(4,151)</u>
Total funds brought forward	12	<u>1,712,428</u>	<u>46,272</u>	<u>735,000</u>	<u>45,000</u>	<u>2,538,700</u>
Total funds carried forward	12	<u>1,776,674</u>	<u>196,680</u>	<u>723,200</u>	<u>85,711</u>	<u>2,782,265</u>

The notes form part of these financial statements

# National Day Nurseries Association

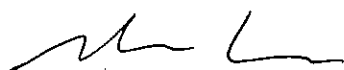
## Consolidated and charity Balance Sheet

### As at 31 March 2021

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9	814,035	869,934	814,035	869,934
Investments	10	-	-	1	1
		<u>814,035</u>	<u>869,934</u>	<u>814,036</u>	<u>869,935</u>
<b>Current assets</b>					
Stock		8,898	10,336	8,898	10,336
Trade debtors		28,990	191,066	28,990	191,066
Provision for doubtful debts		-	(34,250)	-	(34,250)
Prepaid expenses		37,484	61,368	37,484	61,368
Accrued income		117,549	118,441	117,549	118,441
Investments - cash equivalents on deposit		770,226	1,513,447	770,226	1,513,447
Cash at bank and in hand		1,847,262	644,565	1,834,209	631,512
Due from group company		-	-	13,052	13,052
		<u>2,810,409</u>	<u>2,504,973</u>	<u>2,810,408</u>	<u>2,504,972</u>
<b>Liabilities</b>					
Creditors: amounts falling due within one year:					
Trade creditors		81,616	89,726	81,616	89,726
Other creditors		11,158	11,942	11,158	11,942
Taxes and social security creditors		37,246	58,769	37,246	58,769
Accrued expenses		103,309	74,241	103,309	74,241
Deferred income	11	558,850	601,529	558,850	601,529
Loan		50,000	-	50,000	-
		<u>842,179</u>	<u>836,207</u>	<u>842,179</u>	<u>836,207</u>
<b>Net current assets</b>		<u>1,968,230</u>	<u>1,668,766</u>	<u>1,968,229</u>	<u>1,668,765</u>
<b>Net assets</b>		<u>2,782,265</u>	<u>2,538,700</u>	<u>2,782,265</u>	<u>2,538,700</u>
<b>Funds</b>					
Unrestricted funds	12	1,973,354	1,758,700	1,973,354	1,758,700
Restricted funds	12	85,711	45,000	85,711	45,000
Endowment funds	12	723,200	735,000	723,200	735,000
		<u>2,782,265</u>	<u>2,538,700</u>	<u>2,782,265</u>	<u>2,538,700</u>

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

Approved by the board of directors and Trustees on 12 October 2021 and signed on its behalf by



Sarah Carr OBE  
Director and Trustee

The notes form part of these financial statements

# National Day Nurseries Association

## Consolidated and charity Statement of Cash Flows

### For the year ended 31 March 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	16	<u>411,769</u>	<u>30,779</u>	<u>411,769</u>	<u>40,341</u>
<b>Cash flows from investing activities</b>					
Interest income		12,896	14,850	12,896	14,850
Withdrawal from / (investment in) term deposits		743,221	(44,178)	743,221	(44,178)
New loan in year		50,000	-	50,000	-
Purchase of tangible fixed assets		(15,189)	(4,208)	(15,189)	(4,208)
Net cash used in investing activities		<u>790,928</u>	<u>(33,536)</u>	<u>790,928</u>	<u>(33,536)</u>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>		<b>1,202,697</b>	<b>(2,757)</b>	<b>1,202,697</b>	<b>6,805</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>644,565</b>	<b>647,322</b>	<b>631,512</b>	<b>624,707</b>
<b>Cash and cash equivalents at end of the year</b>		<u><b>1,847,262</b></u>	<u><b>644,565</b></u>	<u><b>1,834,209</b></u>	<u><b>631,512</b></u>

The notes form part of these financial statements



# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

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#### **1 Accounting policies**

##### **a) Statement of compliance**

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 (FRS102) (Effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Charities Act 2011. The financial statements are prepared under the historical cost convention with the exception of land and buildings, which have been included at their revalued amount.

The trustees consider that the charity constitutes a public benefit entity.

##### **b) Basis of consolidation**

The consolidated Statement of Financial Activities, consolidated Statement of Cash Flows and consolidated Balance Sheet include statements of the company and its subsidiary undertaking made up to 31 March 2021. The results of subsidiaries sold or acquired are included in the Statement of Financial Activities up to, or from, the date control passes. Intra-group sales and profits are eliminated fully on consolidation. The entity has taken exemption from presenting its unconsolidated Statement of Financial Activities under section 408 of the Companies Act 2006.

##### **c) Going concern**

The trustees have considered the current position and budgets of the charity, and after making appropriate enquiries they have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **d) Incoming resources**

Income from charitable activities other than grant funding is accounted for when there is entitlement to the income. Income is deferred where delivery of services relates to future periods. Revenue grant funding is accounted for upon entitlement to the income and is deferred where time restrictions apply to related expenditure. Investment income and other trading income is accounted for on an accruals basis. Donations are accounted for as they arise. All income is included gross and related costs are included in expenditure. All income is stated after trade discounts, other sales taxes and net of VAT.

##### **e) Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, which cannot be recovered.

Expenditure that is directly attributable to specific activities has been included in these cost categories.

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

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#### 1 Accounting policies continued

Where costs are attributable to more than one activity, they have been apportioned across the cost categories consistent with the use of these resources. Any creditors or provisions at the year end are apportioned on the same basis.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both those costs that can be allocated directly to such activities and those costs of an indirect nature to support them.
- Governance costs include those costs incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions that have been allocated to activity cost categories on a basis consistent with the staff time engaged on each activity.
- The expenditure on raising funds relates to staff costs for those staff furloughed under the Coronavirus Job Retention Scheme (CJRS)

#### f) Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities on a straight line basis over the period of the lease.

#### g) Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions. Pension costs are attributed to the activity performed by the staff member to whom the cost relates.

#### h) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land	not depreciated
Buildings	2% straight line
Equipment etc.	equal instalments over estimated life of 2 to 5 years.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

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#### **1 Accounting policies continued**

##### **i) Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due deductions for obsolete and slow moving items.

Stocks are valued using the first-in, first-out (FIFO) method.

##### **j) Current asset investments**

Current asset investments comprise term bank deposits not realisable within 3 months and which are held to generate interest income.

##### **k) Government grants**

Government grants received in the company towards capital expenditure have been included in endowment funds and will be transferred to unrestricted funds as and when the terms of the restriction have been fulfilled.

Government grants received towards revenue costs are recognised within the financial statements when the charity has entitlement and in accordance with the provisions of FRS102.

##### **l) Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds, which are determined by specific need to set aside funds to fund future developments in the charity, maintain the building and develop IT infrastructure.

Restricted funds are held where there are restrictions imposed by the donor on the use of the funds granted. All restricted funds are held in net current assets.

Endowment funds represent assets purchased with grant funding. Transfers are made to unrestricted funds to cover depreciation charges.

##### **m) Taxation**

The charity meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in accordance with the Corporation Tax Act 2010, to the extent that such income is applied exclusively for charitable purposes.

##### **n) Liability of members**

The company is limited by guarantee and the liability of each member is limited to £1.

##### **o) Key accounting estimates and assumptions**

Accounting estimates, by definition, will often vary from the actual results. They are continually evaluated and are based on historical experience and other factors, including expectations of future events that are deemed to be reasonable under the circumstances. The nature of the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below. The carrying amount of the estimates and assumptions at the year-end are disclosed in the relevant note to the accounts.

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

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#### **1 Accounting policies continued**

Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets, which are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Valuation of land and buildings:

The land and buildings are held in the Balance Sheet at valuation and the basis for valuation is fair value.

#### **p) Financial instruments**

The charity has adopted section 11 of FRS 102 in respect of financial instruments.

Short term debtors are measured at transaction price, less any impairment. Short term creditors are measured at transaction price.

#### **q) General information**

The charity is a private company limited by guarantee and is incorporated in England and Wales. The address of its registered offices is National Early Years Enterprise Centre, Longbow Close, Huddersfield HD2 1GQ. The company's register number is 03738616.

#### **r) Termination benefits**

Termination benefits are recognised when the company has committed to providing them to employees. They are measured at the best estimate required to settle the obligation at the reporting date.

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

2 Donations	2021	2020
	£	£
CJRS Grant Income	200,315	-
Other Donations	-	38
	<u>200,315</u>	<u>38</u>

3 Projects and contracts	2021	2020
	£	£
Local authorities	131,411	118,132
Welsh Government	675,215	644,928
Scottish Government	100,000	100,000
Other	117,418	90,618
	<u>1,024,044</u>	<u>953,678</u>

Included in the above are restricted funds:

Local authorities	127,001	109,626
Welsh Government	675,215	644,928
Scottish Government	100,000	100,000
Other	102,500	90,618
	<u>1,004,716</u>	<u>945,172</u>

Included in the above, the amount of grants total £1,004,716 (2020: £945,172)

4 Total resources expended	Direct delivery/ staff costs	Other delivery/ development costs	Support Incl staff costs	Depreciation/ Impairment	Total 2021
	£	£	£	£	£
Facilities hire	2,184	296	1,709	154	4,343
Cost of raising donations	227,078	1,562	161,426	14,602	404,668
Membership services	218,839	88,887	95,362	8,626	411,714
Sector support services	327,933	90,937	189,131	17,108	625,109
Projects & contracts	543,333	223,925	236,034	21,351	1,024,643
Events, publicity and commercial	76,364	1,709	26,264	2,376	106,713
	<u>1,395,731</u>	<u>407,316</u>	<u>709,926</u>	<u>64,217</u>	<u>2,577,190</u>

#### 2020 Comparatives

	£	£	£	£	£
Facilities hire	2,141	1,056	2,058	131	5,386
Membership services	236,515	180,107	172,628	10,981	600,231
Sector support services	441,769	256,498	314,805	20,024	1,033,096
Projects & contracts	566,458	232,328	289,703	18,427	1,106,916
Events, publicity and commercial	105,672	102,843	56,583	3,599	268,697
Other expenditure: revaluation of property	-	(23,400)	-	-	(23,400)
	<u>1,352,555</u>	<u>749,432</u>	<u>835,777</u>	<u>53,162</u>	<u>2,990,926</u>

Allocation of support costs is based on staff time engaged on each activity.

Support costs include:	2021	2020
	£	£
Staff costs	474,920	532,539
IT support	107,498	105,058
Premises	27,910	34,798
Marketing	19,205	48,493
Governance	17,709	30,457

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

#### 4 Total resources expended continued

Total resources expended Include:	2021	2020
	£	£
Operating lease rentals	23,800	23,971
Professional indemnity insurance	2,996	3,487
Auditors remuneration:		
Audit	13,570	12,045
Other services	5,779	4,443
Cost of inventory recognised as an expense	13,371	24,278
Provision for bad debts	-	34,250

5 Staff costs	2021	2020
	£	£
Wages and salaries	1,622,715	1,655,291
Social security costs	136,579	141,947
Pension costs	88,709	81,316
Staff insurance	8,618	9,060
Agency staff costs	14,030	6,509
	<u>1,870,651</u>	<u>1,894,123</u>

There was one employee with remuneration in excess of £60,000 in the band £100,001 to £110,000 (2020: Band £100,001 to £110,000 = 1).

Pension contributions of £5,259 (2020: £5,259) were made in respect of this employee during the year.

The key management personnel of the charity comprises the Chief Executive and Senior Management Team whose employee benefits total £380,198 (2020: £374,391).

Termination benefits of £22,688 (2020: £nil) were paid during the year. The nature of the payments was redundancy costs. The extent of funding at the balance sheet date was £nil (2020: £nil).

The average number of staff employed by the charity and group during the year was 65 (2020: 73).

The average full time equivalent number of staff employed by the charity was as follows:

	2021	2020
	Number	Number
Charitable activities	36	48
Cost of raising funds	9	-
Support staff	9	10
	<u>55</u>	<u>58</u>
Included in full time equivalent staff are participants on job creation programmes	4	7

#### 6 Pension costs

The company has contributed £88,709 (2020: £81,316) into a Group Personal Pension Plan for its employees.

At the end of the year £11,158 (2020: £11,941) was owing in unpaid contributions.

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

#### 7 Trustees remuneration and expenses

No remuneration was paid directly to trustees during the year. See Note 15 for details of other payments to trustees. The total amount of expenses reimbursed to trustees for travel, subsistence and accommodation expenses incurred in carrying out their duties was £nil (2020: £427, 4 trustees).  
Cost of professional indemnity insurance including trustee indemnity amounted to £2,996 (2020: £3,487).

#### 8 Consolidated statement of financial activities 2020 Comparatives

		Unrestricted	Unrestricted	Designated	Endowment	Restricted	Total
	Notes	Funds	Funds	Funds	Fund	Funds	2019
		£	£	£	£	£	£
<b>Income</b>							
Donations	2	38	-	-	-	-	38
Other trading activities							
Facilities hire		11,804	-	-	-	-	11,804
Income from investments		18,409	-	-	-	-	18,409
		30,251	-	-	-	-	30,251
Income from charitable activities							
Membership services		790,984	-	-	-	-	790,984
Sector support services		868,353	-	-	-	-	868,353
Projects & contracts	3	8,506	-	-	945,172	953,678	
Events, publicity and commercial		343,509	-	-	-	343,509	
		2,011,352	-	-	945,172	2,956,524	
<b>Total income</b>		2,041,603	-	-	945,172	2,986,775	
<b>Expenditure</b>							
Expenditure on raising funds							
Facilities hire		5,386	-	-	-	-	5,386
Expenditure on charitable activities							
Membership services		589,291	10,940	-	-	-	600,231
Sector support services		1,032,019	1,077	-	-	-	1,033,096
Projects & contracts		56,744	-	-	1,050,172	1,106,916	
Events, publicity and commercial		268,697	-	-	-	268,697	
Other expenditure							
Reversal of property impairment		-	-	(23,400)	-	(23,400)	
<b>Total resources expended</b>	4	1,952,137	12,017	(23,400)	1,050,172	2,990,926	
<b>Net income/(expenditure)</b>		89,466	(12,017)	23,400	(105,000)	(4,151)	
Transfers between funds	12	11,800	-	(11,800)	-	-	
<b>Net movement in funds</b>		101,266	(12,017)	11,600	(105,000)	(4,151)	
Total funds brought forward	12	1,611,162	58,289	723,400	150,000	2,542,851	
Total funds carried forward	12	1,712,428	46,272	735,000	45,000	2,538,700	

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

9 Tangible assets - Company and Group	Long leasehold land and buildings £	Equipment etc. £	Total £
Cost or valuation			
At 1 April 2020	735,000	528,450	1,263,450
Additions	-	15,189	15,189
Disposals	-	(91,451)	(91,451)
At 31 March 2021	<u>735,000</u>	<u>452,188</u>	<u>1,187,188</u>
Depreciation			
At 1 April 2020	-	393,516	393,516
Charge for the year	11,800	59,288	71,088
Eliminated on disposal	-	(91,451)	(91,451)
At 31 March 2021	<u>11,800</u>	<u>361,353</u>	<u>373,153</u>
Net book value			
At 31 March 2021	723,200	90,835	814,035
At 31 March 2020	<u>735,000</u>	<u>134,934</u>	<u>869,934</u>

The land and buildings are included at valuation based on a combination of the All Risks Yield (Investment) method of valuation and the traditional comparable method. A valuation was undertaken on 3 March 2020 by Bramleys LLP, independent RICS registered valuers.

The historical cost of the land and buildings and accumulated depreciation had it not been revalued would have been as follows:

	2021 £	2020 £
Cost	1,395,715	1,395,715
Accumulated depreciation	<u>(355,261)</u>	<u>(332,930)</u>
	<u>1,040,454</u>	<u>1,062,785</u>
The historical valuations were:		
31 March 2020	£ 735,000	
31 March 2018	£ 735,000	
31 March 2016	£ 720,000	
31 March 2014	£ 750,000	
31 March 2011	£ 875,000	

10 Investments - Company	Shares in group undertakings £
Cost at 31 March 2020 and 31 March 2021	<u>1</u>
Net book value at 31 March 2020 and 31 March 2021	<u>1</u>

The company's investments at the balance sheet date consist of 100% of the ordinary share capital of its subsidiary NDNA Services Limited, company number 07520697, whose registered office is National Early Years Enterprise Centre, Longbow Close, Huddersfield HD2 1GQ.

NDNA Services Limited is dormant.



# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

	Membership	Projects & contracts	Events, publicity & campaigns	Sector support services	Total
Group	£	£	£	£	£
Balance at 1 April 2020	446,187	66,383	13,715	75,244	601,529
Released from previous year	(446,187)	(66,383)	(13,715)	(52,717)	(579,002)
Deferred in current year	480,487	-	3,149	52,687	536,323
Balance at 31 March 2021	480,487	-	3,149	75,214	558,850
<b>Charity</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April 2020	446,187	66,383	13,715	75,244	601,529
Released from previous year	(446,187)	(66,383)	(13,715)	(52,717)	(579,002)
Deferred in current year	480,487	-	3,149	52,687	536,323
Balance at 31 March 2021	480,487	-	3,149	75,214	558,850

Deferred income refers to delivery of services in the following financial year.

	Membership	Projects & contracts	Events, publicity & campaigns	Sector support services	Total
Group	£	£	£	£	£
Balance at 1 April 2019	428,302	89,724	50,252	57,951	626,229
Released from previous year	(428,302)	(89,724)	(50,252)	(57,951)	(626,229)
Deferred in current year	446,187	66,383	13,715	75,244	601,529
Balance at 31 March 2020	446,187	66,383	13,715	75,244	601,529
<b>Charity</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 April 2019	428,302	89,724	50,252	57,951	626,229
Released from previous year	(428,302)	(89,724)	(50,252)	(57,951)	(626,229)
Deferred in current year	446,187	66,383	13,715	75,244	601,529
Balance at 31 March 2020	446,187	66,383	13,715	75,244	601,529

	Balance at 1.4.20	Incoming resources	Outgoing resources	Transfer between funds	Balance at 31.3.21
Group	£	£	£	£	£
Unrestricted funds	1,758,700	1,816,039	(1,613,185)	11,800	1,973,354
Endowment fund	735,000	-	-	(11,800)	723,200
Restricted funds	45,000	1,004,716	(964,005)	-	85,711
	2,538,700	2,820,755	(2,577,190)	-	2,782,265
<b>Charity</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted funds	1,758,700	1,816,039	(1,613,185)	11,800	1,973,354
Endowment fund	735,000	-	-	(11,800)	723,200
Restricted funds	45,000	1,004,716	(964,005)	-	85,711
	2,538,700	2,820,755	(2,577,190)	-	2,782,265

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

#### 12 Analysis of charitable funds - continued

	Balance at 1.4.20	Incoming resources	Outgoing resources	Transfer between funds	Balance at 31.3.21
	£	£	£	£	£
<b>Analysis of movement in unrestricted funds</b>					
General fund	1,712,428	1,816,039	(1,606,314)	(145,479)	1,776,674
Designated development fund	25,194	-	-	-	25,194
Designated buildings fund	11,307	-	(3,992)	12,349	19,664
Designated IT fund	9,771	-	(2,879)	144,930	151,822
	<u>1,758,700</u>	<u>1,816,039</u>	<u>(1,613,185)</u>	<u>11,800</u>	<u>1,973,354</u>

<b>Name of unrestricted fund</b>	<b>Description, nature and purpose of fund</b>
General fund	The free reserves after allowing for all designated funds.
Designated development fund	Designated fund for developing services that will support sustainability. There are a number of projects ongoing which are expected to continue during 2021-22.
Designated buildings fund	Designated fund for office furniture and equipment purchased (and capitalised) in 2018, 2020 and 2021.
Designated IT fund	Designated fund for new finance software purchased (and capitalised) in 2019, plus website development and additional IT

	Balance at 1.4.20	Incoming resources	Outgoing resources	Transfer between funds	Balance at 31.3.21
	£	£	£	£	£
<b>Analysis of movement in restricted funds</b>					
Greater London Authority	-	127,001	(127,001)	-	-
Welsh Government Children & Families	45,000	343,053	(302,342)	-	85,711
Welsh Government Language Unit	-	50,000	(50,000)	-	-
Welsh Government Foundation Phase	-	52,000	(52,000)	-	-
Scottish Government Strategic Funding Partnership	-	100,000	(100,000)	-	-
Welsh Government Employment Programmes	-	230,162	(230,162)	-	-
Education Endowment Fund	-	102,500	(102,500)	-	-
	<u>45,000</u>	<u>1,004,716</u>	<u>(964,005)</u>	<u>-</u>	<u>85,711</u>

#### Key Incoming resources:

- grant for the Early Years Leaders Programme.
- grant awarded to support the development of innovative solutions to provide flexible childcare that meets the needs
- grant for support of early years settings with the Welsh language training programme.
- grant for the support of the delivery of the Foundation Phase.
- grant for the development of childcare policy and improvement of quality in private sector nurseries.
- grant for introducing people into employment in childcare.
- grant for the evaluation of our Maths Champions programme.

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

#### 12 Analysis of charitable funds - continued

2020 Comparatives	Balance at 1.4.19	Incoming resources	Outgoing resources	Transfer between funds	Balance at 31.3.20
Analysis of charitable funds	£	£	£	£	£
Group					
Unrestricted funds	1,669,451	2,041,603	(1,964,154)	11,800	1,758,700
Endowment fund	723,400	-	23,400	(11,800)	735,000
Restricted funds	150,000	945,172	(1,050,172)	-	45,000
	<u>2,542,851</u>	<u>2,986,775</u>	<u>(2,990,926)</u>	<u>-</u>	<u>2,538,700</u>
Charity	£	£	£	£	£
Unrestricted funds	1,659,889	2,051,165	(1,964,154)	11,800	1,758,700
Endowment fund	723,400	-	23,400	(11,800)	735,000
Restricted funds	150,000	945,172	(1,050,172)	-	45,000
	<u>2,533,289</u>	<u>2,996,337</u>	<u>(2,990,926)</u>	<u>-</u>	<u>2,538,700</u>
Analysis of movement in unrestricted funds	Balance at 1.4.19	Incoming resources	Outgoing resources	Transfer between funds	Balance at 31.3.20
	£	£	£	£	£
General fund	1,611,162	2,041,603	(1,952,137)	11,800	1,712,428
Designated development fund	37,211	-	(12,017)	-	25,194
Designated buildings fund	11,307	-	-	-	11,307
Designated IT fund	9,771	-	-	-	9,771
	<u>1,669,451</u>	<u>2,041,603</u>	<u>(1,964,154)</u>	<u>11,800</u>	<u>1,758,700</u>
Analysis of movement in restricted funds	Balance at 1.4.19	Incoming resources	Outgoing resources	Transfer between funds	Balance at 31.3.20
	£	£	£	£	£
Greater London Authority	-	109,626	(109,626)	-	-
Welsh Government Children & Families	150,000	144,696	(249,696)	-	45,000
Welsh Government Language Unit	-	50,000	(50,000)	-	-
Welsh Government Foundation Phase	-	49,500	(49,500)	-	-
Scottish Government Strategic Funding Partnership	-	100,000	(100,000)	-	-
Welsh Government Employment Programmes	-	400,732	(400,732)	-	-
Welsh Government SASS	-	4,000	(4,000)	-	-
Education Endowment Fund	-	86,618	(86,618)	-	-
	<u>150,000</u>	<u>945,172</u>	<u>(1,050,172)</u>	<u>-</u>	<u>45,000</u>

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

13 Analysis of net assets between fund balances	Unrestricted funds	Designated funds	Endowment funds (restricted)	Restricted funds (other)	Total 2021
<b>Group</b>					
Tangible fixed assets	90,835	-	723,200	-	814,035
Investments	-	-	-	-	-
Net current assets	<u>1,685,839</u>	<u>196,680</u>	<u>-</u>	<u>85,711</u>	<u>1,968,230</u>
	<u>1,776,674</u>	<u>196,680</u>	<u>723,200</u>	<u>85,711</u>	<u>2,782,265</u>
<b>Charity</b>					
Tangible fixed assets	90,835	-	723,200	-	814,035
Investments	1	-	-	-	1
Net current assets	<u>1,685,838</u>	<u>196,680</u>	<u>-</u>	<u>85,711</u>	<u>1,968,229</u>
	<u>1,776,674</u>	<u>196,680</u>	<u>723,200</u>	<u>85,711</u>	<u>2,782,265</u>

#### 2020 Comparatives

	Unrestricted funds	Designated funds	Endowment funds (restricted)	Restricted funds (other)	Total 2020
<b>Group</b>					
Tangible fixed assets	134,934	-	735,000	-	869,934
Investments	-	-	-	-	-
Net current assets	<u>1,577,494</u>	<u>46,272</u>	<u>-</u>	<u>45,000</u>	<u>1,668,766</u>
	<u>1,712,428</u>	<u>46,272</u>	<u>735,000</u>	<u>45,000</u>	<u>2,538,700</u>
<b>Charity</b>					
Tangible fixed assets	134,934	-	735,000	-	869,934
Investments	1	-	-	-	1
Net current assets	<u>1,577,493</u>	<u>46,272</u>	<u>-</u>	<u>45,000</u>	<u>1,668,765</u>
	<u>1,712,428</u>	<u>46,272</u>	<u>735,000</u>	<u>45,000</u>	<u>2,538,700</u>

#### 14 Operating lease commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Operating leases which expire:		
within one year	19,172	20,672
In two to five years	8,999	25,845
In more than five years	-	-
	<u>28,171</u>	<u>46,517</u>

#### 15 Related parties disclosures

The company has taken advantage of the exemption in Financial Reporting Standard number 102 from the requirement to disclose the transactions with group companies on the grounds that they are wholly owned.

Payments to trustees are in line with the Memorandum and Articles of Association.

Ashbridge School Ltd, a company in which Sarah Carr is a Director, paid the Charity £5,077 for IT development work. At the end of the year Ashbridge School owed the charity £nil.

Christie & Co, a company in which Courteney Donaldson is a Director, paid the charity £5,591 (2020: £3,736) for advertising and sponsorship. At the end of the year Christie & Co owed the charity £nil (2020: nil).

# National Day Nurseries Association

## Notes to the accounts

### For the year ended 31 March 2021

<b>16</b>	<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Group</b>		
	Net movement in funds	243,565	(4,151)
	Add back depreciation charge	71,088	53,162
	Deduct reversal of property impairment	-	(23,400)
	Deduct interest income shown in investing activities	(12,896)	(18,409)
	Decrease in stock	1,438	2,908
	Decrease in debtors	186,852	32,965
	(Decrease) / increase in provision for doubtful debts	(34,250)	34,250
	(Decrease) in creditors	(44,028)	(46,546)
	Net cash provided by operating activities	<u>411,769</u>	<u>30,779</u>
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Charity</b>		
	Net movement in funds	243,565	5,411
	Add back depreciation charge	71,088	53,162
	Deduct reversal of property impairment	-	(23,400)
	Deduct interest income shown in investing activities	(12,896)	(18,409)
	Decrease in stock	1,438	2,908
	Decrease in debtors	186,852	32,965
	(Decrease) / increase in provision for doubtful debts	(34,250)	34,250
	(Decrease) in creditors	(44,028)	(46,546)
	Net cash provided by operating activities	<u>411,769</u>	<u>40,341</u>
		<b>Balance at</b>	<b>Balance at</b>
		<b>1.4.20</b>	<b>31.3.21</b>
<b>17</b>	<b>Analysis of changes in net debt</b>		
	<b>Group</b>	<b>£</b>	<b>£</b>
	Cash at bank and in hand	<u>644,565</u>	<u>1,202,697</u>
	<b>TOTAL</b>	<u>644,565</u>	<u>1,847,262</u>
		<b>£</b>	<b>£</b>
	<b>Charity</b>		
	Cash at bank and in hand	<u>631,512</u>	<u>1,202,697</u>
	<b>TOTAL</b>	<u>631,512</u>	<u>1,834,209</u>