

REGISTERED COMPANY NUMBER: 03658981 (England and Wales)
REGISTERED CHARITY NUMBER: 1081067

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021
FOR
HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED

Whitehead & Howarth
327 Clifton Drive South
Lytham St Annes
Lancashire
FY8 1HN

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

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for the Year Ended 31ST AUGUST 2021**

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**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31ST AUGUST 2021

TRUSTEES	Mrs H C Atkinson Mr C E Barnes Mrs D G Brown Mrs E A Hodgson Mr P M Gibbons
COMPANY SECRETARY	Mr C E Barnes
REGISTERED OFFICE	327 Clifton Drive South Lytham St Annes Lancashire FY8 1HN
REGISTERED COMPANY NUMBER	03658981 (England and Wales)
REGISTERED CHARITY NUMBER	1081067
INDEPENDENT EXAMINER	Whitehead & Howarth 327 Clifton Drive South Lytham St Annes Lancashire FY8 1HN
BANKERS	TSB Bank Plc 25-27 Birley Street Blackpool Lancashire FY1 1EG
HONORARY PRESIDENT	Mrs Elaine Nightingale

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**REPORT OF THE TRUSTEES
for the Year Ended 31ST AUGUST 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To advance the education of children below compulsory school age by providing or assisting in the provision of educational recreational and other charitable facilities and to advance the education of pupils attending Heyhouses Endowed Church of England Primary School by furthering the charitable purposes of the Heyhouses Endowed Church of England Primary School Fund.

Aims and Objectives:

- To provide a broad and balanced curriculum which promotes the physical, intellectual, emotional, social and moral developments of each child regardless of sex, class or disability.
- To provide an environment and atmosphere in which every child and adult feels secure, valued and confident.
- The nursery curriculum is designed to develop continuity and progression within the agreed guidelines from the age of two and a half until the end of the Reception year.
- All children are given the full range of learning opportunities through activities promoting knowledge skills and understanding.
- The curriculum content is mainly skill based with new activities and ideas introduced through a thematic approach.
- The approach to learning is emphasis through 'talk' and 'play' both indoors and outdoors, namely:
 - Exploratory Play
 - Imaginative Play,
 - Structured and Unstructured Play

Comment

It is evident to all trustees that staff at Heyhouses Nursery ensure that these aims and objectives are met. Nursery is a stimulating and happy environment where children develop as individuals and as a socially interactive group. Extremely favourable comments in parental surveys confirmed their satisfaction with the standard of education and care provided.

Mission Statement

We seek to enable children to reach their full potential educationally, spiritually and socially so that they may become all that God has created them to be.

Public benefit

The trustees consider that the main activities undertaken by the charity to carry out its charitable purposes are for the public benefit and furthermore they consider that they have complied with their duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Volunteers, students and visitors

Nursery staff and trustees are grateful for the regular and valuable contribution of volunteers, special support workers and students both from the local college and high schools for their valuable input of activities.

Unfortunately this year due to the pandemic, volunteers were unable to support the nursery as they have done in previous years.

Ball skills resumed in the Summer Term with Luke Weafer, after the long break due to lockdown.

HEYHOUSES CHURCH OF ENGLAND NURSERY
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REPORT OF THE TRUSTEES
for the Year Ended 31ST AUGUST 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Finance

The payment of fees continues to create the majority of the charities income. Parents are entitled to 15 hours per week for 38 weeks of funded care from the LEA the term after the child's third birthday, this is now called Single Formula Funding (SFF). This is also now available for two year olds who meet the criteria.

This year the 30 hours funded provision, introduced under a government initiative has been further embedded into the system. This continues to have an impact on the finances of the nursery. The number of families accessing the additional (Enhanced) 15 hours remained at 20 families. Parents were happy to adhere to this ruling and several agreed to pay the additional fees. Trustees are confident that they are fulfilling the requirements of the scheme by providing the enhanced hours in support of working parents.

Early Years Pupil Premium continues to be paid to SFF children aged 3-4 who meet the criteria. This year 6 children accessed the additional funding which was used to support ball skill sessions provided by the YMCA as well as supporting these children with additional sessions and covering the costs of hot meals. It was also used to enhance resources and purchase additional support to enable all children to access the curriculum..

A reduced amount of additional finance was raised through fundraising events which were held at Christmas 2020 and Easter 2021 due to the pandemic.

Trustees will consider family circumstances and use their discretion to waive or reduce fees for children who have special/specific needs or whose pre-school years will be significantly enhanced by attendance at Heyhouses Nursery. The guiding principle when considering such cases is that no child who needs our support should be prevented from attending our nursery by a financial barrier. During 2020-2021, trustees supported two children. Due to family circumstances it was beneficial for one child to be in nursery 5 full days each week and receive a hot meal, this was a continuation from 2019-2020. The other needed to be in nursery 3 full days per week.

Accommodation

Heyhouses C of E Nursery is located in a new purpose built brick building which is located on land owned by The Lytham Schools Trust on Clarendon Road North, Lytham St Annes. This is the seventh year in the new building.

Nursery celebrated its 21st birthday in October 2020. A large banner was displayed and there was newspaper coverage as well as a photograph in Nursery World (the main publication of nurseries). The children had a party!

There were intruders in the garden during June and a goal post was erected on the roof. CCTV proved to be a valuable tool.

Pandemic - COVID-19

Following the first lockdown during Spring and Autumn Terms of 2020 when nursery opened for the children of Key Workers only, nursery gradually opened up to more children. September 2020 saw a reduction in the numbers on role due to a lack of confidence in families. Numbers in Breakfast Club and After School Club were greatly reduced due to parents working from home and no longer requiring the service.

The 'bubble' system was still in place and the maximum number of children continued to be set at a maximum of 32 per session instead of 40.

Nursery had two staff cases of Covid during October, and received Covid payments to cover their salaries.

All policies and procedures were strictly adhered to and staff continued to work with the utmost professionalism during difficult times.

January 2021 saw an outbreak of Covid in the primary school which had an effect on nursery. So after only being open for one week nursery closed for 10 days. Fortunately this was the last time the nursery closed during the year.

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**REPORT OF THE TRUSTEES
for the Year Ended 31ST AUGUST 2021**

Throughout the time of the pandemic from March 2019 to August 2020 nursery retained all staff. Certain members of staff were furloughed during this time but nursery ensured that all staff received full salaries throughout the period of lockdown. Some staff did leave at the end of the period, but this was natural wastage and not due to the pandemic.

Staff took their non-contact time at home in order to reduce the number of staff in the building and to allow additional time (non-working days) away from nursery in order to try and reduce the risk.

The pandemic prevented any face to face parent workshops, parent meetings, open evenings, visitors, volunteers and fundraising events.

Confidence gradually began to return during the Summer Term and we saw an increase in numbers of children attending and nursery was able to allow play visits although they were operated in a different way.

Throughout the year we had the full support of families when decisions were made to send children home etc.

Staffing

This year saw several changes to staffing levels and responsibilities within the team.

Miss Jemima Bolton, who was taking a gap year before beginning her PGCE was appointed as a Nursery Assistant for Breakfast & After School Clubs as well as supporting the nursery day.

Mrs Sally Walker resigned from her position as After School Nursery Assistant in October, to focus on her degree.

Mrs Julie Ward reduced her hours from October due to the changes in her husband's work commitments.

Miss Joanne Kelly requested to be released from her senior management role as Deputy Manager to resume duties as a Senior Nursery Nurse.

Following interview, Miss Robyn Whiteside was promoted to the role of Deputy.

Miss Jemima Bolton left nursery at the end of the Autumn Term to gain further experience ahead of her PGCE with older age groups.

Due to the changes listed above, Mrs Stevens & Mrs Mason were not replaced immediately as there had been a decrease in numbers due to the pandemic. As confidence amongst families gradually returned nursery saw an increase in the numbers of children, so additional staff were required:

- Mrs Deborah Lamb was appointed in October, to work from 1 pm - 4 pm
- Mrs Maria Peyre was appointed in January 2020 to support lunchtimes and after school club.

Mrs Charlotte Eunson resigned in May to pursue a career in catering & hospitality.

Mrs Nicola Dale-Hutchinson resigned from her post at the end of the year to take up a role in the primary school as a classroom assistant.

Mrs Abigail Bridson resigned in July to take up a post as a nursery assistant at a local nursery school.

Mrs Denise Brown retired at the end of the summer term, she had been in post since April 2003.

During the summer holidays Mrs Peyre resigned from her position for personal reasons and has left the area to return to London to be with her family.

Trustees wish to record their thanks to all staff who have left this year for their hard work and commitment to the nursery during their time at Heyhouses.

New staff were appointed during the summer term:

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REPORT OF THE TRUSTEES for the Year Ended 31ST AUGUST 2021

- Mrs Suzanne Williams as the Business Administrator - she will be employed to work part of the time as a Nursery Nurse, in the nursery as well as business admin duties. Suzanne started to work in nursery in June 2021, this was part of the hand over process.
- Mrs Kathryn Lennon - Nursery Nurse from September 2021
- Miss Lucy James - Nursery Assistant from September 2021
- Miss Bethany Strother - Nursery Assistant and SEN support from September 2021

The Performance Management continues to work well with Mr Clive Barnes as the lead with Joanne Kaced in a supporting role.

Lead Practitioner Status was again awarded to the nursery. The nursery continues to be used as an example of good practice to other nurseries throughout Lancashire, although there is no additional funding for the status.

Breakfast Club & After Nursery School Club

These clubs continue to operate very well under the leadership of Miss Robyn Whiteside & Miss Sam Surtees.

Grants

No grants were available this year for nursery resources.

Quality Award

Following the completion of the Lancashire Quality Award (LQA) in March 2014 nursery staff continue to ensure that the quality of care and education is upheld.

Additional Fundraising

The 'Friends of Heyhouses Nursery' met on two occasions this year, virtually via Zoom. They provided the ideas and supported nursery in advertising the events. A Treasure Hunt and Lucky Number Draw were organised at Christmas with a further Lucky Number Draw at Easter. Christmas cards were created, printed and sold to families (nursery received 100% of this fundraiser thanks to the Booker family), the nursery photographers came into nursery during May and nursery received a percentage of the sales. This year all these fundraisers were well supported.

The money will be used to purchase various resources for nursery.

Ofsted

The nursery was inspected 14 January 2016 and was graded as 'Outstanding' in ALL areas. The inspector could not find any areas for improvement she praised all areas of the nursery and advised nursery to "devise even more ways to enrich children's love of books and storytelling while outside". This was already part of the development plan. It was an excellent report. Since the report Mrs Kaced and the senior management team have continued to update and progress the development plan to ensure nursery provision remains of the highest standard.

Communication

At Heyhouses Nursery we recognise the privileged position we have when parents entrust the care of their young children to us. Our work is very much in partnership with those parents and carers and good communication is vital. We issue weekly newsletters and regular emails/letters with information regarding activities and events taking place. Two detailed newsletters are produced each term, these are also sent to families whose children will be joining the nursery in the future.

A meeting is held for parents and carers of new starters in the Summer Term. Open Evenings and Parent Workshops are held throughout the year for families of children currently attending nursery and to those who are looking for nursery provision in the future.

At the end of the Summer Term a transition report is prepared on the progress of all children.

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**REPORT OF THE TRUSTEES
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Feedback is encouraged from parents and carers on a regular basis particularly after open evenings and parent workshops.

Informal meetings are held throughout the year when parents have the opportunity to discuss progress etc with their child's key person.

During the Spring and Summer Terms staff from the Reception Department visit nursery to take part in 'storytime' and small groups of nursery children are taken to the Reception Department during the Summer Term, due to the distance from school the children were unable to make these visits. This is valuable work as it supports the transition of children from nursery to school and is welcomed by staff and parents.

FINANCIAL REVIEW

Financial position

The net income as disclosed in the Statement of Financial Activities is £17,127 deficit, (2020:£12,150 surplus), and reserves are £428,391, (2020:£445,518). All reserves are unrestricted.

Investment policy and objectives

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees have considered the most appropriate policy for investing funds and have found that business high interest accounts meet the requirements to generate both income and allow the funds to be readily available.

Reserves policy

The trustees have examined the charity's requirements for reserves in the light of the main risks to the organization. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between three and six months of the expenditure.

The reserves are needed to meet the working capital requirements of the charity and the trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. The present level of reserves available to the charity at 31 August 2021 are £428,391.

Going concern

The Trustees have considered the financial circumstances of the charity at the year end and determined that the going concern basis is appropriate.

HEYHOUSES CHURCH OF ENGLAND NURSERY SCHOOL LIMITED

REPORT OF THE TRUSTEES for the Year Ended 31ST AUGUST 2021

FUTURE PLANS

Plans for Future Periods

Money raised through fundraising will continue to be used to develop the resources and equipment in the nursery in line with the requirements of the EYFS and to ensure resources which are used inside are also provided for use in the outdoor area. The Development Plan clearly outlines the focus for the coming year, it includes:

The Quality of Education

- To implement the changes to the EYFS 2021
- To develop the outdoor spaces

Personal Developments

- To close the gaps in learning for some children who have suffered trauma caused by the Covid19

Behaviour & Attitudes

- To focus on well-being and support for all practitioners, parents and children in feeling, happy and safe at nursery

Leadership and Management

- To manage the changes and minimise the impact the Coronavirus pandemic has had on the operation of nursery
- To build on the strengths of the team supporting new team members and changes to roles and responsibilities.
- To introduce a new ICT system to ensure the smooth running of nursery

Nursery was at 95.6% capacity from April-July 2021, based on the reduced numbers at each session of 32 instead of 40. It is unlikely that we would have filled the additional spaces due to the low birth rate for the year 20-21, and the lack of confidence within families due to the pandemic.

Trustees continue to work closely with school in developing the use of the EcoPod. Trustees wish to record their gratitude to Richard James in the support he gave and continues to give to nursery in relation the Pod. The Charity Incorporated Organisation has been set up. One trustee and one member of staff from the Nursery serve as trustees of the CIO, named pod@heyhouses. Nursery has designated times to use the eco pod. Remedial work was required on the roof to the Pod, this has been overseen by Richard James & Clive Barnes.

Napthens Solicitors continued to be a support for the reclamation of debts and supporting the trustees with HR.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 29 October 1998 and registered as a charity on 9 June 2000. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £5.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law and also constitute the management committee. The directors may appoint a person who is willing to act as a director, either to fill a vacancy or as an additional director provided that the maximum of five as set by the articles is not exceeded. The directors would seek to appoint a director from a member of the governing body of Heyhouses C of E Primary School. All directors presenting themselves for re-election will be deemed to have been re-elected unless at the annual general meeting it is resolved not to fill a vacancy or unless a resolution for the re-appointment of the director is put to the meeting and lost.

Trustee meetings

Meetings are held at least twice per year to review progress. Meetings of the Nursery Management Team comprising Clive Barnes, Elizabeth Hodgson, Helen Atkinson, Philip Gibbons, Denise Brown and Joanne Kaced are held as and when required to discuss and decide upon matters of policy, staffing, finance, budgeting and pay review. The Chairman or other appointed trustee meets with all staff at least twice a year. Philip Gibbons attends monthly meetings with Hester Holdsworth, the Finance Manager to discuss the accounts.

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**REPORT OF THE TRUSTEES
for the Year Ended 31ST AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

The trustees are already familiar with the practical work of the charity and additionally are invited and encouraged to attend meetings and training sessions to familiarise themselves with the charity and the context within which it operates and cover:

- The obligations of Trustees
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts and financial management information
- Future plans and objectives

New trustees would be invited to the setting to familiarise themselves with the work of the charity. They would also be provided with a handbook containing full details of the work of the charity along with the Memorandum and Articles of Association and the latest financial statements. New trustees would have an induction programme followed by an analysis of this induction.

Key management remuneration

Mrs D G Brown the nursery business manager and trustee is regarded as key management personnel and received remuneration as detailed in note 5 of the financial statements.

Related parties

Trustees can elect to make donations from surplus funds to Heyhouses Endowed Church of England Primary School. Any such donation(s) would be in support of projects not funded by the local authority or the diocese and of direct benefit to the Primary School pupils. In the event of The Charity closing any surplus funds would be donated to the Primary School.

Transactions with related parties are as detailed in note 16 of the financial statements.

Risk management

The trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures consistent with the activities of the charity and in accordance with Ofsted inspections. Procedures are in place to ensure compliance with health and safety of staff, children, volunteers and visitors to the nursery. These procedures are reviewed annually to ensure that they continue to meet the needs of the charity.

Approved by order of the board of trustees on 31.05.2022 and signed on its behalf by:



Mr C E Barnes - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

Independent examiner's report to the trustees of Heyhouses Church of England Nursery School Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st August 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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:

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

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

Candace Higgins

C.L.Higgins FCA
ICAEW
Whitehead & Howarth
327 Clifton Drive South
Lytham St Annes
Lancashire
FY8 1HN

Date: 31/5/22

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31ST AUGUST 2021

	Notes	Unrestricted fund £	Restricted fund £	31/8/21 Total funds £	31/8/20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		11,745	-	11,745	45,653
Charitable activities					
Nursery provision		219,757	-	219,757	226,421
Investment income	2	2,346	-	2,346	2,171
Total		233,848	-	233,848	274,245
EXPENDITURE ON					
Raising funds		2,084	-	2,084	982
Charitable activities					
Nursery provision		262,682	-	262,682	260,349
Total		264,766	-	264,766	261,331
Net gains/(losses) on investments		13,791	-	13,791	(764)
NET INCOME/(EXPENDITURE)		(17,127)	-	(17,127)	12,150
RECONCILIATION OF FUNDS					
Total funds brought forward		445,518	-	445,518	433,368
TOTAL FUNDS CARRIED FORWARD		428,391	-	428,391	445,518

The notes form part of these financial statements

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**BALANCE SHEET
31ST AUGUST 2021**

	Notes	Unrestricted fund £	Restricted fund £	31/8/21 Total funds £	31/8/20 Total funds £
FIXED ASSETS					
Tangible assets	7	582,637	-	582,637	595,211
Investments	8	115,057	-	115,057	101,348
		<u>697,694</u>	<u>-</u>	<u>697,694</u>	<u>696,559</u>
CURRENT ASSETS					
Stocks	9	917	-	917	1,419
Debtors	10	34,908	-	34,908	28,532
Cash at bank and in hand		103,157	-	103,157	173,123
		<u>138,982</u>	<u>-</u>	<u>138,982</u>	<u>203,074</u>
CREDITORS					
Amounts falling due within one year	11	(70,535)	-	(70,535)	(91,865)
		<u>68,447</u>	<u>-</u>	<u>68,447</u>	<u>111,209</u>
NET CURRENT ASSETS					
		<u>68,447</u>	<u>-</u>	<u>68,447</u>	<u>111,209</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>766,141</u>	<u>-</u>	<u>766,141</u>	<u>807,768</u>
CREDITORS					
Amounts falling due after more than one year	12	(337,750)	-	(337,750)	(362,250)
		<u>428,391</u>	<u>-</u>	<u>428,391</u>	<u>445,518</u>
NET ASSETS		<u>428,391</u>	<u>-</u>	<u>428,391</u>	<u>445,518</u>
FUNDS	15				
Unrestricted funds				428,391	445,518
TOTAL FUNDS				<u>428,391</u>	<u>445,518</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

BALANCE SHEET - continued
31ST AUGUST 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on~~31.05.2022~~ and were signed on its behalf by:



.....
Mr C E Barnes - Trustee

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31ST AUGUST 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are stated at cost price inclusive of directly attributable costs less cumulative depreciation, provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 2% on cost
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on cost

Fixed asset investments comprise investments in quoted and unquoted equity instruments which are measured at fair value. Changes in fair value are recognized in profit and loss. Fair value is estimated using a valuation technique.

Stocks

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

Government grants

Revenue grants are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is recognised in income in the period in which it becomes receivable.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**HEYHOUSES CHURCH OF ENGLAND NURSERY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The trustees have considered the potential implications of COVID-19 and the measures taken to control its impact on the charity when assessing the entity's ability to continue as a going concern. The consideration extended to updating forecasts and sensitivities, taking into account the risk factors identified and the different possible outcomes and assessment of its plans to mitigate events or conditions including the availability of finance if needed. On this basis the trustees have concluded that the going concern basis is appropriate.

2. INVESTMENT INCOME

	31/8/21	31/8/20
	£	£
Deposit account interest	57	57
Dividend income	2,289	2,114
	<u>2,346</u>	<u>2,171</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/8/21	31/8/20
	£	£
Independent examiners fees	2,400	2,400
Depreciation - owned assets	16,475	15,652
Deficit on disposal of fixed assets	610	-
	<u>19,485</u>	<u>18,052</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

	31/8/21	31/8/20
	£	£
Trustees' salaries	16,676	15,375
Trustees' social security	1,086	922
Trustees' pension contributions to money purchase schemes	313	276
	<u>18,075</u>	<u>16,573</u>

Legal authority for payment was granted by the Charity Commission for England & Wales. The salary was paid to Mrs DG Brown in respect of her position as nursery business manager.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2021 nor for the year ended 31st August 2020.

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021**

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31/8/21	31/8/20
Nursery provision	18	18

No employees received emoluments in excess of £60,000.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	45,653	-	45,653
Charitable activities			
Nursery provision	226,421	-	226,421
Investment income	2,171	-	2,171
Total	274,245	-	274,245
EXPENDITURE ON			
Raising funds	982	-	982
Charitable activities			
Nursery provision	260,349	-	260,349
Total	261,331	-	261,331
Net gains/(losses) on investments	(764)	-	(764)
NET INCOME	12,150	-	12,150
RECONCILIATION OF FUNDS			
Total funds brought forward	433,368	-	433,368
TOTAL FUNDS CARRIED FORWARD	445,518	-	445,518

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021**

7. TANGIBLE FIXED ASSETS

	Freehold premises £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st September 2020	673,620	24,761	6,462	704,843
Additions	-	1,485	3,026	4,511
Disposals	-	(526)	(5,835)	(6,361)
At 31st August 2021	673,620	25,720	3,653	702,993
DEPRECIATION				
At 1st September 2020	89,828	14,136	5,668	109,632
Charge for year	13,472	1,785	1,218	16,475
Eliminated on disposal	-	(319)	(5,432)	(5,751)
At 31st August 2021	103,300	15,602	1,454	120,356
NET BOOK VALUE				
At 31st August 2021	570,320	10,118	2,199	582,637
At 31st August 2020	583,792	10,625	794	595,211

8. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st September 2020	101,348
Additions	20,028
Disposals	(20,109)
Revaluations	13,790
At 31st August 2021	115,057
NET BOOK VALUE	
At 31st August 2021	115,057
At 31st August 2020	101,348

There were no investment assets outside the UK.

Fair value/open market value of listed investments at 31 August 2020 £101,348, (2019:£80,308).

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021**

9. STOCKS

	31/8/21	31/8/20
	£	£
Stocks	917	1,419

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/8/21	31/8/20
	£	£
Trade debtors	24,504	14,368
Other debtors	7,107	8,307
Prepayments	3,297	5,857
	<u>34,908</u>	<u>28,532</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/8/21	31/8/20
	£	£
Other loans (see note 13)	24,500	24,500
Social security and other taxes	781	610
Other creditors	35,893	53,472
Accrued expenses	9,361	13,283
	<u>70,535</u>	<u>91,865</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/8/21	31/8/20
	£	£
Other loans (see note 13)	337,750	362,250

13. LOANS

An analysis of the maturity of loans is given below:

	31/8/21	31/8/20
	£	£
Amounts falling due within one year on demand:		
Lytham Schools loan	<u>24,500</u>	<u>24,500</u>
Amounts falling due between two and five years:		
Lytham Schools loan	<u>98,000</u>	<u>98,000</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	239,750	264,250

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021**

14. SECURED DEBTS

The following secured debts are included within creditors:

	31/8/21 £	31/8/20 £
Lytham Schools loan	<u>362,250</u>	<u>386,750</u>

The loan is secured by way of a fixed and floating charge over the assets of the charitable company.

15. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	445,518	(17,127)	428,391
TOTAL FUNDS	<u>445,518</u>	<u>(17,127)</u>	<u>428,391</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	233,848	(264,766)	13,791	(17,127)
TOTAL FUNDS	<u>233,848</u>	<u>(264,766)</u>	<u>13,791</u>	<u>(17,127)</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	433,368	12,150	445,518
TOTAL FUNDS	<u>433,368</u>	<u>12,150</u>	<u>445,518</u>

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021**

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	274,245	(261,331)	(764)	12,150
TOTAL FUNDS	<u>274,245</u>	<u>(261,331)</u>	<u>(764)</u>	<u>12,150</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	433,368	(4,977)	428,391
TOTAL FUNDS	<u>433,368</u>	<u>(4,977)</u>	<u>428,391</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	508,093	(526,097)	13,027	(4,977)
TOTAL FUNDS	<u>508,093</u>	<u>(526,097)</u>	<u>13,027</u>	<u>(4,977)</u>

16. RELATED PARTY DISCLOSURES

Remuneration paid to D G Brown is detailed in note 5 of the financial statements.

Trustees of Heyhouses C of E Nursery School Ltd hold other trusteeships in other organisations and transactions with these organisations are as follows.

The charity granted a loan to Pod@Heyhouses CIO, the amount outstanding at 31/08/2021 was £7,107, (2020:£8,307).

The charity received a donation of £8,000 in the year from The Lytham Schools Foundation.

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31ST AUGUST 2021

17. CONTROLLING PARTY

The charitable company is controlled by the director trustees.

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31ST AUGUST 2021**

	31/8/21 £	31/8/20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	11,096	25,032
Government grants	649	20,621
	<hr/> 11,745	<hr/> 45,653
Investment income		
Deposit account interest	57	57
Dividend income	2,289	2,114
	<hr/> 2,346	<hr/> 2,171
Charitable activities		
Fees receivable	211,456	220,364
Sale of uniforms	1,928	1,226
Sale of refreshments and lunches	6,373	4,831
	<hr/> 219,757	<hr/> 226,421
Total incoming resources	<hr/> 233,848	<hr/> 274,245
EXPENDITURE		
Other trading activities		
Opening stock	1,069	684
Purchases	1,440	1,367
Closing stock	(425)	(1,069)
	<hr/> 2,084	<hr/> 982
Charitable activities		
Trustees' salaries	16,676	15,375
Trustees' social security	1,086	922
Trustees' pension contributions	313	276
Wages	173,048	176,242
Social security	2,005	2,214
Pensions	2,087	2,135
Rates and water	488	1,978
Insurance	3,573	3,440
Light and heat	3,339	2,292
Telephone	412	1,238
Printing and stationery	1,216	1,703
Sundries	1,558	1,113
Staff recruitment and training	1,060	361
Repairs and renewals	8,750	5,208
School meals and refreshments	7,800	6,273
Carried forward	<hr/> 223,411	<hr/> 220,770

This page does not form part of the statutory financial statements

**HEYHOUSES CHURCH OF ENGLAND NURSERY
SCHOOL LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31ST AUGUST 2021**

	31/8/21 £	31/8/20 £
Charitable activities		
Brought forward	223,411	220,770
Travelling expenses	-	114
Cleaning costs	1,449	1,271
Bank charges	69	65
Curriculum development	1,851	3,990
Payroll & other accountancy charges	1,985	2,298
Legal and professional fees	3,753	4,384
Bad debts	(635)	(109)
Computer expenses	1,445	950
Depreciation of premises	13,472	13,472
Depreciation of fixtures and fittings	1,785	1,874
Depreciation of computer equipment	1,218	305
Loss on assets scrapped	610	-
Loan interest	9,869	8,565
	<u>260,282</u>	<u>257,949</u>
Support costs		
Governance costs		
Independent examiners fees	2,400	2,400
	<u>264,766</u>	<u>261,331</u>
Net (expenditure)/income before gains and losses	(30,918)	12,914
Realised recognised gains and losses		
Movement in fair value of investments	13,791	(764)
	<u>(17,127)</u>	<u>12,150</u>

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