

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2022
for
LONGBRIDGE CHILDCARE STRATEGY GROUP

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for the year ended 31 March 2022

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LONGBRIDGE CHILDCARE STRATEGY GROUP

Reference and Administrative Details
for the year ended 31 March 2022

Trustees	Mr M J Short (Chair) Ms S M Ford Ms S Murray
Registered office	Hollymoor Centre 8 Manor Park Grove Northfield Birmingham West Midlands B31 5ER
Registered company number	03719730 (England and Wales)
Registered charity number	1081699
Independent examiner	Haines Watts Birmingham LLP 5-6 Greenfield Crescent Edgbaston Birmingham B15 3BE

LONGBRIDGE CHILDCARE STRATEGY GROUP

Report of the Trustees for the year ended 31 March 2022

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 31 March 2022. 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).

Structure, governance and management

Longbridge Childcare Strategy Group is a company limited by guarantee (company number 03719370) which was incorporated on 25 February 1999 and achieved charitable status on 21 July 2000 (number 1081699). It is governed by its Memorandum and Articles of Association dated 25 February 1999, as amended by special resolution on 13 December 1999.

The Trustees who held office during the year and to the date of this report are as follows:

Ms C Aberdeen	Resigned 2 December 2021
Ms L Bishop	Resigned 2 December 2021
Ms S M Ford	Appointed 27 October 2016
Mr M Melough	Resigned 2 December 2021
Mr M J Short	Appointed 2 December 2021
Ms S Murray	Appointed 2 December 2021

Recruitment and appointment of new Trustees

Recruitment of Trustees has been successful this year and we have recruited two additional board members from different professional backgrounds to reflect the needs of the charity.

Objectives and activities

Principal activity

The principal activity of the company continues to be the provision of quality, affordable childcare facilities and training for those supplying care services. The welfare and development of the children is paramount within all of our activities.

Longbridge Childcare Strategy Group is a charity established in 1991, to be effective in Birmingham with particular reference to the Longbridge Area and its environs (the Area of Benefit).

"To advance the education and development of young children within Longbridge in particular by the provision of a comprehensive childcare service offering facilities for safe and satisfying play and to provide or to arrange for the provision of such ancillary facilities and activities which are considered necessary or desirable for the fulfilment of the objects."

The Charity includes the following powers exercisable in furtherance of the said Objects, but not otherwise;

1. To advance, whether by training or otherwise, the knowledge and professional skills of those resident in the Area of Benefit and concerned with the provision of childcare.
2. To provide practical help within the Centre services, including; advice, assistance, service, support, advocacy and information to meet the needs of those caring for children and to liaise with external bodies concerned with the matters of childcare.
3. To promote, provide and carry on or assist in the promotion, provision and carrying on of facilities of any kind pursuant to the objects and to arrange and hold meetings, conferences and lectures.

Activities April 2021-March 2022

Throughout the year LCSG maintained the continued operation of its services. The nurseries. Pre-School and out-of-school services offered places to children who are on our registers and also to children who attended other provision which have had to close or reduce their services due to the effects of the pandemic. The groups covered the age-ranges as normal, but management and organisation of activities was adapted as necessary on a daily basis. Some of the changes made have now become permanent in order to offer good quality services and to insure financial stability.

The primary responsibility of ensuring the wellbeing and development of the children now included health & safety far more intensely than ever before. Although it has always been a core part of services 'covid-safe' meant that it was top priority. Risk Assessments have been produced throughout the last year, ensuring that every new set of guidelines were read, understood and implemented. It is interesting to note that children now sneeze into their armpits (no longer into their hand as in previous generations), handwashing/sanitising is done automatically, and the use of tissues has increased dramatically!

Report of the Trustees
for the year ended 31 March 2022

Objectives and activities (continued)

Activities April 2021-March 2022 (continued)

For the nursery and families there were other aspects that continue to change the way they work. Parents were unable to enter the nursery with their children – leaving and collecting them at the door. This happened even for children who were attending from closed nurseries and had never been there before. There were limited opportunities for consultations with parents, or with other professionals. Throughout all of these difficulties the staff team worked diligently and enthusiastically to ensure that the children had the best of experiences in the worst of times. They also provided an ear for parents who needed extra support.

Alphabets @ Holly Hill Nursery continues to operate in the main nursery building and within the Children Centre. It offers full and part-time childcare places for children aged 2-4 years only. At the present time there is insufficient interest in places for children under two – most of the families in this area are not working. The nursery continues to work closely with Frankley Plus Children's Centre and to provide a stable and secure environment for the children and families in the area. A high percentage of the children are 2 and 3 years old children receiving means tested EEE funding. 97% of the children are in receipt of deprivation and or benefit related free school meals.

Alphabets @ Cofton - This service includes a Pre-School and out of school provisions. The out of school provisions include before and after school clubs and Holiday Playschemes which continue to be popular with children and families attending the adjoining primary school. This year the summer playscheme included a Holiday Activities and Food project (HAF). This project targeted children in receipt of free school meals.

The Pre-School has experienced a steady increase in the number of children needing extra support due to their special educational needs.(SEND) The children are also needing more help with communication and social skills which is due to the effects of the lockdown.

Alphabets @ Hollymoor – The nursery continued to offer places for children from one to four years throughout the year. It supports children and families in the local area with a number of places taken by vulnerable children as well as for working parents. Throughout covid they provided support for many children and families, particularly for the one-two year olds. Working in partnership with other childcare professionals and the local children's centre has been challenging throughout the year due to many of the professionals working from home. One of the most difficult aspects has been the need to use electronic devices and social media/Wi-Fi. As a charity we have found it difficult to maintain the quantity and quality of these systems. We have identified this as a priority for the coming year.

Central Office – Negotiations regarding the Lease for the building were unresolved during this period and will now continue as a priority for the next year. The condition of the building remains stable, LCSG has continued to complete emergency repairs.

Management

The Board continued to work with staff throughout the year to investigate potential changes which could benefit the organisation. Through consultation, priority was placed on building a larger Board which reflects the community and holds specialisms which can support the development and growth of LCSG.

LCSG Priorities for this year were;

➤ **To maintain our existing childcare services to the local communities and specific sectors who have a need for these services.**

This has been achieved this year due to regular monitoring and assessments. Some services have changed their operational hours in order to offer the service required whilst also being sustainable financially

➤ **To be able to maintain the 'Good' quality of childcare services**

We have introduced an ECERS environmental audit which has helped us to improve and upgrade the quality of our service

➤ **To research local provision and work with the LA to identify gaps and provide services which may be needed**

We worked closely with our Birmingham Early Years Consultant and have attended the local network meetings to discuss the needs of the wider community

➤ **To market LCSG services widely across the local areas**

The use of Facebook and other social media platforms has increased this year

➤ **To monitor Running Costs and Funding/Income opportunities to maintain sustainability**

The financial situation of the group is closely monitored in order to take advantage of any funding available. The financial situation is constantly assessed in order to maximise the income we have. This has included an audit of power supplies, broadband internet providers etc.

➤ **To work with the LA to establish the future use of Hollymoor Centre**

LCSG is currently negotiating a long-term lease.

This Report has shown that we continue to maintain quality services and support children and families. We also worked in partnership with other organisations and the Local Authority. The organisation continues to move forward optimistically with plans for future growth and development.

LONGBRIDGE CHILDCARE STRATEGY GROUP

Report of the Trustees for the year ended 31 March 2022

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Management

The volunteer Trustees continued to work with senior staff (particularly the Finance Officer) throughout the year. The priority has been to maintain the services needed and to manage the budget and financial activities. PAYE has been very different due to the increased work managing furlough hours, pay etc. The legal documentation to go to staff for these activities necessitated the Trustees to be active in the administration of the charity.

The planning priorities from last year's report were to;

- To maintain our existing childcare services to the local communities and specific sectors who have a need for these services
- To be able to maintain the 'Good' quality of childcare services
- To research local provision and work with the LA to identify gaps and provide services which may be needed
- To market LCSG services widely across the local areas
- To monitor Running Costs and Funding/Income opportunities to maintain sustainability
- To work with the LA to establish the future use of Hollymoor Centre

These came with the recognition that we had entered a time of major uncertainties and that within this framework we needed to try to identify priorities for future development although sustainability may have been the biggest concern.

This Report has shown that despite working throughout the pandemic LCSG did maintain quality services and supported children and families. We also worked in partnership with other organisations and the Local Authority. The organisation continues to move forward optimistically with plans for future growth and development.

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Social Impact Report April 2021 – March 2022

	Alphabets@Cofton	Alphabets@Hollymoor	Alphabets@Hollyhill
Pupil Premium & FSM	45.1%	66.7%	68.75%
Deprivation Funding	58.7%	85.80%	90.9%
SEN	16.39%	16.67%	73.21%
EAL	8.2%	0%	58.57%
Early Help	8.2%	30%	43.92%
Total Families helped	100	134	96

LCSG has given extra social support to over 330 families. The support has been through the receipt and implementation of Pupil Premium and or Deprivation funding, which has included providing extra services tailored to meet the needs of the children. The services have included a language and communication tool called Wellcomm. Wellcomm is used to assess all the children and then plan to support identified speech, language and communication needs. In addition to our usual services 150 children were supported during the Easter, Summer and Winter holidays in partnership with the Holiday Activities and Fun scheme funded by a grant managed by Birmingham City Council. Through this scheme we engaged with children who may have experienced holiday hunger, inactivity, isolation and learning loss, throughout the holiday period.

Last year the group developed a training package and support program for young people aged 16-18 years old. This package included work experience in playwork. All the participants have been successful in gaining future employment and or higher education including apprenticeships as a result of joining the scheme. When they applied for jobs or a place at college/university the reference we were able to give them and their work experience history was invaluable.

This year the group invested in training the key people to increase their knowledge and skills. This is to provide the socially supported families with the highest quality of care. The team have attended training in speech and language, nutrition, first aid, food safety and the Graded Care Profile which gives the person a licence to assess neglect. In order to make a real difference to the lives of our children we need to work with and support the families in realising what neglect is and what resources are available in order to make their lives better.

Objectives and activities (continued)

Social impact report April 2021 - March 2022 (continued)

Safeguarding and promoting the welfare of children remains to be an integral factor in all LCSG's management procedures. Safeguarding cannot be separated from the general ethos of the group who aim to continue to create a culture of vigilance and care, our aim is to equip the practitioners in order to make a real difference to the lives of the children. The number of qualified Designated Safeguarding Leads has increased to give the team the skills and confidence to act appropriately and with confidence when they need to. The group's induction pack has also been revised and become a workbook which will strengthen a new employee's knowledge of what is expected from them as a member of the team. Each team member is registered with a training provider associated with the Early Years Alliance. (EduCare) They are asked to complete the basic safeguarding course and a course on Prevent and FGM. Each person also registers with the Birmingham Safeguarding Children's Board (BSCB) who also offer updates and training. The group has a comprehensive Safeguarding policy and procedures which are regularly updated, the audit issued by the BSCB is completed annually.

Each of our provisions has worked with a multi-agency partnership in support of individual cases throughout this year. We recognise the unique position we are in where we have daily contact with the children providing valuable information which is used as part of the discussions on how to best support children and then monitor the change this has made to their lives and wellbeing. An example of some of the professionals we work with are Health Visitors, Social Workers, Police, Health Care Professionals, teachers, and housing organisations. We also work in partnership with the Children's Centres, Special Educational Needs co-ordinators and Speech and Language Therapists.

A high percentage of our children are families who are living in poverty with either no employed income or exceptionally low pay. The group has worked hard to ensure the children receive good nutritional snacks and meals. During the Holiday Activities and Fun programme, we provide hot meals to children who normally receive free school meals. We extended the activities this year to include growing food. This led to discussions on climate change and how we can protect the environment.

The effects of Covid have continued to impact on the lives of all our children, their families and the LCSG team. Every person has experienced times of uncertainty and anxiety on what the future may bring and at times a loss of control over personal choices. As a group we have tried to reduce these problems by keeping regular contact with people.(well being) Throughout the pandemic the childcare continued at each of the venues for key workers and vulnerable children. Some vulnerable members of the team were forced into isolation which caused them feelings of helplessness. The team members are supported through phone calls, information emails and Zoom meetings with the chair and senior management who continue to offer help, advice and support. The meetings are sometimes with individuals but also team meetings in order to plan and collaborate with their colleagues.

In conclusion we have made a difference to the lives of the people we work with and the wider community by working together to keep children safe, well fed and educated in healthy eating and exercise, this includes pre-school children and primary and secondary aged children during the holidays. We have helped them with their communication skills and the ability to socialise by offering opportunities for them to come together. We have also started to make children aware of climate change which is provoked and encouraged by growing fruit and vegetables.

Financial review

The review of the year to 31st March 2022 has again, as in the previous year, been somewhat overtaken by a new way of working. We had noticed parents would like to utilise the way in which they would like to access nursery hours due to many parents now working from home and not needing childcare facilities as in previous years.

During this time, we looked at ways in which we could save money in other areas and managed to secure several cheaper deals regarding our operating expenses. The new challenge that we were now facing were the increasing costs in regard to our gas and electricity. We worked closely with an agent and we managed to secure a two and five year deal that we could budget for.

At the AGM in March 2022 a 4.5% wage rise was agreed. The April 2022 Funding Rates were released late into April and were much higher than anticipated. The formula had been written for the next 3 financial years which would be looked at every 12 months however; although this was welcome news, the rise in National Minimum Wage, was a cause for concern. We made the decision that we could now not rely on just EEE funding to survive and looked for new opportunities and managed to increase tenants within the centre. Following a successful 2020 HAF Programme we applied for funding for Winter, Spring and Summer Grants which were all successful this generated extra income of £26,000 up to 31/03/2022. We were also granted extra income by contributing to a new incentive called the Lively programme. We continued to operate within our aims of training, and we employed 3 new apprentices, with this the government gave an incentive payment. Knowing our weakest point is August, we have the confidence that this will continue to operate and increase in the years to come.

LONGBRIDGE CHILDCARE STRATEGY GROUP

Report of the Trustees for the year ended 31 March 2022

Financial review (continued)

The Hollymoor site was also used in connection with BPCN for a series of group gatherings including Christmas craft fairs, group gatherings and training, generating more footfall to the area and subsequently more recognition in the area. This resulted in many of the rooms that were vacant being booked within the day which was another area we have tapped into to secure consistent income into the charity. This shows the growth of centre income within the accounts up to 31/03/2022.

This also has resulted in a growth in service requests. From April almost all our staff were employed full time. The nursery numbers are showing a record high with EEE payments surpassing the last 5 years in the first term. Paying parents rose with Alphabets @ Hollymoor showing an exceptional uptake, with the lower age group being almost at capacity. These children will remain on the books for longer giving us confidence for the future and ratifies the decision that was made to lower the age range pre covid.

Although salaries have increased by almost £34,000 on the previous year we have new continuous tenants in the building who are working in partnership with LCSG to increase events for the local community. We have had some setbacks with the disrepair of the building and have spent just under £28,000 on roofing, a new boiler, and the fire alarm system – we are budgeting for this, and other repairs needed in the next financial year. The only other concern we have is the rise in Utility costs when the first contract comes to an end.

Reserves policy

Given the current net liabilities position, the reserves policy of the company is under review. The short-term priority is to eliminate the net liabilities. In the medium term, the trustees intend to agree a policy for maintaining unrestricted funds which will balance the group's day to day cash flow needs, while allowing for suitable investment in staff and resources which will benefit the group in the longer term. See Funds in deficit section.

Funds in deficit

The financial statements show a deficit in total funds of £31,684 as at 31 March 2022 (2021 – deficit of £48,929).

Going concern

The Trustees have considered a period of at least 12 months from the date of approval of these financial statements and consider that the charity will be able to continue to attract sufficient funding and manage its expenditure levels accordingly. The group is showing a high uptake for childcare places, which will continue to rise and for these children to stay longer than a period of 12 months. The Group has access to a £10,000 overdraft facility that was renewed in December 2022 for a further 12 months. As such, the Trustees are content that the accounts can be prepared on the going concern basis.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the Board of Trustees on 23rd January 2023 and signed on its behalf by:



Mr M J Short
Chair of Trustees

LONGBRIDGE CHILDCARE STRATEGY GROUP

Statement of Trustees' Responsibilities for the year ended 31 March 2022

The Trustees (who are also the directors of Longbridge Childcare Strategy Group for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of
Longbridge Childcare Strategy Group

Independent examiner's report to the Trustees of Longbridge Childcare Strategy Group ('the Company')

I report to the Charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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.



Nichola Venables
Institute of Chartered Accountants in England and Wales
Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

30 January 2023

LONGBRIDGE CHILDCARE STRATEGY GROUP

Statement of Financial Activities
for the year ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments from					
Donations and legacies	3	-	23	23	28
Charitable activities					
- Childcare services	4	533,219	-	533,219	384,594
- Government grants	4	11,488	-	11,488	114,789
Total		544,707	23	544,730	499,411
Expenditure on					
Charitable activities					
- Childcare services	5	527,462	23	527,485	458,722
Other activities		-	-	-	-
Total		527,462	23	527,485	458,722
NET INCOME/(EXPENDITURE)		17,245	-	17,245	40,689
Reconciliation of funds					
Total funds brought forward		(50,514)	1,585	(48,929)	(89,618)
Total funds carried forward		(33,269)	1,585	(31,684)	(48,929)

Continuing operations

All income and expenditure has arisen from continuing activities.

LONGBRIDGE CHILDCARE STRATEGY GROUP

Balance Sheet
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fixed assets					
Tangible assets	10	18,794	-	18,794	4,900
Current assets					
Debtors	11	3,770	-	3,770	8,911
Cash at bank and in hand		<u>25,537</u>	<u>1,585</u>	<u>27,122</u>	<u>48,029</u>
		29,307	1,585	30,892	56,940
Creditors					
Amounts falling due within one year	12	<u>(81,370)</u>	-	<u>(81,370)</u>	<u>(110,769)</u>
Net current assets/(liabilities)		<u>(52,063)</u>	<u>1,585</u>	<u>(50,478)</u>	<u>(53,829)</u>
Total assets less current liabilities		<u>(33,269)</u>	<u>1,585</u>	<u>(31,684)</u>	<u>(48,929)</u>
NET ASSETS/(LIABILITIES)		<u>(33,269)</u>	<u>1,585</u>	<u>(31,684)</u>	<u>(48,929)</u>
Funds	14				
Unrestricted funds				(33,269)	(50,514)
Restricted funds				<u>1,585</u>	<u>1,585</u>
Total funds				<u>(31,684)</u>	<u>(48,929)</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 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.

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 23rd January 2023 and were signed on its behalf by:



Mr M J Short
Chair of Trustees

The notes form part of these financial statements

LONGBRIDGE CHILDCARE STRATEGY GROUP

Cash Flow Statement
for the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(2,526)</u>	<u>47,452</u>
Net cash provided by operating activities		<u>(19,626)</u>	<u>47,452</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(18,381)</u>	<u>(1,110)</u>
Net cash used in investing activities		<u>(18,381)</u>	<u>(1,110)</u>
Change in cash and cash equivalents in the reporting period		<u>(20,907)</u>	46,342
Cash and cash equivalents at the beginning of the reporting period		<u>48,029</u>	<u>1,687</u>
Cash and cash equivalents at the end of the reporting period		<u>27,122</u>	<u>48,029</u>

The notes form part of these financial statements

LONGBRIDGE CHILDCARE STRATEGY GROUP

Notes to the Cash Flow Statement
for the year ended 31 March 2022

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2022	2021
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	17,245	40,689
Adjustments for:		
Depreciation charges	4,487	1,209
Decrease in debtors	5,141	1,248
(Decrease)/increase in creditors	(29,399)	4,306
Net cash provided by operations	<u>(2,526)</u>	<u>47,452</u>

1. Analysis of changes in net (debt)/funds	At 1/4/21	Cash flow	At 31/3/22
	£	£	£
Net cash			
Cash at bank and in hand	<u>48,029</u>	<u>(20,907)</u>	<u>27,122</u>
	<u>48,029</u>	<u>(20,907)</u>	<u>27,122</u>
Total	<u>48,029</u>	<u>(20,907)</u>	<u>27,122</u>

2. 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', the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements.

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.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Charitable activities

Costs of charitable activities are incurred on the charity's childcare operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Tangible fixed assets

All fixed assets are initially recognised at cost.

Depreciation

Depreciation of fixed assets is calculated to write off their cost of valuation less any residual value over their estimated useful lives as follows:

Improvements to leasehold property	- 20% p.a. straight line basis
Office equipment	- 15% p.a. reducing balance
Fixture and fittings	- 25% p.a. reducing balance
Computer equipment	- 25% p.a. reducing balance

Taxation

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

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purpose. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

LONGBRIDGE CHILDCARE STRATEGY GROUP

Notes to the Financial Statements - continued
for the year ended 31 March 2022

2. Accounting policies - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

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.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

3. Donations and legacies

Grants Received

	2022	2021
	£	£
Unrestricted funds	-	-
	-	-
	-	-
Restricted funds	£	£
Bournville College	23	28
	23	28
Total	23	28

4. Charitable activities

	2022	2021
	£	£
Childcare services	42,115	26,104
Centre income	42,115	26,104
Nursery fees - government funded	491,104	358,490
Government support grants	11,488	114,789
	544,707	499,383

The charity has been eligible to claim additional funding in the current and prior year from government support schemes in response to the coronavirus outbreak. The funding received totalling £897 (2021: £34,294) has been shown in government grants. Also included in government grants is an amount totalling £2,751 (2021: £79,995) received under the Government's Coronavirus Job Retention Scheme.

LONGBRIDGE CHILDCARE STRATEGY GROUP

Notes to the Financial Statements - continued
for the year ended 31 March 2022

5. Resources expended

	2022		2021	
	£		£	
	Unrestricted funds	Restricted funds	Unrestricted fund	Restricted fund
Wages and national insurance	400,747		362,555	
Accountancy and independent examination	2,700		2,700	
Bank and professional charges	370		383	
Professional fees	280		1,555	
Consumables and staff expenses	29,177		19,204	
Insurance	8,006		6,503	
Depreciation	4,487		1,209	
Pensions	6,269		5,200	
Rent, rates, heat and light	53,585		37,910	
Repairs, research and maintenance	11,270		11,925	
Telephone, stationery and advertising	9,441		9,578	
Bad debt write off	1,153		-	
	527,485	-	458,722	-

6. Net income/(expenditure)

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

	2022	2021
	£	£
Independent examiners' fees	2,700	2,700
Depreciation - owned assets	4,487	1,209

7. Trustees' remuneration and benefits

There were no Trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no Trustees expenses paid in the year (2021: £nil).

8. Staff costs

	2022	2021
	£	£
Wages and salaries	400,747	362,555
Other pension costs	6,269	5,200
	407,016	367,755

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

	2022	2021
	29	23
Administrative staff	29	23

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

LONGBRIDGE CHILDCARE STRATEGY GROUP

Notes to the Financial Statements - continued
for the year ended 31 March 2022

9. Comparatives for the statement of financial activities - year ended 31 March 2021

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Income and endowments from			
Donations and legacies	-	28	28
Charitable activities			
- Childcare services	384,594	-	384,594
- Government grants	<u>114,789</u>	<u>-</u>	<u>114,789</u>
Total	499,383	28	499,411
 Expenditure on			
Charitable activities			
- Childcare services	458,694	28	458,722
Other activities	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>458,694</u>	<u>28</u>	<u>458,722</u>
 NET INCOME/(EXPENDITURE)	40,689	-	40,689
 Reconciliation of funds			
Total funds brought forward	<u>(91,203)</u>	<u>1,585</u>	<u>(89,618)</u>
Total funds carried forward	<u><u>(50,514)</u></u>	<u><u>1,585</u></u>	<u><u>(48,929)</u></u>

10. Tangible fixed assets

	Improvements to property	Plant and machinery	Fixtures and fittings	Computer equipment	Totals
	£	£	£	£	£
Cost					
At 1 April 2021	103,894	20,184	57,132	16,605	197,815
Additions	<u>17,100</u>	<u>621</u>	<u>-</u>	<u>660</u>	<u>18,381</u>
At 31 March 2022	<u>103,894</u>	<u>20,805</u>	<u>57,132</u>	<u>17,265</u>	<u>199,096</u>
 Depreciation					
At 1 April 2021	103,894	17,478	56,815	14,728	192,915
Charge for year	<u>3,420</u>	<u>406</u>	<u>79</u>	<u>582</u>	<u>4,487</u>
At 31 March 2022	<u>107,314</u>	<u>17,478</u>	<u>56,894</u>	<u>15,310</u>	<u>197,402</u>
 Net book value					
At 31 March 2022	<u><u>13,680</u></u>	<u><u>2,921</u></u>	<u><u>238</u></u>	<u><u>1,955</u></u>	<u><u>18,794</u></u>
At 31 March 2021	<u><u>-</u></u>	<u><u>2,706</u></u>	<u><u>317</u></u>	<u><u>1,877</u></u>	<u><u>4,900</u></u>

LONGBRIDGE CHILDCARE STRATEGY GROUP

Notes to the Financial Statements - continued
for the year ended 31 March 2022

11. Debtors: amounts falling due within one year

	2022	2021
	£	£
Trade debtors	<u>3,770</u>	<u>8,911</u>
	<u>3,770</u>	<u>8,911</u>

12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	5,436	3,848
Social security and other taxes	24,759	54,072
Other creditors	10,988	10,239
Deferred income	147	170
Accrued expenses	<u>40,040</u>	<u>42,440</u>
	<u>81,370</u>	<u>110,769</u>

13. Movement in funds

	At 1/4/21	Net movement in funds	At 31/3/22
	£	£	£
Unrestricted funds			
General fund	(50,514)	3,565	(46,949)
Restricted funds			
Restricted general fund	1,585	-	1,585
TOTAL FUNDS	<u>(48,929)</u>	<u>3,565</u>	<u>(45,364)</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	544,707	(541,142)	3,565
Restricted funds			
Restricted general fund	23	(23)	-
TOTAL FUNDS	<u>544,730</u>	<u>(541,165)</u>	<u>3,565</u>

LONGBRIDGE CHILDCARE STRATEGY GROUP

Notes to the Financial Statements - continued
for the year ended 31 March 2022

13. Movement in funds - continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	(91,203)	40,689	(50,514)
Restricted funds			
Restricted general fund	1,585	-	1,585
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(89,618)</u>	<u>40,689</u>	<u>(48,929)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	499,383	(458,694)	40,689
Restricted funds			
Restricted general fund	28	(28)	-
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>499,411</u>	<u>(458,722)</u>	<u>40,689</u>

14. Related party disclosures

During the year ended 31 March 2018 the Trustees loaned £9,000 to the company, this remains within other creditors as at 31 March 2022.

There were no Trustee's expenses paid in the year (shown in note 7) and no other related party transactions occurred for the year ended 31 March 2022.

Key management personnel consists of the Trustees only, whose remuneration is shown within note 7.

15. Ultimate controlling party

The charity was under the control of the Board of Trustees in the current and previous year.

16. Share capital

The company is limited by guarantee of its members and does not have any share capital. In the event the company is wound up, the members who are also the Trustees, have a liability in respect of the guarantee, limited to £1 per member.