

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020
FOR
YORKIES DAYCARE
(A COMPANY LIMITED BY GUARANTEE)

Wags LLP t/a Wagstaffs
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YORKIES DAYCARE

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FOR THE YEAR ENDED 31ST AUGUST 2020

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YORKIES DAYCARE

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2020

TRUSTEES	D Szanto L Mitchell D Frainer
COMPANY SECRETARY	L Mitchell
REGISTERED OFFICE	York Road Nursery York Road Hitchin Hertfordshire SG5 1XA
REGISTERED COMPANY NUMBER	04001165 (England and Wales)
REGISTERED CHARITY NUMBER	1088332
INDEPENDENT EXAMINER	Wags LLP t/a Wagstaffs Richmond House Walkern Road Stevenage Hertfordshire SG1 3QP

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020

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 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In this financial year we have provided free wraparound care for a total of ten children, and we continue to offer places and sessions free of charge when the need arises or in emergencies such as parents or carers requiring childcare arrangements to attend hospital appointments. We also offer respite where close or immediate family members are chronically or gravely ill. We also offer childcare where a parent or carer needs to attend funerals. Many of our parents have no family in the area, we have also provided extra sessions for parents when a new baby has arrived. Four of these children were offered free places due to financial difficulties in either paying for childcare or not being able to access childcare due to starting new jobs or moving into employment after being unemployed. Two children were offered full time spaces due to a family breakdown complicated by a parent's poor mental health. One child was given a 30 hour entitlement when HMRC made a mistake in calculating benefits and resumed a paid for place when this was sorted out.

Five children were given a variety of free sessions so parents and siblings could attend hospital appointments. One child received breakfast and evening meals with us to alleviate food poverty in the family, this continued to be the case through the summer holidays when we were able to reopen after Covid restrictions. Another vulnerable family with a non-verbal child were given extra free sessions to enable the work done at Nursery in improving the child's communication to continue for a longer period of time. Two other children were given free space when their mothers were hospitalised after giving birth with no immediate family around to help. We continue to reinforce our links with the school and currently have two members of staff on the 'Protecting Vulnerable Groups' committee in order that referrals required to support vulnerable families come through in a more timely manner and so that we are on hand to be able to offer space when and where it is needed. The newly opened Pre School which takes funded families is working with us to benchmark help where it may be required when the child moves to Nursery.

We continue to encourage Parents of both Yorkies and the school to speak to us if they have changing or challenging circumstances, for example parental illness, and the effects of redundancy and furlough on our families. We expect our charity spaces to be more in demand as the furlough scheme ends, and feel well placed to help our families in the coming year. Present circumstances surrounding the pandemic have increased the need for charitable spaces and when we have been allowed to open we have managed to prioritise the families that need us the most.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020

OBJECTIVES AND ACTIVITIES

Public benefit

The trustees have complied with the duty in section 4 of the Charities Act 2011 and have regard to the public benefit guidance as issued by the Charity Commission as shown in the objectives above.

We have referred to the 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 that they have set.

This public benefit statement forms the basis for all judgements regarding operational reports to the Board meetings, in order to be reassured that the facilities and services currently managed by the charity continue to meet these criteria. At these meeting, the Financial Controller also presents the quarterly financial position including taking account of any restricted funds and the Charity's status as a going concern.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Yorkies are providing remuneration towards repairs and renewals at York Road Nursery School as the school has suffered from Education Budget cuts and the fabric of the building was old and in need of repair, the areas we contributed to included a new floor in one of the classrooms, the extension of an under cover area so we can be outside in all weathers, the renovation of the classrooms that Yorkies use to incorporate better storage for art areas, and the renovation of the role play 'home area' to include child sized furniture. Yorkies also contributed to the relocation of the library and a 'quiet area' for children to enjoy the books from our library. We are still making provision to support the school and to replace equipment that is old or damaged.

We aim to continue to share our equipment and expertise with the local community, both through the Nursery School and community activities through the Family Centre . These include 'stay and play' sessions.

The trustees have complied with their duty in having due regard to the guidance on public benefit, as published by the Charity Commission, in exercising their powers and duties.

Developmental achievements

In addition to financial achievements, developmental achievement by the children that attended Yorkies in this year showed outstanding progress for all children in the Early Years Foundation Stage.

FINANCIAL REVIEW

Financial position

This year total incoming resources amounted to £212,100 (2019 - £241,987), whilst total expenditure amounted to £222,012 (2019 - £253,940). This resulted in net expenditure for the year of £9,912 compared to a net expenditure of £11,953 in 2019.

The trustees are grateful to all those who have contributed in any way to achievement of these results.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020

FINANCIAL REVIEW

Reserves policy

The Memorandum of Association has established that where the financial balances (sum of unrestricted funding and restricted salary funds) fall below a value equivalent to two months wage costs against known projected income figures a committee meeting will be convened, with H.C.C Early Childhood Unit invited to attend. The trustees will consider how funds can be replaced. Currently the financial balances are £89,380 (2019 - £99,292) which is above the value of 6 (2019 - 7) months' wages costs against known projected income figures.

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.

Recruitment and appointment of new trustees

New trustees are nominated by members of the board of trustees, interviewed by a panel of trustees and appointed where they have the necessary skills to contribute to the charity's management and development.

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 16th April 2021 and signed on its behalf by:

D Frainer - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
YORKIES DAYCARE

Independent examiner's report to the trustees of Yorkies Daycare ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st August 2020.

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.

S L Cuzner ACA FCCA
Wags LLP t/a Wagstaffs
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

5th May 2021

YORKIES DAYCARE

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST AUGUST 2020

		2020 Unrestricted fund £	2019 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Donations and legacies		-	46
Other trading activities	3	211,575	241,430
Investment income	4	525	511
Total		212,100	241,987
EXPENDITURE ON			
Charitable activities			
Administrative expenses		222,012	253,940
NET INCOME/(EXPENDITURE)		(9,912)	(11,953)
RECONCILIATION OF FUNDS			
Total funds brought forward		99,292	111,245
TOTAL FUNDS CARRIED FORWARD		89,380	99,292

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31ST AUGUST 2020

		2020 Unrestricted fund £	2019 Total funds £
CURRENT ASSETS	Notes		
Debtors	10	39,886	12,577
Cash at bank and in hand		83,853	130,381
		<u>123,739</u>	<u>142,958</u>
CREDITORS			
Amounts falling due within one year	11	(34,359)	(43,666)
		<u>89,380</u>	<u>99,292</u>
NET CURRENT ASSETS			
		<u>89,380</u>	<u>99,292</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		89,380	99,292
		<u>89,380</u>	<u>99,292</u>
NET ASSETS			
		<u>89,380</u>	<u>99,292</u>
FUNDS			
Unrestricted funds		89,380	99,292
		<u>89,380</u>	<u>99,292</u>
TOTAL FUNDS		<u>89,380</u>	<u>99,292</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2020 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

STATEMENT OF FINANCIAL POSITION - continued
31ST AUGUST 2020

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 16th April 2021 and were signed on its behalf by:

D Frainer - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020

1. STATUTORY INFORMATION

Yorkies Daycare is a charity and company limited by guarantee, both registered in England and Wales. The charity and company registration numbers, along with the registered office address, can be found within the reference and administrative details on page one.

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

Going concern

The financial statements have been prepared on a going concern basis.

Critical accounting estimates and judgements

No significant judgements or estimates have had to be made by the trustees in preparing these 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Improvements to property	- 25% on cost
Fixtures and fittings	- 20% on cost

Taxation

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020

2. ACCOUNTING POLICIES - continued

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.

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Childcare fees	190,930	242,250
Full time discount	-	(820)
Government grants	20,645	-
	<u>211,575</u>	<u>241,430</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Interest received	<u>525</u>	<u>511</u>

5. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Depreciation - owned assets	<u>-</u>	<u>710</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020

6. TRUSTEES' REMUNERATION AND BENEFITS

The trustees L Mitchell, R Boyden and D Frainer were paid emoluments totalling £16,263 (2019 - £37,708) for services provided by them to the charity. Such payments were made directly by the charity and carried no further benefit or remuneration.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2020 nor for the year ended 31st August 2019.

7. STAFF COSTS

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

	2020	2019
Average monthly number of employees	17	15
	<u>17</u>	<u>15</u>

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

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	46
Other trading activities	241,430
Investment income	511
	<u>241,987</u>
Total	241,987
EXPENDITURE ON	
Charitable activities	
Administrative expenses	253,940
	<u>(11,953)</u>
NET INCOME/(EXPENDITURE)	(11,953)
RECONCILIATION OF FUNDS	
Total funds brought forward	111,245

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted fund £
99,292

TOTAL FUNDS CARRIED FORWARD

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Totals £
Cost			
At 1st September 2019 and 31st August 2020	14,985	3,554	18,539
Depreciation			
At 1st September 2019 and 31st August 2020	14,985	3,554	18,539
Net book value			
At 31st August 2020	-	-	-
At 31st August 2019	-	-	-

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	35,616	8,349
Prepayments and accrued income	4,270	4,228
	39,886	12,577

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	6,980	14,722
Social security and other taxes	937	1,346
Other creditors	4,354	3,428
Accruals and deferred income	22,088	24,170
	<u>34,359</u>	<u>43,666</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st August 2020.

YORKIES DAYCARE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	-	46
Other trading activities		
Childcare fees	190,930	242,250
Full time discount	-	(820)
Government grants	20,645	-
	<u>211,575</u>	<u>241,430</u>
Investment income		
Interest received	525	511
	<u>212,100</u>	<u>241,987</u>
EXPENDITURE		
Charitable activities		
Trustees' salaries	16,263	37,708
Wages	153,962	130,804
Catering	6,296	7,348
Recruitment expenses	514	296
Rent	19,000	16,900
Insurance	385	380
Office costs	5,606	12,122
Administration costs	431	1,102
Activity and material costs	9,926	6,480
Other staff costs	369	1,690
Management fees	7,278	7,289
Payroll services	1,982	547
Fixtures and fittings	-	711
Grants to institutions	-	30,563
	<u>222,012</u>	<u>253,940</u>
Total resources expended	<u>222,012</u>	<u>253,940</u>
Net expenditure	<u>(9,912)</u>	<u>(11,953)</u>

This page does not form part of the statutory financial statements