

TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2023

YORKIES DAYCARE
(A company limited by
guarantee)

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YORKIES DAYCARE

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	D Szanto L Mitchell D Frainer
Company registered number	04001165
Charity registered number	1088332
Registered office	York Road Nursery York Road Hitchin Hertfordshire SG5 1XA
Company secretary	L A Mitchell
Chief executive officer	D Frainer
Accountants	Menzies LLP Chartered Accountants Richmond House Walkern Road Stevenage Herts SG1 3QP

YORKIES DAYCARE

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their annual report together with the financial statements of the Yorkies Daycare for the year 1 September 2022 to 31 August 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In this financial year we have provided free wraparound care for a total of four 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. All of the four children were offered free places due to financial difficulties in either paying for childcare or not being able to access childcare. One child was the subject of a Social work Care order and help was provided to enable much needed session to improve their overall attendance before moving on to school.

We funded a family with extra childcare when the mother recovered from serious illness. All families identified as requiring extra help over holidays and Christmas were referred to North Herts District council for various grants available for families facing hardship. 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 Nursery 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 on our families. We expect our charity spaces to be more in demand in the future due to the rising cost of living 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.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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.

Achievements and performance

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance (continued)

a. Main achievements of the Company

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. That continues this year with money benchmarked for the full decoration of the nursery which has now taken place and the continued development of the garden. We have also continued to renovate the classrooms that Yorkies use to incorporate better storage for art areas, and the renovation of a small unused area is ongoing to create a child sized kitchen where the child will themselves be able to cook and prepare simple food under the supervision of adults. We are still making provision to support the school in replacing worn out and broken furniture in the nursery.

We have also provided free of charge, staff to the Nursery where certain children with special needs that didn't have recourse to funds (delayed EHCP plans) where children required one to one assistance at Nursery and the school budget in the absence of EHCP plans could not afford to employ an extra member of staff. We did this for two children who attend the Nursery. We partially funded the creation of a school owned food bank for parents to use free of charge should they need to. We continue to stock this food bank with any unused food throughout the week.

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.

b. 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

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. 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 £158,698 (2022 - £139,887) which is above the value of 5 (2022 - 5) months' wages costs against known projected income figures.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

c. Financial position

This year total incoming resources amounted to £293,865 (2022 - £274,722), whilst total expenditure amounted to £275,054 (2022 - £237,414). This resulted in net income for the year of £18,811 compared to a net income of £37,308 in 2022.

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

Structure, governance and management

a. 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.

b. 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
L Mitchell

Date:

YORKIES DAYCARE

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INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2023

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 31 August 2023.

Responsibilities and basis of report

As the Trustees of the Company (and 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 the Company's accounts 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 the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, 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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:

Dated:

YORKIES DAYCARE

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	2	291,500	291,500	273,757
Other trading activities	3	2,365	2,365	965
Total income		293,865	293,865	274,722
Expenditure on:				
Raising funds		197,067	197,067	182,510
Charitable activities	4	73,061	73,061	51,465
Total expenditure		270,128	270,128	233,975
Net income before net losses on investments		23,737	23,737	40,747
Net losses on investments		(4,926)	(4,926)	(3,439)
Net movement in funds		18,811	18,811	37,308
Reconciliation of funds:				
Total funds brought forward		139,887	139,887	102,579
Net movement in funds		18,811	18,811	37,308
Total funds carried forward		158,698	158,698	139,887

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

The notes on pages 9 to 13 form part of these financial statements.

YORKIES DAYCARE

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REGISTERED NUMBER: 04001165

BALANCE SHEET AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	8	52,948	56,449
		52,948	56,449
Current assets			
Debtors	9	82	38,847
Cash at bank and in hand		127,096	71,619
		127,178	110,466
Creditors: amounts falling due within one year	10	(21,428)	(27,028)
Net current assets		105,750	83,438
Total assets less current liabilities		158,698	139,887
Net assets excluding pension asset		158,698	139,887
Total net assets		158,698	139,887
Charity funds			
Restricted funds		-	-
Unrestricted funds		158,698	139,887
Total funds		158,698	139,887

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REGISTERED NUMBER: 04001165

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
L Mitchell

Date: **Complete 'ACCOUNTS COMPLETION' section**

The notes on pages 9 to 13 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Yorkies Daycare meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.4 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

1.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.8 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.9 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 Company and which have not been designated for other purposes.

2. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Income from charitable activities	291,500	291,500	273,757

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

3. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Interest received	373	373	762
Dividends received	1,992	1,992	203
	<u>2,365</u>	<u>2,365</u>	<u>965</u>

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Direct costs	73,061	73,061	51,465
	<u>73,061</u>	<u>73,061</u>	<u>51,465</u>

5. Staff costs

	2023 £	2022 £
Wages and salaries	151,630	138,182
	<u>151,630</u>	<u>138,182</u>

The average number of persons employed by the Company during the year was as follows:

	2023 No.	2022 No.
Staff	15	16
	<u>15</u>	<u>16</u>

No employee received remuneration amounting to more than £60,000 in either year.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

6. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Company. The value of Trustees' remuneration and other benefits was as follows:

		2023 £	2022 £
D Szanto	Remuneration	298	1,355
L Mitchell	Remuneration	16,306	15,839
D Frainer	Remuneration	13,175	12,197

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

7. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 September 2022	14,985	3,554	18,539
At 31 August 2023	14,985	3,554	18,539
Depreciation			
At 1 September 2022	14,985	3,554	18,539
At 31 August 2023	14,985	3,554	18,539
Net book value			
At 31 August 2023	-	-	-
At 31 August 2022	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2022	56,449
Revaluations	(3,501)
At 31 August 2023	<u>52,948</u>
Net book value	
At 31 August 2023	<u>52,948</u>
At 31 August 2022	<u>56,449</u>

9. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	(100)	34,351
Prepayments and accrued income	182	4,496
	<u>82</u>	<u>38,847</u>

10. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,168	-
Tax due to HMRC	1,503	1,111
Other creditors (incl directors loans)	1,558	2,484
Accruals and deferred income	16,199	23,433
	<u>21,428</u>	<u>27,028</u>

