

**THE BATH HOUSE CHILDREN'S
COMMUNITY CENTRE**
(Company limited by guarantee no. 04132678
registered charity no. 1089829)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

THE BATH HOUSE CHILDREN'S COMMUNITY CENTRE
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REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2022

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THE BATH HOUSE CHILDREN'S COMMUNITY CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS for the year ended 31 March 2022

Management Committee members	Ms M M Norwood - Centre Manager Ms B M Collier - Barrister Ms N Mylius - Architect	
Centre Manager	Ms M M Norwood BA DipEd	
Company Secretary	Ms A Newman	
Company reg. no.	04132678	
Charity reg. no.	1089829	
Registered office	The Old Warm Baths 76 Shacklewell Lane Hackney London E8 2EY	
Advisory Committee	Ms A Newman Ms B Sussman	
Independent examiner	Simon Erskine FCA FCIE DChA 61 Mortimer Road London NW10 5QR	
Bankers	Barclays Bank PLC Kingsland P O Box 3628 London E8 2JT	Virgin Charity Deposit Account Jubilee House Gosforth Newcastle Upon Tyne NE3 4PL
	Hampshire Trust Bank PO Box 74003 London EC2P 2QR	

COMMITTEE MEMBERS' REPORT for the year ended 31 March 2022

The Management Committee members, who are also directors of the Charity for the purposes of Company law, and trustees for the purposes of charity law, submit their annual report and the financial statements of The Bath House Children's Community Centre (the Bath House) for the year ended 31 March 2022. The Management Committee has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Company's governing document is its Memorandum and Articles of Association.

The management of the Bath House is the responsibility of the Management Committee members. Committee members are appointed at Annual General Meetings or co-opted at any time between Annual General Meetings by the Management Committee.

Recruitment and appointment of new trustees

Under the requirements of the Memorandum and Articles of Association, the members of the Committee shall hold office until the conclusion of the next Annual General Meeting after their election or co-option, as the case may be, but shall be eligible for re-election or re-co-option.

Organisational structure

From January 2016 Ofsted, as recommended by the Department of Education (DfE), have said that a charity's Nominated Person, who represents the charity in their dealings with Ofsted, must be a Board member of the governing body of the charity, therefore such a registered individual must be a company director/charity trustee.

The Management Committee considered the changes and duly appointed Maggie Norwood as a member of the Management Committee.

The Management Committee have and will continue to oversee the management, development and financial security of the Bath House. The Bath House normally finds new trustees as necessary amongst Bath House parents.

Induction and training of new trustees

Most Committee members are familiar with the practical work of the Children's Community Centre and have undertaken training to support their role. New Management Committee members are invited and encouraged to attend training sessions and an introduction pack is given to all new members. Any new Committee members attend a governance training day. There were no new Committee member during the period.

Related parties

Apart from the working relationship between the funders, sometimes referred to as supporters, there were no other related parties to the charity other than the Committee members and their close family. Following the appointment of Maggie Norwood as charity trustee, her salary in her role as Projects Director of the Bath House is reported as a related party transaction. In the year under review, no other related party transaction took place. To protect and maintain the integrity and independence of the Management Committee, it is charity policy that Maggie Norwood withdraws from any meeting where her terms or conditions of employment are discussed.

COMMITTEE MEMBERS' REPORT for the year ended 31 March 2022

Staff and training

The Bath House staff team is reduced post pandemic. 24 people were employed, mostly on a part-time basis, equivalent to 16 full-time posts.

In 2019 the Bath House adopted the London Living Wage policy. The Bath House continues with this policy. No staff at the Bath House are paid lower than the London Living Wage.

Professional development and staff training remain a high priority, and all staff are encouraged to further their skills and understanding by taking courses. There is a rolling program of training in Paediatric First Aid, Food Hygiene, and Safeguarding, as these qualifications need renewing every 3 years.

The Bath House offered students placements again during this year.

We have continued to have very close contact with Hackney Education Special Needs Team and they have provided professional support to us for children with Special Needs. Some childcare staff at The Bath House have had training in Special Educational Needs provided by Hackney Education. Hackney Education holds the work at The Bath House with Special Needs children in high esteem.

OBJECTIVES AND ACTIVITIES

Charitable objects

For children and young people in the London Boroughs of Hackney and Islington:

A) Benefit the community by providing facilities for the care, recreation, and education of children aged one to five years in a playgroup and nursery setting, and children aged three to fourteen years in out of school hours and holiday periods.

B) Advance the education and training of the workers and volunteers in the provision of the care, education and recreational facilities.

C) Provide family support and improve family welfare and conditions of life through childcare, education, and recreational provision.

Public benefit

In developing the objectives for the year and in planning our activities, the Committee have considered the Charity Commission's guidance on public benefit. The Bath House provides great benefit to local families as we provide a high quality, affordable and continuous childcare service for children aged 12 months to the end of primary school. This service enables parents to work, train, and manage their family life with very good childcare support. The Bath House assists its employees, students on placement, and volunteers, in their professional development, helping to create a skilled childcare workforce. The Bath House supports children in their learning, and in the development of social skills, and has been of great benefit to children with additional needs who require specialised care and input to assist their inclusion in childcare services. The Bath House is a highly regarded childcare centre (designated as Outstanding by Ofsted) with a strong reputation of operating with a community ethos, helping families in need wherever possible, with the aid of charitable and statutory funding.

Effect of the Covid 19 Pandemic on the Bath House

The beginning of the financial year 2021/2 saw the Bath House still operating with reduced numbers of children and staff as many families were reluctant to return until Covid had shown signs of reduction in the general population. Most staff received vaccinations, and by September 2021 we felt able to operate at full capacity. All the staff who had remained on furlough or part-furlough returned to their previous work schedules by September 2021.

COMMITTEE MEMBERS' REPORT for the year ended 31 March 2022

However, due to many families having left the area, and many more parents still working from home, our oldest age-group of pre-school children continued with reduced numbers for the coming academic year. We had a reduced staff team due to the redundancies that had taken place, and we redeployed staff into other rooms, building up our number of two year olds significantly. Our two youngest groups achieved our planned capacity and exceeded that number in the case of one group, while the pre-school group numbers remained low throughout the year.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Bath House is situated in the London Borough of Hackney. School results in Hackney had been very poor for a number of years, however recent results show the primary and secondary schools are now achieving some of the best results in the whole country. We feel that the Bath House has played a role in helping to attain these results as high quality early years support and education is considered to be paramount in raising the educational attainment of Hackney children. The Bath House nursery children feed into the local schools and it is committed to giving children a very positive start to their education by building their self-esteem and providing stimulating and creative play.

Uniquely in Hackney, the Bath House had, pre-pandemic, offered continuity of care for children from 12 months to 11 years, as we offered nursery care, after school care, and holiday care. These services enabled us to give long-term support to children and families. Sadly since the pandemic we no longer have after school and holiday care. This is partly due to wanting to reduce the density of staff and children in our building to prevent the spread of Covid and also the fact that the 2020 restructuring in the hall has reduced the space available for the older children. More nursery children stay for a long day now and require the hall as their main nursery room.

The Bath House offers very high quality and affordable childcare to all local families, in line with our stated aims, and to the benefit of the local community. The waiting list is open to all and places are allocated on a first come first served basis. We include all children and have many children from low-income families, and children with special needs that require special attention and often a one to one support worker. Our Special Needs co-coordinator works with specialist agencies to ensure that children and families receive all the additional support they require.

Our childcare services are usually fully subscribed, with waiting lists for the Nursery. The pandemic lowered demand for places and there were less children than usual in the nursery. The numbers built up over the year but did not reach our normal capacity.

The Bath House website www.bathhouse.org.uk received over 1000 unique visitors per month.

OFSTED Inspection

The Bath House received an OFSTED inspection on the 1st March 2022 and we achieved a GOOD rating. We were slightly disappointed as in our previous inspections, in 2010 and 2015, we were rated OUTSTANDING. We were pleased that our work with children with Special Needs was given a special mention as being Outstanding.

Fundraising activities

We have a programme of fundraising throughout the year for the grants administered by Hackney Education that subsidise nursery education. We offer places to children who receive the means tested 2 year old grant, and we receive either the 15 or 30 hours Nursery Education grants for all 3 and 4 year olds. We also applied for and received a Covid restriction business grant of £10350 administered via Hackney Council.

COMMITTEE MEMBERS' REPORT
for the year ended 31 March 2022

FINANCIAL REVIEW

Principal funding sources

Furlough (via the Coronavirus Job Retention Scheme) provided £65,840, Nursery Education grants provided £136,652 and Parents' fees £399,620.

Reserves policy

The Committee has agreed that the Charity should build up its reserves to enable it to cover at least three months' wages for the staff and associated overheads. This is currently estimated at £170,000. At the year-end the free reserves stood at £171,357. In calculating free reserves the Trustees have excluded the designated reserve that represents fixed assets.

FUTURE PLANS

The Bath House will continue to provide our staff with many training opportunities, and to maximise their potential, with a view to raising the standard of the childcare sector workforce. We will also continue to provide placements for students from local schools and colleges, benefitting these students in gaining valuable experience, and in some cases leading on to employment either at The Bath House or in another setting.

The Bath House will continue to support children with special needs and will seek funding for special needs and families in hardship and hard to reach families. This intention is in line with our aim of providing opportunity and the highest quality care and education to young children, and also providing long-term benefit for the families involved by including their children in our provision, and offering support and guidance to parents in need of assistance.

PREPARATION OF THE REPORT

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

INDEPENDENT EXAMINER

The independent examiner, Simon Erskine FCA FCIE DChA, has indicated his willingness to accept re-appointment.

This report was approved and authorised for issue by the Committee member on 22 November 2022 and signed on its behalf by:



Nicky Mylius
Trustee/Director

INDEPENDENT EXAMINER'S REPORT TO THE MANAGEMENT COMMITTEE OF THE BATH HOUSE CHILDREN'S COMMUNITY CENTRE

I report to the charity trustees (Committee members) on my examination of the accounts of The Bath House Children's Community Centre for the year ended 31 March 2022 which are set out on pages 7 to 18.

This report is made solely to the Management Committee, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the Management Committee 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 Management Committee for my independent examination work, for this report, or for the statement I have given below.

Responsibilities and basis of report

As the charity 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 company'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 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 the 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 that in any material respect:

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).



Simon Erskine FCA FCIE DChA
61 Mortimer Road
London
NW10 5QR

22 November 2022

THE BATH HOUSE CHILDREN'S COMMUNITY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOME FROM:					
Donations and voluntary grants	2	66,319	10,350	76,669	363,757
Investments - deposit account interest		525	-	525	2,944
Charitable activities	3	399,620	136,652	536,272	299,534
Other	4	2,845	-	2,845	11,258
TOTAL		469,309	147,002	616,311	677,493
EXPENDITURE ON CHARITABLE ACTIVITIES					
Direct costs of nursery	5	291,035	147,002	438,037	549,654
Support costs	6	173,461	-	173,461	156,062
TOTAL		464,496	147,002	611,498	705,716
Net income/(expenditure)		4,813	-	4,813	(28,223)
RECONCILIATION OF FUNDS:					
TOTAL FUNDS BROUGHT FORWARD		570,543	-	570,543	598,766
TOTAL FUNDS CARRIED FORWARD		£ 575,356	£ Nil	£ 575,356	£ 570,543

NOTE ON COMPARATIVES

See Note 16 for the Statement of Financial Activities for the year ended 31 March 2021.

BALANCE SHEET
As at 31 March 2022

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	9		656,537		674,741
CURRENT ASSETS					
Debtors	10	9,688		18,079	
Cash at bank and in hand		233,646		223,381	
			<u>243,334</u>	<u>241,460</u>	
CREDITORS: amounts falling due within one year	11	(80,697)		(93,154)	
NET CURRENT ASSETS			<u>162,637</u>		<u>148,306</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>819,174</u>		<u>823,047</u>
CREDITORS: amounts falling due after one year	12		(243,818)		(252,504)
NET ASSETS			<u>£ 575,356</u>		<u>£ 570,543</u>
FUNDS					
Unrestricted funds:					
Designated fixed assets fund	14	403,999		412,158	
General fund	14	171,357		158,385	
			<u>575,356</u>	<u>570,543</u>	
			<u>£ 575,356</u>	<u>£ 570,543</u>	

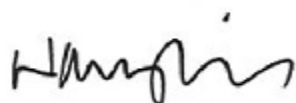
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

For the year ending 31 March 2022 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- (i) The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476;
- (ii) The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved, and authorised for issue, by the Management Committee on 22 November 2022 and signed on their behalf by:-



NICKY MYLIUS, Trustee/Director

The annexed notes form part of these financial statements

THE BATH HOUSE CHILDREN'S COMMUNITY CENTRE

CASH FLOW STATEMENT for the year ended 31 March 2022

	Note	2022 £	2021 £
Net cash flow from operating activities:			
Net cash provided by/(used in) operating activities	13	29,483	(84,842)
Interest paid		(7,410)	(7,513)
Net cash provided by/(used in) operating activities (see below)		<u>22,073</u>	<u>(92,355)</u>
Cash flows from investing activities:			
Interest received		525	2,944
Purchase of tangible fixed assets		(2,288)	(133,306)
Net cash provided by investing activities		<u>(1,763)</u>	<u>(130,362)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(10,045)</u>	<u>(10,695)</u>
Change in cash and cash equivalents in the reporting year		10,265	(233,412)
Cash and cash equivalents at 1 April		223,381	456,793
Cash and cash equivalents at 31 March		<u>£ 233,646</u>	<u>£ 223,381</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		71,946	63,381
Short term deposits (see Note below)		161,700	160,000
Cash and cash equivalents at end date 20XY		<u>£ 233,646</u>	<u>£ 223,381</u>

Short term deposits can be withdrawn without notice.

ANALYSIS OF CHANGES IN NET DEBT	1.04.2021 £	Cash flows £	31.03.2022 £
Long-term borrowings	(252,504)	8,686	(243,818)
Short-term borrowings	(10,076)	1,359	(8,717)
Total liabilities	<u>(262,580)</u>	<u>10,045</u>	<u>(252,535)</u>
Cash and cash equivalents	223,381	10,265	233,646
Total net debt	<u>£ (39,199)</u>	<u>£ 20,310</u>	<u>£ (18,889)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

1. ACCOUNTING POLICIES

(a) General information and basis of preparation of financial statements

The Bath House Children's Community Centre (the charity) is a charitable company limited by guarantee registered in England; its registered office is as shown on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The charity constitutes a public benefit entity as defined by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 (SORP 2019), FRS 102, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements are prepared on a going concern basis 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.

(b) Fund accounting

Unrestricted funds 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 purposes. 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.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP 2019. Further detail is given in the Trustees' Annual Report.

The charity receives government grants towards its work. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is considered that all charitable activities relate to the running of the Bath House Children's Community Centre.

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

It is not considered that a significant amount of time has been spent on fundraising and hence no costs have been allocated to this heading.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Staff costs have been allocated between governance costs, other support costs and charitable activities on an estimated time basis by member of staff. Other overheads, including premises costs, have been allocated pro rata to staff costs.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	-	not depreciated
Freehold buildings and improvements	-	50 years
Office equipment and fittings	-	5 years
Centre fixtures and fittings	-	5 years

(g) 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.

(h) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs.

(i) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(j) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(k) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(l) Judgements and key sources of estimation uncertainty

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies and there are no key sources of estimation uncertainty.

2. INCOME FROM DONATIONS AND VOLUNTARY GRANTS

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Donations	479	-	479	1,000
Grants from London Borough of Hackney for loss of income due to Covid	-	10,350	10,350	10,000
Coronavirus Job Retention Scheme	65,840	-	65,840	352,757
	£ 66,319	£ 10,350	£ 76,669	£ 363,757

In the 2021 financial year just the grant income from London Borough of Hackney was restricted.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Nursery fees	399,620	-	399,620	158,374
Grants from London Borough of Hackney:				
Grant for 2 year olds	-	11,112	11,112	4,374
30 hours grant	-	50,404	50,404	52,132
15 hours grant	-	75,136	75,136	84,654
	£ 399,620	£ 136,652	£ 536,272	£ 299,534

In the 2021 financial year just the grant income from London Borough of Hackney was restricted.

4. OTHER INCOME

	2022 £	2021 £
Insurance claim for loss of fees during closure of Centre	-	9,914
Sundry income	2,845	1,344
	£ 2,845	£ 11,258

5. DIRECT CHARITABLE COSTS

	2022 £	2021 £
Direct wages and salaries	397,865	518,271
Play activities/outgoings	10,113	6,915
Catering	14,305	8,618
Play equipment and consumables	4,505	5,381
Training and courses	981	3,043
Travelling	419	566
Cleaning	8,729	6,585
Volunteer expenses	125	262
Recruitment costs	995	13
	£ 438,037	£ 549,654

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

6. SUPPORT AND GOVERNANCE COSTS	2022	2021
	£	£
Staff costs	110,828	97,146
Rates and water	455	246
Insurance	3,698	4,045
Light and heat	4,689	3,541
Telephone	3,867	2,743
Postage and stationery	1,425	1,437
Advertising	200	1,399
Repairs and maintenance	12,980	11,750
Depreciation:		
Freehold property	14,522	14,588
Fixtures and fittings	5,970	5,513
Computer equipment	-	63
Mortgage interest	7,410	7,513
Sundry expenses	1,202	1,189
Governance costs:		
Independent examination/audit fees	2,500	2,300
Legal and professional fees	3,715	2,589
	£ 173,461	£ 156,062

7. STAFF NUMBERS AND COSTS	2022	2021
	£	£
Wages and salaries	460,257	561,176
Social security costs	35,383	39,135
Pension costs	13,053	15,106
	£ 508,693	£ 615,417

The average monthly number of employees during the year was:

	Number	<i>Number</i>
Charitable activities	20.6	21.3
Support costs	3.8	3.8
	24.4	25.1

No employee received remuneration of more than £60,000.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

8. MANAGEMENT COMMITTEE AND KEY MANAGEMENT PERSONNEL

During the year, one member of the Management Committee, which comprises the charity's key management personnel, received remuneration (including national insurance) of £49,344 (2021 - £46,768). No Committee members received reimbursement of expenses (2021 - the same). There were no other related party transactions.

9. TANGIBLE FIXED ASSETS

	Freehold property £	Centre furniture & equipment £	Office equipment £	Total £
Cost				
At 1 April 2021	801,133	86,274	4,415	891,822
Additions	-	2,288	-	2,288
Disposals	(5,507)	(5,663)	-	(11,170)
At 31 March 2022	795,626	82,899	4,415	882,940
Depreciation				
At 1 April 2021	142,532	70,135	4,414	217,081
Charge for the year	14,522	5,970	-	20,492
On disposals	(5,507)	(5,663)	-	(11,170)
At 31 March 2022	151,547	70,442	4,414	226,403
Net book value				
At 31 March 2021	£ 658,601	£ 16,139	£ 1	£ 674,741
At 31 March 2022	£ 644,079	£ 12,457	£ 1	£ 656,537

Freehold land included above not depreciated **£ 75,000**

The property, which was purchased in March 2002, had a covenant placed on the premises by the vendors which ensures that the building stays in community ownership for 25 years.

10. DEBTORS

	2022 £	2021 £
Due within one year		
Fees receivable	9,098	3,313
Sundry debtors	590	1,275
Receivable from Coronavirus Job Retention Scheme	-	13,491
	£ 9,688	£ 18,079

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
	£	£
Bank loan (see Note 12).	8,717	10,076
Social security and other taxes	8,549	8,292
Pension contributions payable	5,464	5,349
Deposits held	34,513	29,310
Accruals	15,219	26,762
Deferred nursery income (see below)	8,235	13,365
	£ 80,697	£ 93,154
<u>Deferred nursery income</u>		
Balance at 1 April 2021	13,365	19,250
Amount released to incoming resources	(13,365)	(19,250)
Amount deferred in the year	8,235	13,365
Balance at 31 March 2022	£ 8,235	£ 13,365

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	2022	2021
	£	£
Bank loan falling due after one year	243,818	252,504
Add: Amount due in one year (see below and Note 11)	8,717	10,076
Total amount of loan	£ 252,535	£ 262,580
Amount falling due after more than 5 years	£ 205,829	£ 220,545

The bank loan, which is from Barclays Bank, (including the amount due in one year shown in Note 11) is secured by a charge over 76 Shacklewell Lane, Hackney, London E8 2EY. The debt is repayable by monthly instalments, bears interest of 2.71% over the bank's base rate and is due to be fully repaid by October 2040.

13. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2022	2021
	£	£
Net income/(expenditure) for the year	4,813	(28,223)
Adjustments for:		
Depreciation charges	20,492	20,164
Interest received	(525)	(2,944)
Interest paid	7,410	7,513
Decrease in debtors	8,391	8,386
Decrease in creditors	(11,098)	(89,738)
Net cash provided by/(used in) operating activities	£ 29,483	£ (84,842)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

14. STATEMENT OF FUNDS

2022	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward £
SUMMARY OF FUNDS					
Designated fund - fixed assets	412,158	-	-	(8,159)	403,999
General Fund	158,385	469,309	(464,496)	8,159	171,357
	<u>570,543</u>	<u>469,309</u>	<u>(464,496)</u>	<u>-</u>	<u>575,356</u>
Restricted Fund - nursery running costs	-	147,002	(147,002)	-	-
	<u>£ 570,543</u>	<u>£ 616,311</u>	<u>£ (611,498)</u>	<u>£ Nil</u>	<u>£ 575,356</u>

The Designated fixed assets fund represents money tied up in the Charity's fixed assets after taking into account that part of the cost financed by the bank loan (see Note 12).

2021	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward £
SUMMARY OF FUNDS					
Designated Fund - fixed assets	285,954	-	-	126,204	412,158
General Fund	312,812	526,333	(554,556)	(126,204)	158,385
	<u>598,766</u>	<u>526,333</u>	<u>(554,556)</u>	<u>-</u>	<u>570,543</u>
Restricted Fund - nursery running costs	-	151,160	(151,160)	-	-
	<u>£ 598,766</u>	<u>£ 677,493</u>	<u>£ (705,716)</u>	<u>£ Nil</u>	<u>£ 570,543</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At the year-end all assets and liabilities belonged to unrestricted funds (2021 - the same).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2022

16. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
<i>INCOME FROM:</i>				
Donations and voluntary grants	2	353,757	10,000	363,757
Investments - deposit account interest		2,944	-	2,944
Charitable activities	3	158,374	141,160	299,534
Other	4	11,258	-	11,258
TOTAL INCOMING RESOURCES		526,333	151,160	677,493
<i>EXPENDITURE ON CHARITABLE ACTIVITIES</i>				
Direct costs of nursery	5	398,494	151,160	549,654
Support costs	6	156,062	-	156,062
TOTAL RESOURCES EXPENDED		554,556	151,160	705,716
Net income/(expenditure) before transfer		(28,223)	-	(28,223)
<i>RECONCILIATION OF FUNDS</i>				
TOTAL FUNDS BROUGHT FORWARD		570,543	-	598,766
TOTAL FUNDS CARRIED FORWARD		£ 542,320	£ Nil	£ 570,543