

CHARITY REGISTERED NUMBER: 1094592

DALLOW COMMUNITY NURSERY

TRUSTEES' REPORT
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 MARCH 2021

HOLMES PEAT THORPE
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
BASEPOINT BUSINESS &
INNOVATION CENTRE
110 BUTTERFIELD
GREAT MARLINGS
LUTON
LU2 8DL

DALLOW COMMUNITY NURSERY
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

Name: The Nursery is also known as 'Fun to Learn Nursery'
The main focus of the work of the Nursery is to provide for pre-school places for local children as well as offering a broad range of childcare and family support services.

Trustees: The trustees who served during the financial year and to the date the Report of the Trustees was signed were as follows:

Mrs Sajada Mahmood	Chairperson
Mrs Sahira Shaheen	Secretary
Mrs Saheda Nargis	Treasurer
Mrs Sue Prentice	Member
Mrs Nargis Zain	Member

Mrs Kerri Hill Ofsted Nominated Individual

Trustees are appointed by the Board of Trustees in general meeting. All Officers and members shall retire from office at each Annual General Meeting. Retiring officers are eligible for re-election.

Principal Office: Dallow Primary School Site
Dallow Road
Luton
Bedfordshire LU1 1LZ

Independent Examiner: Holmes Peat Thorpe
Basepoint Business & Innovation Centre
110 Butterfield
Great Marlings
Luton LU2 8DL

Bankers: Barclays Bank plc
George Street
Luton
Beds

Charity No: 1094592

DALLOW COMMUNITY NURSERY
REPORT OF THE TRUSTEES TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Principal Objects and Activities:

The objects of the Charity, as stated in its constitution, are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:-

- a) Offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race culture, religion, means or ability;
- b) Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas;
- c) Instigation and adhering to and furthering the aims and objects of the pre-school learning alliance.

Aims:

From this it is understood that a prime aim of the organisation is to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the need of their children through community groups.

Strategies for achieving Principal Aims and Objectives:

These are according to four 'Core Activities':

1. We plan our curriculum around 'The Early Years Foundation Stage' profile (EYFS)
2. We monitor and evaluate our performance on a regular basis.
3. We support staff through Induction and Supervision programmes. Staff undertake a training needs analysis to ensure they are getting the exact knowledge and training required. All staff are given training in compulsory area of learning such as 'Safeguarding' in accordance with all latest guidelines.
4. We encourage parental involvement in their child's education and the running of the nursery. We ask for parents to participate in special activities such as baking, outings, sports. We actively encourage parents to become members of the committee. Parental involvement in the committee is vital to the nursery's efficient operation.

Objectives and Public Benefit

In setting our objectives and planning our activities our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee-charging.

- | | |
|------------------------------|--|
| 1. Advice and Information | To provide parents with all the necessary information to embark upon training/ fun learning/stay and play sessions/ visits to local areas of interest. |
| 2. Support | Children to excel in the nursery setting with all staff trained to a minimum of level 3 in Childcare. |
| 3. Learning | To ensure all staff continue training and support them through maintaining high standards of learning. To encourage staff to take further available training which is overall beneficial to the nursery setting. To regain 'outstanding' status with Ofsted. |
| 4. ICT Equipment | Provide iPads for use by nursery children under staff supervision. |
| 5. Marketing and PR | To advertise on MyNewTerm and Indeed website for all vacancies. |
| 6. Leadership and Management | Consolidate roles of Board members; Policy Review; Strategic; Review; Increase funding from other sources |

DALLOW COMMUNITY NURSERY
REPORT OF THE TRUSTEES TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2021

Contribution of Volunteers:

The Charity continues to be grateful for the support of a small group of volunteers, who help with finance tasks and others who have made small contributions to reception and admin work during the year.

ACHIEVEMENTS AND PERFORMANCE

Performance against objectives for the year:

Main Achievements for the year:

- Utilised funds to renovate Caterpillars Room for two year olds and staff kitchen.
- The nursery has invested in a new astro turf surface for the main nursery playground.

Relevant Factors:

Other factors, both within and outside our control, are as shown in the analysis below:

<p>Strengths:</p> <ul style="list-style-type: none"> • Good Ofsted rating • High number of children in the local area • Large number of 2 & 3-year-old children entitled to funding • Waiting list • Links with Dallow Primary school • Financially sustainable • Excellent facilities • Inclusive setting • Healthy Smiles • Intervention Officer • In process of securing new 5-year lease with the council • Partial refurbishment completed to ageing building helping to reduce further repair costs 	<p>Areas for Development:</p> <ul style="list-style-type: none"> • Ageing building occasionally needing expensive repairs (roof in need of repairs) • Female dominated environment • Children's starting points much lower than previous years • More children moving to the area with EAL for whom there is no community speaker in the setting
<p>Opportunities:</p> <ul style="list-style-type: none"> • New Early Years Outcomes – now using Nursery Story to track children's progress. • New planning system in place • New staff employed – chance to mix up teams and bring new ideas to the Nursery 	<p>Challenges:</p> <ul style="list-style-type: none"> • Situated within a deprived ward where parents are unable to afford childcare fees. • Local community uses extended family for childcare • Lots of childcare providers in the area • Rising running costs • National living wage increase • Long term staff leaving to further career in a school setting • Attracting more parents to join the voluntary committee

DALLOW COMMUNITY NURSERY
REPORT OF THE TRUSTEES TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Overview for the year:

The charity has continued building the nursery provision, which together with its grant funding has enabled the charity to further stabilise its resources. The trustees will continue to secure a strong financial base to enable the nursery to achieve its objectives.

Reserves Policy:

We are endeavouring to build up a reserve to enable us to pay four months expenses should no income be available. We will also endeavour to set aside money for the future rebuild of the nursery subject to planning permission.

Principal Funding Sources:

Grant funding from Nursery Education fund has been used in funding salaries and wages, and providing resources in connection the principal objective of the charity.

PLANS FOR THE FUTURE YEARS

The charity has been in operation for 19 years and has built a good community nursery provision. This has been possible due to nursery education grants received. In addition nursery fees have been received from the parents of children using the facilities. Owing to the success of this provision the charity looks to consolidate this position before looking to add to this activity.

The nursery trustees will continue to ensure sustainability, and prudent spending will be sought to overcome funding cutbacks. The nursery will continue to forge strong links with the children's centre and will look at ways of the best possible service and facilities for the children attending, their families, and the local Dallow Community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution:

Dallow Community Nursery is a registered charity. It is governed by the Pre-School Learning Alliance Constitution it adopted on 6 November 2012. In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee-charging.

Organisational Structure:

The Charity is wholly based in Luton, Bedfordshire. The Trustees meet seven times a year to determine the policy and strategy of the Charity. Should it be necessary, the trustees will hold further meetings as and when required. The day-to-day management of the Charity is delegated to the Nursery Managers Kerri Hill and Natasha Whitty.

Decision Making:

The Trustees of the company who served during the year are listed with the legal and administrative details.

Policy and Strategy are decided by the trustees following consultation with staff. Decisions regarding daily delivery of services in line with Board decisions are delegated to the Nursery Manager and Senior staff. Trustees expect staff to keep them informed of potential opportunities and challenges which may lead to new developments.

DALLOW COMMUNITY NURSERY
REPORT OF THE TRUSTEES TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2021

The Constitution 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 charity and of the surplus or deficit of the charity for that year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether the policies adopted are in accordance with the Charities SORP, and that applicable accounting standards have been followed, subject to any material departures, disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue trading.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the relevant law. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee Recruitment & Training:

Suitable nominees, according to the regulations covered by the constitution, are introduced to the work of the charity and meet with the Nursery Manager, staff and a Board Member prior to submission for consideration by the Board. The Charity aims, as far as possible, to include a wide range of skills and representation from the local community which it serves. Where possible, new Board Members take part in the daily work of the charity in order to understand the range undertaken and the nature of the client-group served. All receive Charity Commission guidelines on their legal role and copies of the charity's policies. All trustees and staff take part in a joint training and strategy day annually.

Wider Relations:

The charity is not part of any other wider network or any relationships with other charity or organisation.

Risk Review:

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate our exposure to the major risks. These procedures are periodically reviewed.

Reference and Administration information is shown as a separate page at the front of these accounts.

Approved by the Trustees and signed on 18 November 2021 on their behalf by

.....
KH Lee

Trustee

INDEPENDENT EXAMINERS REPORT
TO THE MEMBERS OF DALLOW COMMUNITY NURSERY
FOR THE YEAR ENDED 31 MARCH 2021

I report on the accounts of the Nursery for the year ended 31 March 2021 on pages 6 to 12.

Respective responsibilities of the Trustees and Examiners

The members' are responsibilities for the preparation of the accounts. The members consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants England and Wales.

It is our responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to our attention.

Basis of examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with our examination, no matter has come to our attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act: and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Peter Cooper F.C.A.
Holmes Peat Thorpe
Chartered Accountants and Registered Auditors

Dated: 18 November 2021.

Basepoint Business Centre
110 Butterfield
Great Marlings
LUTON
Beds
LU2 8DL

DALLOW COMMUNITY NURSERY
BALANCE SHEET
AS AT 31 MARCH 2021

	<u>Note</u>	<u>2021</u>		<u>2020</u>	
		£	£	£	£
<u>Fixed assets</u>					
Tangible assets	5		-		-
<u>Current Assets</u>					
Cash at Bank and in Hand		257,641		255,075	
		<u>257,641</u>		<u>255,075</u>	
<u>Creditors</u>					
Amounts falling due within one year	6	25,614		27,918	
<u>Net Current Assets</u>			<u>232,027</u>		<u>227,157</u>
<u>Total assets less current liabilities</u>			<u>232,027</u>		<u>227,157</u>
<u>Net assets</u>			<u>232,027</u>		<u>227,157</u>
<u>Capital funds</u>					
Restricted funds			-		-
Unrestricted Funds					
Designated Funds		140,000			
General Reserves		92,027			
		<u>232,027</u>		<u>227,157</u>	
<u>Total funds</u>			<u>232,027</u>		<u>227,157</u>

Approved by the trustees on 18 November 2021 and signed on its behalf by:



 Trustee

The annexed notes form part of these financial statements.

DALLOW COMMUNITY NURSERY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	<u>Note</u>	Restricted Fund	Unrestricted Fund	Total Fund 2021	Total Fund 2020
		£	£	£	£
<u>Incoming Resources</u>					
<u>Incoming Resources from Generated Funds</u>					
Voluntary Income					
Grant Income	3	306,352	-	306,352	334,881
Investment Income			90	90	383
<u>Incoming Resources from Charitable Activities</u>					
Nursery Fees		-	8,381	8,381	23,099
<u>Other Incoming Resources</u>					
Milk Refund		-	513	513	1,036
Apprentice Payment			2,500	2,500	-
School trip		-	795	795	2,450
School Photographs		-	-	-	128
Sundry Income		-	83	83	2,441
<u>Total Incoming Resources</u>		306,352	12,362	318,714	364,418
<u>Resources Expended</u>					
Charitable Activities	4	306,352	7,490	313,842	398,943
<u>Total Resources Expended</u>		306,352	7,490	313,842	398,943
<u>Net movement in funds</u>		-	4,872	4,872	(34,525)
<u>Total funds brought forward</u>		-	227,155	227,155	261,680
<u>Total funds carried forward</u>		-	232,027	232,027	227,155

Details of resources used are given in the notes to the financial statements.

DALLOW COMMUNITY NURSERY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. The principle accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

Basis of Accounting – The financial statements have been prepared in accordance with the *Accounting and Reporting by Charities – Statement of Recommended Practice* applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), effective 1 January 2015; Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102); and the Charities Act 2011.

Separate Funds – Incoming and outgoing resources are split between restricted funds and other unrestricted funds. Closing funds are categorised in the same way.

- **Restricted Funds** – These are funds subject to specific trusts which may have been declared by the funders or with their authority (e.g. in a public appeal), but still within the objects of Fun to Learn Nursery. They may be restricted income funds, which are expendable at the discretion of the trustees in furtherance of a particular project or objective of Fun to Learn Nursery. The restricted funds of the charity are detailed in note 14.
- **Unrestricted Funds** – These are expendable at the discretion of the trustees in the furtherance of the objects of Fun to Learn Nursery.

Grants Receivable – Grants receivable are recognised in the *Statement of Financial Activities* when the conditions for receipt have been complied with. Grants receivable in respect of certain activities are paid in relation to a given period such as a year and in these circumstances the grants are deferred to the extent that they relate to future accounting periods.

Grants received for specific projects are accounted for as restricted funds.

Those grants that have conditions attached, and for example are provided to deliver a service and therefore are similar in economic terms to trading income, are included within *Incoming resources from charitable activities*.

Incoming Resources from Charitable Activities – Income from charitable activities is included in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Investment Income – Bank and building society interest is included when receivable by the charity.

DALLOW COMMUNITY NURSERY
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

Resources Expended – Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT that cannot be recovered, and it is reported as part of the expenditure to which it relates.

Expenditure that is directly attributable to specific activities has been included in those cost categories. Other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of proportion of staff time spent on those activities.

Charitable Activities – These are the direct and indirect costs of Fun to Learn Nursery's work to meet its charitable objectives. They include the costs of core services. The independent examiners' remuneration of £1,921 (2020: £1,816).

Tangible Fixed Assets – Tangible fixed assets are included at original cost less accumulated depreciation. Depreciation on Fixed Assets is calculated so as to write off their cost over their expected useful lives, which is assumed to be three years (straight line) for IT Equipment, and for Furniture and Fittings. Only expenditure on fixed assets exceeding £100 per item is capitalised, with the exception of the bulk purchase of assets.

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 account or similar account.

Creditors and provisions – are recognised where the charity has a present obligation resulting from a past event that will result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension Costs – The charity has a group personal pension plan. Contributions are charged to the *Statement of financial activities* as they become payable.

Legal Status – The charity is a Nursery and Children's Centre which is unincorporated and governed by its constitution.

DALLOW COMMUNITY NURSERY
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

2. **Staff costs**

The aggregate payroll costs were as follows:

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Wages and salaries	273,587	288,597
	<hr/>	<hr/>

The average number of full time staff amounted to 24 (31 March 2020:26).

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

3. **Grant Income**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Nursery Education Grant	268,314	-	268,314	314,510
Early years funding	37,516	-	37,516	
Other small grants	522	-	522	20,371
	<hr/>	<hr/>	<hr/>	<hr/>
	306,352	-	306,352	334,881
	<hr/>	<hr/>	<hr/>	<hr/>

DALLOW COMMUNITY NURSERY
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

4 **Charitable Activities**

	Restricted Fund	Unrestricted Fund	Total Fund 2021	Total Fund 2020
	£	£	£	£
Wages	260,429	0	260,429	274,709
Employers NIC	9,347	0	9,347	10,108
Staff Pensions	3,811	0	3,811	3,780
Canteen Expenses	3,142	0	3,142	6,974
Milk	590	0	590	883
School Trips	0	0	0	813
Training Costs	98	0	98	1,564
Education Resources	108	4,381	4,489	8,106
Payroll Service	0	2,320	2,320	2,506
Light and heat	847	23	870	1,751
Insurance	2,651	73	2,724	7,187
Major Renovations	0	0	0	48,427
Repairs to Premises	6,751	185	6,936	14,371
IT costs & maintenance	443	12	455	108
Telephone	1,856	51	1,907	1,218
Postage and Stationery	3,183	87	3,270	2,638
Storage	2,668	73	2,741	2,530
Cleaning	2,886	79	2,965	4,632
Accountancy and Audit	1,870	51	1,921	1,816
Outgoing Gifts	1,047	29	1,076	0
Sundry Expenses	4,541	124	4,665	4,822
Bank Charges	84	2	86	0
	306,352	7,490	313,842	398,943

DALLOW COMMUNITY NURSERY
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

5. **Tangible fixed assets**

	<u>Computer</u>	<u>Equipment</u>	<u>Total</u>
<u>Cost:</u>			
As at 1 April 2020	7,981	36,340	44,321
Additions	-	-	-
As at 31 March 2021	7,981	36,340	44,321
<u>Depreciation:</u>			
As at 1 April 2020	7,981	36,340	44,321
Charge for the period	-	-	-
As at 31 March 2021	7,981	36,340	44,321
<u>Net Book Value:</u>			
As at 31 March 2021	-	-	-
As at 31 March 2020	-	-	-

6. **Creditors**

Amounts falling due within one year:-

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Deferred Income	19,267	21,587
Tax and Social Security	2,626	2,733
Accruals	2,520	2,520
Pensions	1,201	1,079
	25,614	27,919

DALLOW COMMUNITY NURSERY
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2021

7. **Analysis of Net Assets between Funds**

	Restricted Fund	Unrestricted Fund	Total Fund <u>2021</u>	Total Fund <u>2020</u>
	£	£	£	£
Tangible Fixed Assets	-	-	-	-
Current Assets	19,677	237,964	257,641	300,093
Current Liabilities	<u>(19,677)</u>	<u>(5,937)</u>	<u>(25,614)</u>	<u>(27,919)</u>
	-	232,027	232,027	272,174
	<hr/>	<hr/>	<hr/>	<hr/>

Designated funds

3 months costs	95,000
Asset replacement:	
Computers	5,000
Equipment	30,000
Repairs and Maintenance	5,000
Lease renewal	<u>5,000</u>
	140,000
	<hr/>

8 **Restricted Funds**

	Balance B/F	Income in year	Expenditure in year	Balance C/F
Nursery Education Grant	-	268,314	268,314	-
Early Years Funding	-	37,516	37,516	-
Other small grants	<u>-</u>	<u>522</u>	<u>522</u>	<u>-</u>
	-	306,352	306,352	-
	<hr/>	<hr/>	<hr/>	<hr/>

Grants received were for the provisions of Nursery Education. These monies were used directly on that provision.

9. **Trustees Remuneration and Expenses**

No remuneration directly or indirectly out of the funds of the Charity was paid or payable for the year to any trustee or to any person or persons known to be connected with them.

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year.

DALLOW COMMUNITY NURSERY
FOR THE YEAR ENDED 31 MARCH 2021

CONTENTS

	<u>Page</u>
Trustees Report	1
Independent Examiner's Report	5
Balance Sheet	6
Statement of Financial Activities	7
Notes	8