



**Plummer Parsons**  
Chartered Accountants

Charity registration number 1096356

Company registration number 04451272 (England and Wales)

**BOOMERANG KIDS**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# BOOMERANG KIDS

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr R J Rogers Mrs C S Samaroo Mrs M L Rogers Ms P Rafizadeh-Farahani Mrs H Hicks
<b>Secretary</b>	Mrs M L Rogers
<b>Charity number</b>	1096356
<b>Company number</b>	04451272
<b>Principal address</b>	Saltdean Barn Saltdean Oval Park Arundel Drive West Saltdean East Sussex BN2 8SJ
<b>Registered office</b>	4 Frederick Terrace Frederick Place Brighton East Sussex BN1 1AX
<b>Independent examiner</b>	Alastair Towler BFP ACA DChA Manor Acre Little London Road Horam Heathfield East Sussex TN21 0BL

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# BOOMERANG KIDS

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 4
Independent examiner's report	6
Statement of financial activities	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10 - 18

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# **BOOMERANG KIDS**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021**

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The trustees present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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**

The Charity's objects ("the Objects") are:

To advance the education of children up to the age of eleven, in and around the parish of Saltdean, East Sussex, in particular by:

- (a) the provision of pre-school, after school and other childcare facilities.
- (b) the provision of relevant training courses for parents, volunteers and staff.

The trustees have paid due regard to Public Benefit guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The group is registered with Ofsted to have the capacity to supply up to eighty one children each session. These include up to fifteen baby places for children under two years of age. Staff are encouraged to continue their personal development plans and are sponsoring 2 senior members of staff with their university degrees in childcare and education.

The setting employed graduate staff last year and alongside this to balance the finances, 3 apprentices. This works well, however, the increase in the living wage due April 22 is a concern and forecast a minimum wage increase of £500 per month for the group. Parents fees have been increased but due to pressure on household finances it was agreed a two phase increase would soften the impact on parents. Therefore there will be a fees increase in April and September 2022.

### **Achievements and performance**

The nursery has remained open throughout Covid. In the first lockdown it was just for key worker children and therefore numbers were low. Children from other settings were taken in as their own nurseries had closed with no notice. Boomerang Kids stayed open to support the community and many letters of thanks were received. Since this period the baby room numbers increased dramatically with 'lockdown babies' who have needed extra socialising support. An increase in speech and language delay has been noted across the nursery.

The nursery had divided into bubbles during Covid which has proved positive for track children progress and we have decided to keep this indoors whilst mixing outdoors has been reintroduced.

Challenges with dividing the setting has resulted in a separated feel for staff with two sides to the nursery building. We are now working on intermingling the areas and staff to promote continuity of care. Staff well-being has become a priority, staff have coped admirably throughout Covid but the pressures are now appearing. Several staff have requested flexible working hours and adjustments are being worked out. Small things such as social events, comfortable staff room items and well-being inset days are planned.

A restructuring of staff last year has proved very positive, roles such as 'training lead' have been created to not only define responsibilities but to give staff progressive career options. With a long standing senior staff team it was becoming apparent that staff were leaving due to a lack of career opportunities - i.e., waiting for someone to retire to progress. It is hoped the new restructuring will give opportunities for staff to specialise in areas and take responsibilities over those areas and duties.

# BOOMERANG KIDS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021



Due to the need to operate outdoors due to Covid, the manager has created a 'forest school' group which started 1/6/2021. This relieved pressure on child numbers and attracted a lot of interest from parents. New for this year we have incorporated the forest school lessons into our general curriculum rather than an optional extra. This encourages more children to get involved and benefit.

A temporary shed building is being erected for shelter with the hope that planning permission will be passed for a permanent structure eventually. We already have a beach school qualified member of staff and so combining both forest and beach school is the basis of the new group. This should allow the setting to increase numbers back up to 81 per day (100%) during the busy summer term.

In December 2020 the staff set up a 'Twilight walk' using the north garden. A magical event of snow machines and twinkle lights under Covid secure rules. The parents were very appreciative as Father Christmas was limited due to Covid. The event was so successful it was repeated this year with a slight theme change. The plan is to store items and rotate the theme each year.

### New curriculum 2021

September 2021 there was a new curriculum introduced, the last changes to the EYFS were in 2012 and therefore this is yet another challenge to overcome. The setting has started to train staff in this change to practice, however Covid has disrupted the program. It is recommended that CPD be based on 20hrs for each staff member which we continue on a rolling program. Our graduate staff have written our personalised curriculum and we are making adjustments and improvements along the way. We are very pleased with initial feedback.

A training coordinator has been appointed as it is important that staff feel supported with this major change that has come at a time when staff well-being is already low due to the Covid year.

The manager's workload is again a focus due to some health issues. The staff team have been very supportive and taken on extra duties.

# BOOMERANG KIDS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### Financial review

During the year the charity had a deficit before transfers of £6,504 (2020: surplus of £31,334), of which £13,841 (2020: £51,679) was a surplus from unrestricted funds, and £20,345 (2020: £20,345) was a deficit from restricted funds. In response to deficits in previous years, the setting has increased its fees from September 2020 and there will be an annual increase every September. Parental contracts have been altered to allow a further mid-year increase should there be a need to for financial sustainability.

At the balance sheet date, total funds stood at £923,865 (2020: £930,369) of which £295,907 (2020: £293,620) was unrestricted funds, and £627,958 (2020: £636,749) was restricted funds in relation to the restricted asset, the barn. At the balance sheet date a transfer of £11,554 (2020: £10,813) was made from unrestricted funds to restricted funds, to reflect the movement on the loan and the property over which it is secured.

Several repairs have been made to the building throughout the year. The listed building is a challenge and the local authority are unable to fulfill their obligation for the external repairs. A section of the garden wall needs a large repair from specialist stonemasons and the Council are unable to fund this, suggesting instead not to use the garden. This is not possible for the running of the setting and so quotations for the works are being sort with a view to funding this ourselves.

The setting was subject to a fraud via email and, although all staff had followed procedures, additional procedures have been put into place to triple check invoices arriving via email in future. HSBC recovered half of the monies and the insurance covered the other half.

The trustees wish to hold free reserves of at least three months running costs which equates to approximately £150,000. As at the year end the charity had free reserves of £295,907 (2020: £293,620). The trustees are confident that the charity is a going concern as long as financial budgeting and careful financial monitoring continues.

The setting still has several children identified with additional needs, 3 currently requiring intensive 1:1 staffing which is part-paid for by the Council.

The setting has had a high intake of children with English as an additional language (EAL) . Currently 25 children have English as a second language. The group has an assigned INCO Inclusive Coordinator.

The trustees annually review the risks that the charity faces. These risks continue to be mainly related to finance. Helen Hicks, founder of Boomerang Kids, is an important part of the charities risk assessment and considered to be another risk should she leave/retire.

The trustees have a risk management strategy which comprises the following:

- a review of the risks the charity faces.
- the establishment of systems and procedures to mitigate those risks once identified.
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

### Structure, governance and management

The charity is a company limited by guarantee, company number 04451272, charity registration number 1096356 and is governed by its Memorandum and Articles of Association. The flysheet to the accounts gives details of the charity's principle addresses and those of other relevant organisations.

# BOOMERANG KIDS

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2021*

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R J Rogers  
Mrs C S Samaroo  
Mrs M L Rogers  
Ms P Rafizadeh-Farahani  
Mrs H Hicks

The Memorandum and Articles of Association provides for a minimum of three trustees. Were there a requirement for new trustees, these would be identified and appointed by the remaining trustees.

Training for new and existing trustees is undertaken as required.

The day to day running of the group is delegated to the manager, Mrs H Hicks.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

The chair of trustees is responsible for the induction of any new trustee which involves awareness of a trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charity. A new trustee would receive copies of the previous year's annual report and accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'.

### **Supplier payment policy**

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to XX day's purchases, based on the average daily amount invoiced by suppliers during the year.

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Mrs H Hicks  
**Trustee**

20 May 2022

# **BOOMERANG KIDS**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 AUGUST 2021***

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The trustees, who are also the directors of Boomerang Kids for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **BOOMERANG KIDS**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BOOMERANG KIDS**

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I report to the trustees on my examination of the financial statements of Boomerang Kids (the charity) for the year ended 31 August 2021.

### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### **Independent examiner's statement**

Since the charity'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 charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

**Alastair Towler BFP ACA DChA**

Manor Acre  
Little London Road  
Horam  
Heathfield  
East Sussex  
TN21 0BL

Dated: 20 May 2022

# BOOMERANG KIDS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	47,836	-	47,836	48,349	-	48,349
Income from charitable activities	4	733,055	-	733,055	660,050	-	660,050
Investments	5	5	-	5	185	-	185
<b>Total income</b>		<b>780,896</b>	<b>-</b>	<b>780,896</b>	<b>708,584</b>	<b>-</b>	<b>708,584</b>
<b>Expenditure on:</b>							
Charitable activities	6	767,055	20,345	787,400	656,905	20,345	677,250
<b>Net incoming/(outgoing) resources before transfers</b>		<b>13,841</b>	<b>(20,345)</b>	<b>(6,504)</b>	<b>51,679</b>	<b>(20,345)</b>	<b>31,334</b>
Gross transfers between funds		(11,554)	11,554	-	(10,813)	10,813	-
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>2,287</b>	<b>(8,791)</b>	<b>(6,504)</b>	<b>40,866</b>	<b>(9,532)</b>	<b>31,334</b>
Fund balances at 1 September 2020		293,620	636,749	930,369	252,754	646,281	899,035
<b>Fund balances at 31 August 2021</b>		<b>295,907</b>	<b>627,958</b>	<b>923,865</b>	<b>293,620</b>	<b>636,749</b>	<b>930,369</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# BOOMERANG KIDS

## STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Property, plant and equipment	10		725,116		745,930
<b>Current assets</b>					
Trade and other receivables	11	20,257		6,355	
Cash at bank and in hand		360,332		360,107	
		380,589		366,462	
<b>Current liabilities</b>	13	(100,633)		(89,262)	
Net current assets			279,956		277,200
<b>Total assets less current liabilities</b>			1,005,072		1,023,130
<b>Non-current liabilities</b>	14		(81,207)		(92,761)
<b>Net assets</b>			923,865		930,369
<b>Income funds</b>					
Restricted funds	15	627,958		636,749	
Unrestricted funds		295,907		293,620	
			923,865		930,369

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 20 May 2022

Mrs H Hicks  
**Trustee**

**Company registration number 04451272**

# BOOMERANG KIDS

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2021**

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	18		14,410		40,299
<b>Investing activities</b>					
Purchase of property, plant and equipment		(2,636)		(3,059)	
Investment income received		5		185	
		<hr/>		<hr/>	
<b>Net cash used in investing activities</b>			(2,631)		(2,874)
<b>Financing activities</b>					
Repayment of bank loans		(11,554)		(10,813)	
		<hr/>		<hr/>	
<b>Net cash used in financing activities</b>			(11,554)		(10,813)
<b>Net increase in cash and cash equivalents</b>			<hr/> 225		<hr/> 26,612
Cash and cash equivalents at beginning of year			360,107		333,495
			<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>			<hr/> 360,332		<hr/> 360,107
			<hr/>		<hr/>

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# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

##### Charity information

Boomerang Kids is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Frederick Terrace, Frederick Place, Brighton, East Sussex, BN1 1AX.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably and is not deferred.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

The charity is not registered for VAT. All income is net of trade discounts.

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

(Continued)

#### 1.5 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 are allocated on the portion of the asset's use.

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 are allocated on the portion of the asset's use.

Governance costs comprise of costs to fulfil the charity's obligations regarding audit, as well as costs associated with accounts preparation and bookkeeping services.

#### 1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	50 years straight line
Fixtures, fittings & equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received if material.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	579	-
Government grants - furlough scheme	47,257	48,349
	<u>47,836</u>	<u>48,349</u>

### 4 Income from charitable activities

	Nursery Income 2021 £	Nursery Income 2020 £
Nursery fees receivable	502,661	420,855
Grants receivable	230,394	239,195
	<u>733,055</u>	<u>660,050</u>

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	<u>5</u>	<u>185</u>



# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 6 Charitable activities

	Nursery running costs 2021 £	Nursery running costs 2020 £
Staff costs	582,127	529,677
Depreciation and impairment	23,450	22,677
Nursery running expenses	175,383	113,405
	<u>780,960</u>	<u>665,759</u>
Share of governance costs (see note 7)	6,440	11,491
	<u>787,400</u>	<u>677,250</u>
<b>Analysis by fund</b>		
Unrestricted funds	767,055	656,905
Restricted funds	20,345	20,345
	<u>787,400</u>	<u>677,250</u>

### 7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Legal and professional	-	(1,313)	(1,313)	-	3,832	3,832
Accountants' fees	-	2,953	2,953	-	2,809	2,809
Bookkeeping	-	4,800	4,800	-	4,850	4,850
	<u>-</u>	<u>6,440</u>	<u>6,440</u>	<u>-</u>	<u>11,491</u>	<u>11,491</u>
Analysed between						
Charitable activities	-	6,440	6,440	-	11,491	11,491
	<u>-</u>	<u>6,440</u>	<u>6,440</u>	<u>-</u>	<u>11,491</u>	<u>11,491</u>

Payments in the year to the Independent Examiner amount to £1,000 (2019: £1,000) for Independent Examination work and £1,809 (2019: £1,874) for other services.

### 8 Trustees

Mrs H Hicks, a trustee, was paid £49,080 in salary (2020: £48,780), and £5,121 in pension contributions (2020: £5,121) during the year in her capacity as Nursery Manager, as authorised by the trustees and the Charity Commission.

None of the other trustees received any remuneration or expenses during the year (2020: None).

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	31	29

#### Employment costs

	2021 £	2020 £
Wages and salaries	533,832	484,552
Social security costs	33,568	29,873
Other pension costs	14,727	15,252
	582,127	529,677

There were no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

There were no employees whose annual remuneration was more than £60,000.

### 10 Property, plant and equipment

	Leasehold property £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 September 2020	1,016,574	43,568	1,060,142
Additions	-	2,636	2,636
At 31 August 2021	1,016,574	46,204	1,062,778
<b>Depreciation and impairment</b>			
At 1 September 2020	273,874	40,338	314,212
Depreciation charged in the year	20,345	3,105	23,450
At 31 August 2021	294,219	43,443	337,662
<b>Carrying amount</b>			
At 31 August 2021	722,355	2,761	725,116
At 31 August 2020	742,700	3,230	745,930

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	2,546	1,472
Other receivables	17,711	4,883
	<u>20,257</u>	<u>6,355</u>

### 12 Borrowings

	2021 £	2020 £
Bank loans	<u>94,397</u>	<u>105,951</u>
Payable within one year	13,190	13,190
Payable after one year	<u>81,207</u>	<u>92,761</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>28,449</u>	<u>40,002</u>

The bank loan is secured by a fixed charge over the leasehold premises, Saltdean Barn, limited to £200,000. At the year end the interest rate was 1.6%.

### 13 Current liabilities

	Notes	2021 £	2020 £
Bank loans	12	13,190	13,190
Other taxation and social security		7,846	6,460
Payments received on account		43,906	30,565
Trade payables		26,783	32,342
Other payables		5,568	3,509
Accruals and deferred income		3,340	3,196
		<u>100,633</u>	<u>89,262</u>

### 14 Non-current liabilities

	Notes	2021 £	2020 £
Bank loans	12	<u>81,207</u>	<u>92,761</u>

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2019 £	Resources expended £	Transfers £	Balance at 1 September 2020 £	Resources expended £	Transfers £	Balance at 31 August 2021 £
Barn and Garden	646,281	(20,345)	10,813	636,749	(20,345)	11,554	627,958

The restricted fund originally related to grant income that was received to renovate Saltdean barn and its garden. Now the barn and garden have been renovated it now represents the net book value of the barn and garden. Subsequently a loan was also taken out for further property improvements which was secured against the barn, so it has also been allocated to the restricted fund.

The movement in the year reflects the net movement on the asset and loan.

### 16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Property, plant and equipment	2,761	722,355	725,116	3,230	742,700	745,930
Current assets/ (liabilities)	293,146	(13,190)	279,956	290,390	(13,190)	277,200
Long term liabilities	-	(81,207)	(81,207)	-	(92,761)	(92,761)
	<u>295,907</u>	<u>627,958</u>	<u>923,865</u>	<u>293,620</u>	<u>636,749</u>	<u>930,369</u>

### 17 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>54,201</u>	<u>53,901</u>

There were no other disclosable related party transactions

# BOOMERANG KIDS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

<b>18</b>	<b>Cash generated from operations</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	(Deficit)/surplus for the year	(6,504)	31,334
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5)	(185)
	Depreciation and impairment of property, plant and equipment	23,450	22,677
	Movements in working capital:		
	(Increase) in trade and other receivables	(13,902)	(4,829)
	Increase/(decrease) in trade and other payables	11,371	(8,698)
		<hr/>	<hr/>
	<b>Cash generated from operations</b>	<b>14,410</b>	<b>40,299</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>19</b>	<b>Analysis of changes in net funds</b>		
		<b>At 1 September 2020</b>	<b>Cash flows</b>
		<b>£</b>	<b>£</b>
			<b>At 31 August 2021</b>
			<b>£</b>
	Cash at bank and in hand	360,107	225
	Loans falling due within one year	(13,190)	-
	Loans falling due after more than one year	(92,761)	11,554
		<hr/>	<hr/>
		254,156	11,779
			265,935