

Company registration number 04451272 (England and Wales)

Charity registration number 1096356 (England and Wales)

BOOMERANG KIDS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

BOOMERANG KIDS

LEGAL AND ADMINISTRATIVE INFORMATION

Directors' and trustees	Mrs H Hicks Ms P Rafizadeh-Farahani Mr R J Rogers Ms C S Samaroo Ms M L Rogers
Secretary	Ms M L Rogers
Charity number	1096356
Company number	04451272
Registered office	Saltdean Barn Oval Park Arundel Drive West Brighton East Sussex England BN2 8SJ
Auditor	Oliver Read FCCA ACA James Todd and Co Drayton House Drayton Lane West Sussex England PO20 2EW

BOOMERANG KIDS

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BOOMERANG KIDS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

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 11 in and around the parish of Saltdean, East Sussex, in particular by:

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

The group is registered with Ofsted to provide care for up to 81 children per session, including up to 15 places for children under two years of age.

The charity continues to prioritise high-quality early years provision. Staff are actively encouraged to undertake ongoing professional development, and the charity is currently supporting two senior members of staff in completing university degrees in childcare and education.

Public benefit

The trustees have paid due regard to the guidance issued by the Charity Commission in determining the activities undertaken by the charity, including in relation to fee charging, and are satisfied that the charity operates for the public benefit.

Achievements and performance

Demand for places in the baby room has remained high and continues to increase, alongside Government changes to the eligibility criteria for 30 hours funded childcare. This demand is expected to continue, with a further cohort of children becoming eligible from September 2025.

Staff wellbeing remains a key priority. Several staff members have requested flexible working arrangements, and adjustments are being considered where operationally feasible. However, such arrangements do not always align with the needs of the setting, and a higher proportion of part-time staff results in increased staffing costs. Additional financial pressures include increased expenditure on training, uniforms and HR requirements. Initiatives to support staff wellbeing, including social events, improvements to staff facilities and dedicated wellbeing inset days, are also planned.

Working within early years provision remains demanding and relatively low paid. Government funding for the "free" entitlement continues to fall short of the true cost of delivery. By September 2025, the majority of children attending the setting are expected to be funded rather than privately fee-paying. The announcement in the Budget of further increases to the National Minimum Wage, National Insurance contributions and changes to Statutory Sick Pay has added to financial pressures and sector-wide concern.

The setting is not always able to operate at full capacity, as vacant sessions on less popular days can be difficult to fill. In addition, the high number of children with special educational needs (13) and those with English as an additional language (25) requires significant staff time and tailored support.

The charity has explored innovative approaches to staff retention. Due to high local housing costs, the trustees have considered purchasing a property to provide affordable accommodation for staff. A suitable property has been identified and negotiations are currently ongoing, with completion anticipated in 2026.

BOOMERANG KIDS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

The charity's financial position for the year ended 31 August 2025 remained strong, with total income of £1,138,835 (2024: £853,817) and total expenditure of £947,425 (2024: £867,319), resulting in a surplus of £191,410 (2024: deficit of £13,502).

This year generated a healthy surplus, largely as a result of taking professional business advice and implementing a revised fee structure. These changes were introduced in anticipation of future reductions in income associated with the expansion of lower-rate government funding, compared to the higher level of private fee income achieved in the current year.

Reserves at the year end stood at £1,150,350 (2024: £958,940). The trustees continue to monitor reserves closely to ensure the long-term sustainability of the setting.

Looking ahead, the trustees recognise that the financial position may change in the next financial year, as a higher proportion of children will be funded at lower government rates. The trustees are therefore taking ongoing professional advice to assess whether current levels of surplus are sustainable and to support future financial planning.

The charity continues to carefully manage its cost base while maintaining high standards of care and education, ensuring that resources are directed effectively in furtherance of its charitable objectives.

Reserves policy

The trustees recognise the importance of maintaining adequate reserves to ensure the ongoing financial stability of the charity and to enable it to continue operating in the event of unforeseen circumstances.

The charity's reserves are held to:

- manage fluctuations in occupancy levels and income;
- meet contractual commitments, including staffing costs and operational expenditure;
- respond to unexpected costs or emergencies; and
- support future development and sustainability of the setting.

The trustees aim to maintain free reserves at a level sufficient to cover approximately three months of operating costs (£230,000). This level is reviewed regularly, taking into account the financial risks faced by the charity, including reliance on government funding, changes in occupancy levels and increasing cost pressures within the early years sector.

At the year end, free reserves stood at £558,145 (2024: £356,980). The trustees consider this level of reserves to be in line with the reserves policy and will continue to monitor this position closely in light of anticipated changes to funding levels and operating costs.

This reserves policy is linked to the charity's risk management framework and is intended to mitigate key financial risks, including fluctuations in income, increases in staffing costs and wider economic pressures affecting the early years sector.

Major risks

The trustees review the risks faced by the charity on an annual basis. The principal risks identified continue to be financial in nature, including pressures arising from government funding levels, staffing costs and occupancy fluctuations.

The trustees also recognise the operational risk associated with key personnel. Helen Hicks, as founder of Boomerang Kids, plays a significant role in the leadership and day-to-day running of the setting. The potential loss of this expertise, through retirement or departure, has been identified as a key risk.

To mitigate this, the trustees have established a strong senior leadership team to support the ongoing management of the nursery and ensure continuity of provision. In addition, flexible working arrangements, including the ability to work from home where appropriate, have been implemented to support sustainability and knowledge sharing across the team.

The trustees will continue to review risks regularly and ensure that appropriate mitigation strategies are in place.

BOOMERANG KIDS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Structure, governance and management

The charity is constituted as a charitable company limited by guarantee and is governed by its Articles of Association. The trustees, who are also directors of the charity for the purposes of company law, are responsible for the overall management and strategic direction of the charity.

The trustees meet regularly to review performance, financial position and operational matters. Day-to-day management of the setting is delegated to the nursery leadership team.

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:

Mrs H Hicks

Ms P Rafizadeh-Farahani

Mr R J Rogers

Ms C S Samaroo

Ms M L Rogers

Recruitment and appointment of trustees

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 chair of trustees is responsible for the induction of any new trustee, which involves awareness of a trustee's responsibility and philosophical approach to 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'.

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.

Statement of trustees' responsibilities

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

BOOMERANG KIDS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

Auditor

In accordance with the company's articles, a resolution proposing that James Todd and Co Limited be reappointed as auditor of the company will be put at a General Meeting.

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



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Mrs H Hicks

Trustee

26 / 05 / 2026
Date:

BOOMERANG KIDS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BOOMERANG KIDS

Opinion

We have audited the financial statements of Boomerang Kids (the 'charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

BOOMERANG KIDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOOMERANG KIDS

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements.

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management;
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations;
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations;
- Assessment of identified fraud risk factors;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

BOOMERANG KIDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOOMERANG KIDS

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

BOOMERANG KIDS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BOOMERANG KIDS

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Oliver Read FCCA ACA (Senior Statutory Auditor)

For and on behalf of James Todd and Co Limited, Statutory Auditor

Chartered Accountants

Drayton House

Drayton Lane

Chichester

West Sussex

PO20 2EW

England 26 / 05 / 2026

Date:

James Todd and Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BOOMERANG KIDS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	2,500	-	2,500	7,345	-	7,345
Charitable activities	4	1,136,335	-	1,136,335	846,235	-	846,235
Investments	5	-	-	-	237	-	237
Total income		<u>1,138,835</u>	<u>-</u>	<u>1,138,835</u>	<u>853,817</u>	<u>-</u>	<u>853,817</u>
Expenditure on:							
Charitable activities	6	927,014	20,332	947,346	846,987	20,332	867,319
Other expenditure	10	79	-	79	-	-	-
Total expenditure		<u>927,093</u>	<u>20,332</u>	<u>947,425</u>	<u>846,987</u>	<u>20,332</u>	<u>867,319</u>
Net income/(expenditure)		<u>211,742</u>	<u>(20,332)</u>	<u>191,410</u>	<u>6,830</u>	<u>(20,332)</u>	<u>(13,502)</u>
Transfers between funds		(10,577)	10,577	-	(9,534)	9,534	-
Net movement in funds		<u>201,165</u>	<u>(9,755)</u>	<u>191,410</u>	<u>(2,704)</u>	<u>(10,798)</u>	<u>(13,502)</u>
Reconciliation of funds:							
Fund balances at 1 September 2024		<u>356,980</u>	<u>601,960</u>	<u>958,940</u>	<u>359,684</u>	<u>612,758</u>	<u>972,442</u>
Fund balances at 31 August 2025		<u>558,145</u>	<u>592,205</u>	<u>1,150,350</u>	<u>356,980</u>	<u>601,960</u>	<u>958,940</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

BOOMERANG KIDS

BALANCE SHEET

AS AT 31 AUGUST 2025

		2025	2024
	Notes	£	£
Fixed assets			
Tangible assets	12	643,763	663,364
Current assets			
Debtors	13	8,003	6,901
Cash at bank and in hand		587,955	393,200
		595,958	400,101
Creditors: amounts falling due within one year	15	(52,426)	(55,716)
Net current assets		543,532	344,385
Total assets less current liabilities		1,187,295	1,007,749
Creditors: amounts falling due after more than one year	16	(36,945)	(48,809)
Net assets		1,150,350	958,940
The funds of the charity			
Restricted income funds	17	592,205	601,960
Unrestricted funds	18	558,145	356,980
		1,150,350	958,940

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 2025.

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 under the requirements of the Companies Act 2006, 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 26 / 05 / 2026



Mrs H Hicks
Trustee

BOOMERANG KIDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		207,689		(7,213)
Investing activities					
Purchase of tangible fixed assets		(2,027)		(1,790)	
Investment income received		-		237	
Net cash used in investing activities			(2,027)		(1,553)
Financing activities					
Repayment of bank loans		(10,907)		(9,534)	
Net cash used in financing activities			(10,907)		(9,534)
Net increase/(decrease) in cash and cash equivalents			194,755		(18,300)
Cash and cash equivalents at beginning of year			393,200		411,500
Cash and cash equivalents at end of year			587,955		393,200

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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 Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	50 years straight line
Fixtures and fittings	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 fixed 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.

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 debtors 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.

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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 creditors 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 creditors 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.

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.

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 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	-	295
Government grants	2,500	7,050
	<u>2,500</u>	<u>7,345</u>

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Nursery income		
Nursery fees	931,201	574,025
Government grants	205,134	272,210
	<u>1,136,335</u>	<u>846,235</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	-	237
	<u>-</u>	<u>237</u>

6 Expenditure on charitable activities

	Nursery running costs 2025 £	Nursery running costs 2024 £
Direct costs		
Staff costs	731,579	692,023
Depreciation and impairment	21,549	21,762
Nursery running expenses	184,149	144,405
	<u>937,277</u>	<u>858,190</u>
Share of support and governance costs (see note 7)		
Governance	10,069	9,129
	<u>947,346</u>	<u>867,319</u>
Analysis by fund		
Unrestricted funds	927,014	846,987
Restricted funds	20,332	20,332
	<u>947,346</u>	<u>867,319</u>

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

7 Support costs allocated to activities

	2025 £	2024 £
Governance costs	10,069	9,129
Analysed between:		
Nursery running costs	10,069	9,129
Governance costs comprise:		
	2025 £	2024 £
Legal and professional	151	131
Accountancy fees	4,798	4,198
Bookkeeping fees	5,120	4,800
	10,069	9,129

8 Directors' and trustees

Mrs H Hicks, a trustee, was paid £56,480 in salary (2024: £50,480), and £5,121 in pension contributions (2024: £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 (or any persons connected with them) received any remuneration or benefits from the company/charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	35	37
Employment costs		
	2025 £	2024 £
Wages and salaries	677,892	651,484
Social security costs	36,441	23,750
Other pension costs	17,246	16,789
	731,579	692,023

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

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

10 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net loss on disposal of tangible fixed assets	79	-

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Leasehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 September 2024	1,016,574	37,374	1,053,948
Additions	-	2,027	2,027
Disposals	-	(11,007)	(11,007)
At 31 August 2025	1,016,574	28,394	1,044,968
Depreciation and impairment			
At 1 September 2024	355,228	35,356	390,584
Depreciation charged in the year	20,332	1,217	21,549
Eliminated in respect of disposals	-	(10,928)	(10,928)
At 31 August 2025	375,560	25,645	401,205
Carrying amount			
At 31 August 2025	641,014	2,749	643,763
At 31 August 2024	661,346	2,018	663,364

13 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	450	-
Other debtors	223	163
Prepayments and accrued income	7,330	6,738
	8,003	6,901

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

14 Loans and overdrafts

	2025 £	2024 £
Bank loans	48,479	59,386
Payable within one year	11,534	10,577
Payable after one year	36,945	48,809

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 5.75% (2024: 1.60%).

15 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	14	11,534	10,577
Other taxation and social security		11,626	9,526
Trade creditors		18,188	24,819
Other creditors		6,478	6,314
Accruals and deferred income		4,600	4,480
		52,426	55,716

16 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	14	36,945	48,809

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2024 £	Resources expended £	Transfers £	At 31 August 2025 £
Barn and garden	601,960	(20,332)	10,577	592,205

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

17 Restricted funds (Continued)

Previous year:	At 1 September 2023	Resources expended	Transfers	At 31 August 2024
	£	£	£	£
Barn and garden	612,758	(20,332)	9,534	601,960

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

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
General funds	356,980	1,138,835	(926,979)	(10,577)	558,259
General funds	-	-	(114)	-	(114)
	356,980	1,138,835	(927,093)	(10,577)	558,145
Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	359,684	853,817	(846,987)	(9,534)	356,980

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

19 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	3,194	640,569	643,763
Current assets/(liabilities)	554,758	(11,226)	543,532
Long term liabilities	193	(37,138)	(36,945)
	<u>558,145</u>	<u>592,205</u>	<u>1,150,350</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Tangible assets	2,018	661,346	663,364
Current assets/(liabilities)	354,962	(10,577)	344,385
Long term liabilities	-	(48,809)	(48,809)
	<u>356,980</u>	<u>601,960</u>	<u>958,940</u>

20 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	2,221	2,221
Between two and five years	2,221	4,442
	<u>4,442</u>	<u>6,663</u>

BOOMERANG KIDS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

21	Capital commitments	2025	2024
		£	£
	Amounts contracted for but not provided in the financial statements:		
		2025	2024
		£	£
	Acquisition of property, plant and equipment	400,000	-
		=====	=====
22	Related party transactions		
	There were no disclosable related party transactions during the year (2024 - none), apart from the remuneration disclosed in note 8.		
23	Cash generated from/(absorbed by) operations	2025	2024
		£	£
	Surplus/(deficit) for the year	191,410	(13,502)
	Adjustments for:		
	Investment income recognised in statement of financial activities	-	(237)
	Loss on disposal of tangible fixed assets	79	-
	Depreciation and impairment of tangible fixed assets	21,549	21,762
	Movements in working capital:		
	(Increase) in debtors	(1,102)	(253)
	(Decrease) in creditors	(4,247)	(14,983)
	Cash generated from/(absorbed by) operations	207,689	(7,213)
		=====	=====
24	Analysis of changes in net funds		
		At 1 September 2024	Cash flows At 31 August 2025
		£	£
	Cash at bank and in hand	393,200	194,755
	Loans falling due within one year	(10,577)	(957)
	Loans falling due after more than one year	(48,809)	11,864
		=====	=====
		333,814	205,662
		=====	=====