

REGISTERED COMPANY NUMBER: 04683961 (England and Wales)
REGISTERED CHARITY NUMBER: 1098746

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2021
for
Fellowship House Children's Centre

BBK Accountants Limited
4a Roman Road
East Ham
London
E6 3RX

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for the Year Ended 31 March 2021

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Fellowship House Children's Centre

Chairman's Report for the Year Ended 31 March 2021

The chairman presents his statement for the period.

Fellowship House Children's Centre has had wonderful year as a children's centre and organisation. The improvements carried out over the past year has helped with the finance.


It has been a very difficult year for all involved at Fellowship House Children's Centre. The covid-19 pandemic and lockdowns had started when the financial year had just started, it meant that for large period of the year, the nursery had to be closed or on reduced capacity to ensure the safety of all staff, children, and parents during the drop off and collection times. We have been very lucky where we had continued to open the nursery during the lockdown periods to allow for some children to attend as their parents where on the front-line. We had continuously worked with the local authority to ensure safety was a number one priority at the nursery.

The nursery has moved a step closer in trying to achieve the London Living Wage for all its front-line staff. We hope to achieve our target for March 2022. For the nursery to achieve its goal, the nursery fees had to increase in September 2021 where the new committee with the nursery management worked out a method which will enable the children's fee and staff salary to be easily understood and making it much more transparent. The staff now get paid a salary which encourages them to work for Fellowship House as well as the children's fee being competitive with other nurseries in the local area. The reaction to this has been encouraging, where we have an increased interest from parents wanting their children to be part of Fellowship House.

The committee are working hard behind the scenes to improve the centre; new software's and programmes have been set up which enables parents to understand how their child spent the day at the nursery - this provides a direct contact between a member of staff and the parent. The staff and management have undertaken additional learning and skills CPD which helps improve the teaching methods and running of the nursery, the children have seen benefits from this. We are continuously working alongside external professionals to improve the nursery and achieve a higher Ofsted rating. The committee intend to carry out internal refurbishment of the nursery by the end of 2021 which will provide a new inspiration for the children.

As a collective, the committee and nursery management are working with the parents to improve the curriculum, policies, procedures, security, health and safety and other areas to ensure the children get the best education and start to life.

The committee alongside the nursery management are setting targets for the next few years to ensure the finance is improved as well as making FHCC a first-choice nursery for parents, children and staff.


Chair Riaz Patel

Report of the Trustees
for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 trustee presents its annual report and financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's Trust Deed, the Charity's Act 2011 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) as updated through Update Bulletin 1 and 2.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principle objects of the Charity are to advance the education of children below age through nursery and playgroup facilities, principally in the London Borough of Newham.

Public benefit

In setting objectives and planning for activities, the Committee of Management have given due consideration to general guidance published by the Charity Commission relating to public benefit.

ACHIEVEMENT AND PERFORMANCE

Fellowship House Children's Centre has had another successful year of delivering outstanding childcare and education for under 5's. the ground floor of the building is still fully occupied by the Nursery.

The pension scheme is now fully up and running. The nursery makes a 3% contribution and staff members make a 5% contribution.

FINANCIAL REVIEW

Reserves policy

The Committee of Management has formulated a policy whereby in the long term general reserves held by the Charity should cover six months costs. This currently equates to approximately £300,895 (2020: £340,895) and would enable activities to continue in the short term should funding drop significantly.

At present the free reserves of £311,064 (2020: £449,542) substantially exceeds this target. However the Committee are aiming to increase staff salaries to bring in line with the new living wage as soon as possible. In calculating the free reserves the Committee has excluded the restricted reserves and the designated reserves that represents fixed assets or reserves likely to be expanded in full or in part within one year.

Going concern

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

FUTURE PLANS

The Committee envisages the activities to continue in a similar way to those as at present for the foreseeable future.

MEMBERS' LIABILITY

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Report of the Trustees
for the Year Ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 3 March 2003.

Recruitment and appointment of new trustees

The management of the Charity is the responsibility of the Committee of Management who are elected and co-opted under the terms of the Articles of Association.

The members of the Committee of Management are appointed by the membership at the annual General meeting or co-opted between meetings. Serving members retire at the Annual General Meeting but are eligible for re-election.

The liability of members in the event of insolvent liquidation is limited to £1 each.

Day to day management of the charity is delegated to the Chief Executive who is responsible for the other staff.

Risk management

The committee of Management has assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

In particular the Committee is trying to mitigate the risk of under capacity, due to the increased competition from private day care providers and school offering children places at the age of three, by developing effective marketing strategies.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04683961 (England and Wales)

Registered Charity number

1098746

Registered office

4a St Bartholomews Road
Eastham
London
E6 3AG

Trustees

MR D M Da Costa
Mrs M A Enthoven
Mrs M Hill-Cousins
Mr R I Patel
Mrs S Sinclair

Company Secretary

R Ahmed

Approved by order of the board of trustees on 29 December 2021 and signed on its behalf by:

Fellowship House Children's Centre

Report of the Trustees
for the Year Ended 31 March 2021

A handwritten signature in black ink, appearing to read 'R Patel', enclosed within a hand-drawn oval.

Mr R I Patel - Trustee

Independent examiner's report to the trustees of Fellowship House Children's Centre ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA (Association of Chartered Certified Accountants) which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Taj Kassam
ACCA (Association of Chartered Certified Accountants)
BBK Accountants Limited
4a Roman Road
East Ham
London
E6 3RX

Date: 29-12-2021

Statement of Financial Activities
for the Year Ended 31 March 2021

	Notes	31.3.21 Unrestricted fund £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		521,910	625,627
Charitable activities			
Charitable activities		58,251	-
Investment income	2	5	1,265
Total		<u>580,166</u>	<u>626,892</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities		681,479	573,156
NET INCOME/(EXPENDITURE)		<u>(101,313)</u>	<u>53,736</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		412,369	395,806
TOTAL FUNDS CARRIED FORWARD		<u><u>311,056</u></u>	<u><u>449,542</u></u>

Balance Sheet
31 March 2021

	Notes	31.3.21 Unrestricted fund £	31.3.20 Total funds £
FIXED ASSETS			
Tangible assets	6	11,039	14,948
CURRENT ASSETS			
Debtors	7	(2,991)	31,239
Cash at bank and in hand		308,433	411,878
		<u>305,442</u>	<u>443,117</u>
CREDITORS			
Amounts falling due within one year	8	(5,425)	(8,523)
		<u>300,017</u>	<u>434,594</u>
NET CURRENT ASSETS			
		<u>311,056</u>	<u>449,542</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>311,056</u>	<u>449,542</u>
NET ASSETS			
		<u>311,056</u>	<u>449,542</u>
FUNDS	10		
Unrestricted funds		<u>311,056</u>	<u>449,542</u>
TOTAL FUNDS		<u>311,056</u>	<u>449,542</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 29 December 2021 and were signed on its behalf by:



R I Patel - Trustee

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	5	1,265

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	<u>3,909</u>	<u>5,446</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	625,627
Investment income	<u>1,265</u>
Total	626,892
 EXPENDITURE ON	
Charitable activities	
Charitable activities	<u>573,156</u>
 NET INCOME	 53,736
 RECONCILIATION OF FUNDS	
Total funds brought forward	<u>395,806</u>
 TOTAL FUNDS CARRIED FORWARD	 449,542

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Totals £
COST			
At 1 April 2020 and 31 March 2021	22,793	62,986	85,779
DEPRECIATION			
At 1 April 2020	22,132	48,699	70,831
Charge for year	330	3,579	3,909
At 31 March 2021	22,462	52,278	74,740
NET BOOK VALUE			
At 31 March 2021	331	10,708	11,039
At 31 March 2020	661	14,287	14,948

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade debtors	(18,389)	13,633
Other debtors	14,554	16,762
Prepayments	844	844
	<u>(2,991)</u>	<u>31,239</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Bank loans and overdrafts (see note 9)	-	4,488
Trade creditors	3,265	-
Accrued expenses	2,160	4,035
	<u>5,425</u>	<u>8,523</u>

9. LOANS

An analysis of the maturity of loans is given below:

	31.3.21 £	31.3.20 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	4,488

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	412,369	(101,313)	311,056
TOTAL FUNDS	<u>412,369</u>	<u>(101,313)</u>	<u>311,056</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	580,166	(681,479)	(101,313)
TOTAL FUNDS	<u>580,166</u>	<u>(681,479)</u>	<u>(101,313)</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	395,806	53,736	449,542
TOTAL FUNDS	<u>395,806</u>	<u>53,736</u>	<u>449,542</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	626,892	(573,156)	53,736
TOTAL FUNDS	<u>626,892</u>	<u>(573,156)</u>	<u>53,736</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	395,806	(47,577)	348,229
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>395,806</u>	<u>(47,577)</u>	<u>348,229</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,207,058	(1,254,635)	(47,577)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,207,058</u>	<u>(1,254,635)</u>	<u>(47,577)</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts and donations income	-	2,973
Fee	379,980	507,309
Photographs	-	100
Nursery education grant	141,930	115,245
	<u>521,910</u>	<u>625,627</u>
Investment income		
Deposit account interest	5	1,265
Charitable activities		
Hmrc Jrs grants	58,251	-
	<u>58,251</u>	<u>-</u>
Total incoming resources	580,166	626,892
EXPENDITURE		
Charitable activities		
Food & Milk	18,498	27,244
Staff training	1,903	2,282
Wages and salaries	503,302	388,453
Employer NI	31,040	24,531
Employer pension	10,763	11,004
Rent	40,382	46,359
Equipment expensed	9,121	5,355
Consumables	12,845	4,615
Cleaning services	7,479	10,468
	<u>635,333</u>	<u>520,311</u>
Support costs		
Management		
Printing and stationery	3,606	2,263
Payroll fee	2,332	3,515
Advertising	-	346
Uniforms	317	329
Waste collection and hygiene	3,261	4,076
CRB/DBS checks	48	547
Insurance	2,822	2,405
Sundry	25	4,473
Depreciation	3,910	5,446
Repairs and maintenance	13,229	7,968
Subscriptions	1,591	2,055
Telephone and internet	1,993	1,797
Auditors remuneration	5,985	3,360
Carried forward	39,119	38,580

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	31.3.21	31.3.20
	£	£
Management		
Brought forward	39,119	38,580
Professional fee	5,954	13,105
Pension fee	960	936
Bank charges	113	224
	<u>46,146</u>	<u>52,845</u>
Total resources expended	<u>681,479</u>	<u>573,156</u>
Net (expenditure)/income	<u>(101,313)</u>	<u>53,736</u>