

Charity registration number: 1099491

St Gregory's Child Care Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Mrs Bonnie Connolly
Arubus Chartered Accountants
Units 1-4 Stockton's Courtyard
Overbury
Gloucestershire
GL20 7NT

St Gregory's Child Care Trust

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 15

St Gregory's Child Care Trust

Reference and Administrative Details

Trustees	Judith Lorman (died 26 March 2021) Charlotte Blanch Breda Howard Olivia Lines
Principal Office	St Gregory's RC School St James Square Cheltenham Gloucestershire GL50 3QG
Charity Registration Number	1099491
Independent Examiner	Mrs Bonnie Connolly Arubus Chartered Accountants Units 1-4 Stockton's Courtyard Overbury Gloucestershire GL20 7NT

St Gregory's Child Care Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2021.

Objectives and activities

Objects and aims

- To educate children who have not attained the age of compulsory education or are awaiting admission to full time compulsory education
- To care for such children in the absence of their parents or guardians
- To care for children of full school age immediately before and after normal school hours and during school holidays

We aim to undertake these objectives with the best possible surroundings and with the best possible staff so that the children within our care receive an outstanding education and care during their time with us. We have always maintained that our children should receive outstanding childcare but that it should be accessible to all and so this means we keep costs to parents as low as possible.

Objectives, strategies and activities

Shortly before Covid-19 lock-down was announced, the setting was inspected by Ofsted and achieved a third successive 'Outstanding' judgement in all areas and under a new framework – this aligns with the aim to provide the best possible care and education for the children in the setting during their time with us.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

St Gregory's Child Care Trust

Trustees' Report

Achievements and performance

72 children are regular attendees of the nursery and pre-school and children from 160 different families have attended breakfast, afterschool and holiday club alongside 10 children from other schools. These children attend from a radius of 10 miles and come from a wide range of backgrounds, 31% are deemed as 'disadvantaged', 41% speak English as an additional language and 8% have a special educational need or disability. This shows the extent to which the setting supports and impacts families with education and the provision of child-care solutions.

The Trust is an 'Outstanding' setting. In March 2020, the Trust was re-assessed by Ofsted and continues to be graded as Outstanding in all areas. This recognised the superb performance of the setting and although it is merely a snapshot, we are confident through daily observations and regular stakeholder feedback that this is a true reflection of the daily work of the organisation. We know this because of information such as this:

- 100% of our nursery and pre-school children make typical or better progress (in-house data tracking of child progress) and a third in any one area start at the setting below where we would expect them to be in terms of development.
- "Dedicated staff, served by a variety of activities." (Parent survey, April 2021)
- "Warm welcome, staff always meet my child with a smile, she is very happy here " (Parent survey, April 2021)
- "I like the regular updates on how he is doing and the next steps that are planned for him." (Parent survey, April 2021)
- "The staff are amazing especially given the challenging circumstances over the past year, they are all so caring and ready to offer reassurance" (Parent Survey, April 2021)
- My son wakes every morning with a smile because he knows he will be going to nursery
- The teachers work very closely with parents and inform us about his progress and how we can help with next steps (parent survey April 2021)
- The setting has been used to outreach to other Early Years settings to illustrate good practice.

The COVID-19 pandemic overshadowed much of the first half of the academic year 2020-21 and empowered the Childcare Trust to work even closer with the attached school to provide childcare for keyworker and vulnerable children during the full and partial lockdowns. The Trust worked successfully to keep the children in our care safe and to ensure that those parents working in critical roles to the COVID response could hand their daily childcare entirely over to us, so that they could focus on their key roles. We are proud of the part we played in response to the pandemic. We continue to live with COVID 19 and this has continued to have an impact on the way we work within the setting with bubbles closing who usually attend our breakfast and after school clubs. There have also been more staff sicknesses to cover which has caused some difficulties at times.

We continually strive to improve our Trust so that the children in our care have the very best, all of the time! We never stand still in this endeavour and we constantly update action plans to support in the development and forward planning of the organisation.

St Gregory's Child Care Trust

Trustees' Report

Financial review

The results for the year are set out in the Statement of Financial Activities. From these you can see that the Trust had a deficit of £43,235 (2020 £69,797) for the year. Total funds at 31 August 2021 stood at £172,956 (2020 £216,191).

In reviewing this deficit, we have identified a number of areas where the deficit has been built up but as we went through the year, it was very difficult to reverse some of these when our families were also going through such hardship themselves, in the midst of a global pandemic.

- Staff illness because of COVID was higher than normal absence rates – this meant that staffing costs increased.
- A number of bubbles closed within the school at different times and it would have been unsafe to have those children (from bubbles of high covid rates) in the setting – we therefore did not charge for these places and this added to the deficit.
- Running costs have started to increase with supply chains under threat because of Brexit and we have not passed this onto our families as much as we could have because of protecting them from the squeeze they were already feeling with rising inflation. We believed that it would be short-lived but we have been shown that it is not and this added considerably to the deficit.
- The cost of external trips, especially for holiday club, do not break even most days due to the increased cost of transport – this is being reviewed throughout the coming year.
- Costs increased faster than government voucher funding increased and many settings have had to introduce a daily top up fee – for the time being, we have decided not to do that due to our aims to provide affordable childcare for everyone but we recognise that we might not be left with any option but to do so in the future. This will be reviewed once other factors such as the pandemic have settled down.

Structure, governance and management

Nature of governing document

The trust is an un-incorporated association.

The Trust is governed by the Trust Deed (Aug 2002). This details the rules by which the charity is bound concerning all governing decisions and actions. No amendments have been made to the initial 2002 Trust Deed and the rules within remain relevant.

Recruitment and appointment of trustees

The Trust has three trustees, each bringing different skills and interests to the organisation. One of the trustees is also Governor on the Board of the attached primary school and another one is a member of the senior leadership team. The third trustee is a manager of another local childcare setting – this helps to maintain strong links between the Trust and the School where many of the children or their siblings also attend as well as between other settings nearby. Trustees are appointed if there are skills that the board require given the changing landscape of education and childcare. No trustees are paid, these are voluntary positions.

Arrangements for setting key management personnel remuneration

No Trustees are paid, these are voluntary positions.

St Gregory's Child Care Trust

Trustees' Report

Organisational structure

The Trust has one Operational Manager who oversees all areas; the nursery, pre-school, after school club and holiday club. A management meeting is held between the Manager and Trustees monthly - this meeting enables Trustees to strategically direct the workings of the Trust and to support the Manager in her operational decisions.

The Manager is ably assisted by Room/Area Leaders and a Deputy. They each have a specific number of children that they are accountable for and are responsible for planning areas of the curriculum for different parts of the organisation.

Altogether, the Trust employs 25 employees, each one of them helping our children to reach their potential in their time with us. Staff turnover is very low at 4% in 2021 meaning that recruitment costs of the organisation are kept to a minimum. The Trust employs a Mandarin teacher to teach another language to our children and a specialist music teacher who leads music sessions. The Trust also benefits from the help of 2 volunteers each of whom are helped by us to develop their own skills in readiness for paid employment - we see this as an important way of giving back to the community in which we work. The childcare trust received an award in February 2022 from the local authority for their role in mentoring students.

St Gregory's Child Care Trust

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 of the charity for that period. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

Approved by the trustees of the charity on 22 June 2022 and signed on its behalf by:

.....
Charlotte Blanch
Trustee

St Gregory's Child Care Trust

Independent Examiner's Report to the trustees of St Gregory's Child Care Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

As the charity's trustees of St Gregory's Child Care Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the St Gregory's Child Care Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since St Gregory's Child Care Trust'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 ACA, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 St Gregory's Child Care Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

.....
Mrs Bonnie Connolly
ACA

Arubus Chartered Accountants
Units 1-4 Stockton's Courtyard
Overbury
Gloucestershire
GL20 7NT

28 June 2022

St Gregory's Child Care Trust

Statement of Financial Activities for the Year Ended 31 August 2021

	Note	Unrestricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:				
Donations and legacies		355	355	-
Charitable activities		354,322	354,322	321,875
Investment income		660	660	1,312
Other income		27,178	27,178	-
Total income		<u>382,515</u>	<u>382,515</u>	<u>323,187</u>
Expenditure on:				
Raising funds		(3,701)	(3,701)	(1,049)
Charitable activities		<u>(422,049)</u>	<u>(422,049)</u>	<u>(391,935)</u>
Total expenditure		<u>(425,750)</u>	<u>(425,750)</u>	<u>(392,984)</u>
Net movement in funds		(43,235)	(43,235)	(69,797)
Reconciliation of funds				
Total funds brought forward		<u>216,191</u>	<u>216,191</u>	<u>285,988</u>
Total funds carried forward		<u><u>172,956</u></u>	<u><u>172,956</u></u>	<u><u>216,191</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note .

St Gregory's Child Care Trust
(Registration number: 1099491)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	12,681	22,304
Current assets			
Debtors	8	10,453	11,098
Cash at bank and in hand		<u>152,569</u>	<u>187,647</u>
		163,022	198,745
Creditors: Amounts falling due within one year	9	<u>(2,747)</u>	<u>(4,858)</u>
Net current assets		<u>160,275</u>	<u>193,887</u>
Net assets		<u><u>172,956</u></u>	<u><u>216,191</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>172,956</u>	<u>216,191</u>
Total funds		<u><u>172,956</u></u>	<u><u>216,191</u></u>

The financial statements on pages 8 to 15 were approved by the trustees, and authorised for issue on 22 June 2022 and signed on their behalf by:

.....
Olivia Lines
Trustee

St Gregory's Child Care Trust

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

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

St Gregory's Child Care Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

St Gregory's Child Care Trust

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

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, Fittings & Equipment	20% Straight Line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

St Gregory's Child Care Trust

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

2 Income from donations and legacies

	Unrestricted funds	Total 2021
	General £	£
Donations and legacies;		
Donations from individuals	212	212
Gift aid reclaimed	143	143
	<u>355</u>	<u>355</u>

3 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Staff costs			
Wages and salaries	309,287	309,287	291,663
Social security costs	10,375	10,375	10,172
Pension costs	4,359	4,359	4,163
Other staff costs	352	352	758
Audit fees			
Other fees paid to auditors	1,200	1,200	1,200
Legal fees	1,932	1,932	600
Marketing and publicity	600	600	-
Depreciation, amortisation and other similar costs	9,624	9,624	9,752
Other governance costs	47,559	47,559	42,068
	<u>385,288</u>	<u>385,288</u>	<u>360,376</u>

4 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	<u>9,624</u>	<u>9,752</u>

5 Staff costs

The aggregate payroll costs were as follows:

St Gregory's Child Care Trust

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

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	309,287	291,663
Social security costs	10,375	10,172
Pension costs	4,359	4,163
Other staff costs	352	758
	<u>324,373</u>	<u>306,756</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Childcare	23	22
Administration	<u>2</u>	<u>2</u>
	<u>25</u>	<u>24</u>

No employee received emoluments of more than £60,000 during the year

St Gregory's Child Care Trust

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

6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

7 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 September 2020	<u>72,996</u>	<u>72,996</u>
At 31 August 2021	<u>72,996</u>	<u>72,996</u>
Depreciation		
At 1 September 2020	50,691	50,691
Charge for the year	<u>9,624</u>	<u>9,624</u>
At 31 August 2021	<u>60,315</u>	<u>60,315</u>
Net book value		
At 31 August 2021	<u>12,681</u>	<u>12,681</u>
At 31 August 2020	<u>22,305</u>	<u>22,305</u>

8 Debtors

	2021 £	2020 £
Prepayments	10,453	10,114
Other debtors	-	984
	<u>10,453</u>	<u>11,098</u>

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,539	2,749
Other creditors	8	909
Accruals	<u>1,200</u>	<u>1,200</u>
	<u>2,747</u>	<u>4,858</u>

10 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £4,359 (2020 - £4,163).

St Gregory's Child Care Trust

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

11 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Tangible fixed assets	12,681	12,681
Current assets	163,022	163,022
Current liabilities	<u>(2,747)</u>	<u>(2,747)</u>
Total net assets	<u>172,956</u>	<u>172,956</u>

St Gregory's Child Care Trust

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

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Appeals and donations	212	-
Commissions receivable	143	-
	<u>355</u>	<u>-</u>
<i>Charitable activities</i>		
Sales	351,017	317,375
Grants receivable	3,305	4,500
	<u>354,322</u>	<u>321,875</u>
<i>Investment income</i>		
Interest on cash deposits	660	1,312
	<u>660</u>	<u>1,312</u>
<i>Other income</i>		
Other income	27,178	-
	<u>27,178</u>	<u>-</u>
<i>Raising funds</i>		
Staff training	(3,701)	(1,049)
	<u>(3,701)</u>	<u>(1,049)</u>
<i>Charitable activities</i>		
Direct Expenses	(36,761)	(31,559)
Wages and salaries	(307,363)	(291,663)
Staff NIC (Employers)	(10,375)	(10,172)
Staff pensions (Defined contribution) - pension scheme 1	(4,359)	(4,163)
Casual wages	(1,924)	-
Staff welfare	(352)	(758)
Rent	(15,000)	(15,000)
Insurance	(1,705)	(1,572)
Repairs and renewals	(11,304)	(7,334)
Office expenses	(5,780)	(6,978)
Computer software and maintenance costs	(2,606)	(1,240)
Trade subscriptions	(1,576)	(554)
Sundry expenses	(1,894)	(2,705)
Cleaning	(7,609)	(6,685)
Advertising	(600)	-
Accountancy fees	(1,200)	(1,200)
Legal and professional fees	(1,932)	(600)
Bank charges	(85)	-
Depreciation of plant and machinery	<u>(9,624)</u>	<u>(9,752)</u>

St Gregory's Child Care Trust

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

Total 2021 £	Total 2020 £
<u>(422,049)</u>	<u>(391,935)</u>