

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

England & Wales · Charity number 1101914

Details

Status Registered

Legal form Charitable company

Company number [04882693](#)

Registered 2004-02-04

Register [View on the Charity Commission register](#)

Contact

Address The Drift House
Stretton Court Farm
Stretton Sugwas
Hereford
HR4 7AR

Phone 01432851392

Email gatewaynurseries@btconnect.com

Activities

Objects: FOR THE BENEFIT OF THE COMMUNITY OF THE PARISH OF LUGWARDINE AND DARTESTREE AND THE NEIGHBOURHOOD (THE "AREA OF BENEFIT")(1) TO ENHANCE THE DEVELOPMENT AND EDUCATION OF CHILDREN UNDER STATUTORY SCHOOL AGE BY ENCOURAGING PARENTS TO UNDERSTAND AND PROVIDE FOR THE NEEDS OF THEIR CHILDREN THROUGH THE ACTIVITIES OF GATEWAY NURSERY;(2) TO PROMOTE THE CARE AND EDUCATION OF CHILDREN IN NEED OF CARE DURING OUT OF SCHOOL HOURS AND DURING SCHOOL HOLIDAYS;(3) TO PROMOTE FOR THE BENEFIT OF THE INHABITANTS OF THE AREA OF BENEFIT WITHOUT DISTINCTION OF SEX, SEXUAL ORIENTATION, RACE OR OF POLITICAL, RELIGIOUS OR OTHER OPINIONS BY ASSOCIATING TOGETHER THE SAID INHABITANTS AND THE LOCAL AUTHORITIES, VOLUNTARY AND OTHER ORGANISATIONS IN A COMMON EFFORT TO ADVANCE EDUCATION AND TO PROVIDE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION AND LEISURE TIME OCCUPATION WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE SAID INHABITANTS.

Activities: The company was incorporated in 2003.Following an amalgamation with Gateway Nurseries Limited(registered charity number 1089821) on 1st April 2013, the charity has filed full financial statements for the subsequent financial years.The primary activity of the charity is to provide childcare facilities at the

Gateway Centre, incorporating the pre-school nursery and out of school activities.

Classification

- **How:** Provides Services
- **What:** Education/training, Disability, Arts/culture/heritage/science
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** THE COMMUNITY OF THE PARISH OF LUGWARDINE AND DARTESTREE AND THE NEIGHBOURHOOD
- Herefordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£754,481	£730,829	£339,056	27
2023-08-31	£712,951	£703,722	£315,404	27
2022-08-31	£604,500	£637,068	£306,175	27
2021-08-31	£712,437	£678,032	£338,743	34
2020-08-31	£653,644	£642,345	£304,338	37

Trustees

Name	Role	Appointed
ANTHONY JOHN LARKIN		
Daniel Squire		2013-11-21
Helen Judith Pearson		2013-11-21

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

England & Wales - Charity number 1101914

Accounts

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2024

REGISTERED CHARITY NUMBER: 1101914

COMPANY NUMBER: 04882693

R J FRANCIS AND CO.
Chartered Accountants
& Registered Auditors
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FOR THE YEAR ENDED 31ST AUGUST 2024

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GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

COMPANY INFORMATION

Charity Name: Gateway (Education & Childcare) Trust Limited

Charity Number: 1101914

Company Number: 04882693

Trustees/ Directors: Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

Registered Office: The Gateway Centre
Longworth Lane
Bartestree
Hereford
HR1 4GA

Accountants: R J Francis & Co Limited
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Solicitors: Lambe Corner & Co
Bridge Street
Hereford
HR4 9DJ

Bankers: Lloyds TSB Bank plc
High Town
Hereford
HR1 2AE

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2024

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, submit their financial statements for the year ended 31st August 2024.

The Charity is a charitable Company limited by guarantee and was set up to provide pre-school nursery and out of school activities. It is governed by a memorandum and articles of association.

Structure, Governance and Management

The Trustees in office during the year were as follows:

Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

The Company does not have share capital, being limited by guarantee.

Mrs J Larkin is the senior staff member to whom day to day management of the Charity is delegated by the Trustees.

Potential new Trustees are identified through local knowledge and contacts within the surrounding community and include interested parents using the children's nursery, local professionals and members of the local community themselves.

Discussions take place with potential new Trustees about:

- Duties
- Responsibilities
- Aspirations of the Nursery
- Meetings (timings / content)
- Added value to the community

The candidates also have the opportunity to attend meetings of the existing Trustees.

The nursery comprises those members as detailed above. Decisions are made at the Trustees' meetings on a majority basis, although outcomes are unusually unanimous in view of the commonality of desire to achieve the aims and objectives of the Trust for the benefit of the local and wider community and the nursery staff itself.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Charity for the purposes 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 charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company for the year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company 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 charitable Company and hence for taking reasonable steps for the prevention of the detection of fraud and other irregularities.

Insofar as the Trustees are aware:

- There is no relevant information of which the charitable Company's auditor is unaware: and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds at a level which equates to approximately 3 months of unrestricted expenditure to provide sufficient funds to cover management, administration and support costs. Due to rising costs, we have been unable to maintain this, but we are taking action to ensure future reserves will be established, as explained in the financial review.

Risk

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the Charity.

Principle identified risks

Cost Pressures

Staffing remains the main overhead, particularly as child numbers increased again in the year and maternity cover continued.

Objectives and activities

The Charity is established to provide pre-school nursery and out of school activities. The object of the nursery is to enhance the development and education of the children under statutory school age by encouraging parents to understand and provide for the needs of their children through the activities of the nursery.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2024

The nursery promotes the care and education of children in need of care during out of school hours and during the school holidays.

The nursery also seeks to promote, for the inhabitants of the parish of Lugwardine and Bartestree and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Achievements and Performance

The setting remains a charitable body governed by its objects and also remains a company limited by guarantee. The Trust owns the freehold of the buildings and land and governs the day-to-day activities of Gateway Nursery.

Total income for the financial year end 31st August 2024 amounted to £754,481 with total expenditure of £730,829, creating a surplus for the year of £23,652. This is particularly pleasing given the heavy expenditure in the previous financial year and creating a much-welcomed surplus. Fee income is the major source of total income and has increased substantially this year from £699,871 for the twelve months to 31st August 2023, to £750,882. Whilst the increase in fees (up 7%) produced the uplift in overall income that we anticipated, overall costs also increased from £703,722 in 2023, to £730,829 (up 4%).

In terms of the balance sheet, fixed assets at the end of the new financial year to 31st August 2024 stood at £291,987, from £306,506 at the 2023 financial year end. These fixed assets, as in previous years, comprise primarily land and buildings. Cash balances totalled £67,695, broadly level with £60,198 as at 31st August 2023. Healthy cash balances continue to be held in the business savings account for liquidity purposes. Total funds overall increased to £339,056 from £315,404 in the previous financial year.

Staffing costs continue to remain the main overhead at £536,969, although this did reduce slightly from £545,324 in the 2022-23 financial year, and represents c. 73% of total costs. General running costs increased significantly from the previous financial year, with spending rising by just over £36,000. The main increase was reflected in premises expenses (up by c. £21,000 and due primarily to much-needed painting and decorating, a kitchen refit costing approximately £5,000, and the re-covering of our large polytunnel as planned). Utilities also increased by around £4,000. That said, we are particularly pleased that we were able to fund the majority of these cost increases through cashflow and we continue to maintain healthy cash balances. Further decorating work will be needed in the forthcoming financial year but we will monitor our cashflow position with the use of management accounts to ensure that we are again able to absorb these costs.

We have a relatively stable staff cohort currently who provide a good mix of experience and feedback from parents continues to be excellent. The staff remain well led by our two main managers, Elaine Talbot and Sarah Reed, with Senior Manager Jude Larkin (and co-founder of Gateway) now focussing primarily on the financial administration of the business. Numbers of children attending the nursery remains healthy where we are still operating generally at full capacity, and we also continue to have a healthy waiting list (c. 2 years currently) and we continue to receive daily enquiries for places.

Work is still required to improve the use of land and premises, with our double decker bus project in particular requiring completion plus the clearance of a large number of tyres from the grounds. We are also still intending to upgrade our fire and security systems.

I would like to personally thank the other Trustees for their continued support and commitment and we in turn would once again like to thank all management and staff for their continued commitment to the setting, which is always gratefully recognised and appreciated.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2024

Statement of disclosure of information to accountants

We, the Directors of the Company who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- There is no relevant audit information of which the Company's accountants are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant information and to establish that the Company's accountants are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's Website.

Accountants

A resolution proposing that R J Francis & Co Limited be re-appointed as accountants of the Charity will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Trustees

A J Larkin
Chair of Trustees
30th May 2025

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

ACCOUNTANTS REPORT

FOR THE YEAR ENDED 31ST AUGUST 2024

Independent examiner's report to the Trustees of Gateway (Education & Childcare) Trust Limited

I report on the accounts of the company for the year ended 31st August 2024 which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW (Institute of Chartered Accountants in England and Wales).]

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A A Houston
For and on behalf of R J Francis & Co Ltd
30th May 2025

Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST AUGUST 2024

	Note	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> <u>2024</u> £	<u>Total Funds</u> <u>2023</u> £
<u>INCOMING RESOURCES</u>					
Income resources from generated funds					
Interest received		833	-	833	321
Incoming resources from charitable activities	2	753,648	-	753,648	712,630
<u>TOTAL INCOMING RESOURCES</u>		<u>754,481</u>	<u>-</u>	<u>754,481</u>	<u>712,951</u>
<u>RESOURCES EXPENDED</u>					
Charitable activities	3	701,862	-	701,862	676,658
Governance costs	4	28,967	-	28,967	27,064
<u>TOTAL RESOURCES EXPENDED</u>		<u>730,829</u>	<u>-</u>	<u>730,829</u>	<u>703,722</u>
<u>NET MOVEMENT IN FUNDS</u>		23,652	-	23,652	9,229
<u>TOTAL FUNDS BROUGHT FORWARD</u>		79,195	236,209	315,404	306,175
<u>TOTAL FUNDS CARRIED FORWARD</u>	8	<u>102,847</u>	<u>236,209</u>	<u>£339,056</u>	<u>£315,404</u>

All amounts derive from continuing activities.

There were no recognised gains or losses other than through the Statement of Financial Activities.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

BALANCE SHEET

31ST AUGUST 2024

	Note	£	<u>2024</u>	£	<u>2023</u>	£
<u>FIXED ASSETS</u>						
Tangible Assets	5		291,987		306,506	
<u>CURRENT ASSETS</u>						
Debtors	6	4,972		17,672		
Cash at Bank and in hand		67,695		60,198		
		72,667		77,870		
<u>CREDITORS: Amounts falling due within one year</u>						
	7	25,598		68,972		
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			47,069		8,898	
<u>TOTAL ASSETS LESS TOTAL LIABILITIES</u>			£339,056		£315,404	
<u>FUNDS</u>						
Unrestricted	8		102,847		79,195	
Restricted	8		236,209		236,209	
			£339,056		£315,404	

The Accounts have been delivered in accordance with the provisions applicable to Companies subject to the Small Companies Regime.

The financial statements were approved and signed on behalf of the board on 30th May 2025.

..... Director
A J Larkin

Chair of Trustees/Director

Charity Number: 1101914
Company Number: 04882693

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2024

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) "Accounting and Reporting by charities applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

c) Tangible Fixed Assets

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

Motor Vehicles	-	20% Straight Line
Plant and Machinery	-	20% Straight Line
Property Improvements	-	4% Straight Line
Freehold Property	-	2% Straight Line

d) Incoming Resources

Grants and Local Authority Fees are credited to the Statement of Financial Activities in the year for which they are received.

Fees receivable and charges for services are accounted for in the year in which the service is provided.

e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any value added tax which cannot be recovered. They are allocated to the particular activity to which they relate.

2. ANALYSIS OF INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>2024</u>	<u>2023</u>
	£	£
Fees	750,882	699,871
Other Income	2,766	1,079
Other Grant Income	-	3,600
Insurance Claim	-	8,080
	<u>£753,648</u>	<u>£712,630</u>

(9)
GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2024

3. **ANALYSIS OF RESOURCES EXPENDED**

<u>Charitable Activities</u>	<u>Basis of Allocation</u>	<u>Charitable Activities</u> £	<u>Governance Costs</u> £	<u>Total 2024</u> £	<u>Total 2023</u> £
<u>Teaching and care of children</u>					
Wages	Direct	536,969	-	536,969	545,324
Foods and disposables	Direct	25,315	-	25,315	24,590
Training expenses and healthcare	Direct	1,439	-	1,439	1,487
Sundry	Direct	907	-	907	2,315
Activity Costs	Direct	6,617	-	6,617	5,895
		571,247	-	571,247	579,611
<u>Running costs</u>					
Light, heat & power	Direct	15,101	-	15,101	9,073
Grounds maintenance	Direct	7,793	-	7,793	5,786
Premises expenses	Direct	31,635	-	31,635	10,298
Sundry expenses	Direct	7,585	-	7,585	7,410
Telephone, postage and stationery	Direct	8,094	-	8,094	6,317
Advertising	Direct	563	-	563	367
Travel and motor running	Direct	17,009	-	17,009	15,345
Equipment repairs	Direct	7,864	-	7,864	6,843
Insurance	Direct	6,457	-	6,457	4,915
Computer Expenses	Direct	5,621	-	5,621	5,335
		107,722	-	107,722	71,689
<u>Administration Costs</u>					
Depreciation	Direct	20,670	-	20,670	22,386
Bank charges and interest	Direct	2,223	-	2,223	2,972
		82,893	-	22,893	25,358
<u>Total charitable activities costs</u>		701,862	-	701,862	676,658
4. <u>Governance costs</u>					
Accountancy	Direct	-	21,942	21,942	6,845
Legal and professional	Direct	-	7,025	7,025	20,219
		-	28,967	28,967	27,064

NET INCOMING RESOURCES

Net incoming resources are stated after charging

	<u>2024</u> £	<u>2023</u> £
Accountancy	7,025	6,845
Depreciation	20,670	21,883
	27,695	28,728

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2024

5.	<u>TANGIBLE FIXED ASSETS</u>	<u>Telephone Exchange Conversion</u> £	<u>Property Improvements</u> £	<u>Land & Buildings</u> £	<u>Equipment Fixtures & Fittings</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
	<u>Cost</u>						
	At 1 st April 2023	59,226	191,561	239,376	124,424	1,575	616,162
	Additions	-	500	-	5,651	-	6,151
	Disposals	-	-	-	-	-	-
	At 31 st August 2024	<u>59,226</u>	<u>192,061</u>	<u>239,376</u>	<u>130,075</u>	<u>1,575</u>	<u>622,313</u>
	<u>Depreciation</u>						
	At 1 st April 2023	36,521	62,754	97,751	111,370	1,260	309,656
	Charge for the Year	2,369	7,663	4,788	5,535	315	20,670
	On Disposals	-	-	-	-	-	-
	At 31 st August 2024	<u>38,890</u>	<u>70,417</u>	<u>102,539</u>	<u>116,905</u>	<u>1,575</u>	<u>330,326</u>
	<u>Net Book Value</u>						
	At 31 st August 2024	<u>20,336</u>	<u>121,644</u>	<u>136,837</u>	<u>13,170</u>	<u>-</u>	<u>£291,987</u>
	At 31 st August 2023	<u>22,705</u>	<u>128,807</u>	<u>141,625</u>	<u>13,054</u>	<u>315</u>	<u>£306,506</u>
6.	<u>DEBTORS</u>					<u>2024</u> £	<u>2023</u> £
	Trade Debtors					279	3,956
	Other Debtors and Prepayments					4,693	13,716
						<u>£4,972</u>	<u>£17,672</u>
7.	<u>CREDITORS: Amounts falling due within one Year</u>						
	Trade Creditors					7,485	10,916
	Other creditors & accruals					10,577	18,965
	Other Taxation and Social Security					7,380	8,477
	J Larkin					156	240
	Bank Overdraft					-	30,374
						<u>£25,598</u>	<u>£68,972</u>

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2024

8. <u>MOVEMENT IN FUNDS</u>	<u>At</u> <u>01.09.23</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>At</u> <u>31.08.24</u>
	£	£	£	£
Unrestricted funds	79,195	754,481	730,829	102,847
Restricted funds	236,209	-	-	236,209
Net assets at 31 st August 2024	<u>315,404</u>	<u>754,481</u>	<u>730,829</u>	<u>339,056</u>

9. RELATED PARTY TRANSACTIONS

Included within creditors are expenses due to Mrs J Larkin, who is the wife of Mr A J Larkin, of £156. During this year Mrs A J Larkin was employed as the senior manager and paid remuneration of £42,444 in total covering the year.

Included within premises expenses are cleaning and maintenance services totalling £4,031, provided by Prozone Services Ltd, a company operated by the chair of trustees, A J Larkin. All transactions were at strictly agreed commercial rates.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

England & Wales - Charity number 1101914

Accounts

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2023

REGISTERED CHARITY NUMBER: 1101914

COMPANY NUMBER: 04882693

R J FRANCIS AND CO.
Chartered Accountants
& Registered Auditors
Marshall Business Centre
Faraday Road
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HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
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FOR THE YEAR ENDED 31ST AUGUST 2023

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(A Company limited by guarantee)

COMPANY INFORMATION

Charity Name: Gateway (Education & Childcare) Trust Limited

Charity Number: 1101914

Company Number: 04882693

Trustees/ Directors: Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

Registered Office: The Gateway Centre
Longworth Lane
Bartestree
Hereford
HR1 4GA

Accountants: R J Francis & Co Limited
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Solicitors: Lambe Corner & Co
Bridge Street
Hereford
HR4 9DJ

Bankers: Lloyds TSB Bank plc
High Town
Hereford
HR1 2AE

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2023

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, submit their financial statements for the year ended 31st August 2023.

The Charity is a charitable Company limited by guarantee and was set up to provide pre-school nursery and out of school activities. It is governed by a memorandum and articles of association.

Structure, Governance and Management

The Trustees in office during the year were as follows:

Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

The Company does not have share capital, being limited by guarantee.

Mrs J Larkin is the senior staff member to whom day to day management of the Charity is delegated by the Trustees.

Potential new Trustees are identified through local knowledge and contacts within the surrounding community and include interested parents using the children's nursery, local professionals and members of the local community themselves.

Discussions take place with potential new Trustees about:

- Duties
- Responsibilities
- Aspirations of the Nursery
- Meetings (timings / content)
- Added value to the community

The candidates also have the opportunity to attend meetings of the existing Trustees.

The nursery comprises those members as detailed above. Decisions are made at the Trustees' meetings on a majority basis, although outcomes are unusually unanimous in view of the commonality of desire to achieve the aims and objectives of the Trust for the benefit of the local and wider community and the nursery staff itself.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2023

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Charity for the purposes 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 charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company for the year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company 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 charitable Company and hence for taking reasonable steps for the prevention of the detection of fraud and other irregularities.

Insofar as the Trustees are aware:

- There is no relevant information of which the charitable Company's auditor is unaware: and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds at a level which equates to approximately 3 months of unrestricted expenditure to provide sufficient funds to cover management, administration and support costs. Due to rising costs, we have been unable to maintain this, but we are taking action to ensure future reserves will be established, as explained in the financial review.

Risk

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the Charity.

Principle identified risks

Cost Pressures

Staffing remains the main overhead, particularly as child numbers increased again in the year and maternity cover continued.

Objectives and activities

The Charity is established to provide pre-school nursery and out of school activities. The object of the nursery is to enhance the development and education of the children under statutory school age by encouraging parents to understand and provide for the needs of their children through the activities of the nursery.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2023

The nursery promotes the care and education of children in need of care during out of school hours and during the school holidays.

The nursery also seeks to promote, for the inhabitants of the parish of Lugwardine and Bartestree and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Achievements and Performance

The setting remains a charitable body governed by its objects and also remains a company limited by guarantee. The Trust owns the freehold of the buildings and land and governs the day-to-day activities of Gateway Nursery.

Total income for the financial year end 31st August 2023 amounted to £712,951 with total expenditure of £703,722, creating a surplus for the year of £9,229. This is particularly pleasing given the heavy expenditure in the previous financial year and creating a much-welcomed surplus. Fee income is the major source of total income and has increased substantially this year from £597,583 for the twelve months to 31st August 2022, to £699,871. Whilst the increase in fees (up 17%) produced the uplift in overall income that we anticipated, overall costs also increased by 10%, from £637,068 in 2022, to £703,722.

In terms of the balance sheet, fixed assets at the end of the new financial year to 31st August 2023 stood at £306,506, from £308,676 at the 2022 financial year end. These fixed assets, as in previous years, comprise primarily land and buildings.

Cash balances totalled £60,198, broadly level with £60,062 as at 31st August 2022. Healthy cash balances continue to be held in the business savings account for liquidity purposes. Total funds overall increased to £315,404 from £306,175 in the previous financial year.

Staffing costs continue to remain the main overhead at £545,324, up from £488,493 in the 2021-22 financial year. However, this has remained consistent over the last 2 years, representing c. 77% of total costs. General running costs increased by around £9,000 and the focus for the forthcoming financial year will be on more regular monitoring of day-to-day operational costs via monthly management accounts. We also experienced a significant flooding issue during the year where a toilet leak ruined the flooring in our pre-school facility but thankfully costs were largely covered by our insurance company.

Recruitment continues to present a challenge with a few further staff changes again during the year but the current cohort continues to provide a good mix of experience and continues to be well led by our two main managers, Elaine Talbot and Sarah Reed, with Senior Manager Jude Larkin (and co-founder of Gateway) now able to concentrate on the financial administration of the business. Numbers of children attending the nursery still remain healthy where we are still operating generally at full capacity, and we also continue to have a healthy waiting list and daily enquiries.

The priority for the forthcoming financial year still remains on investment in the land and premises, with fencing and our double decker bus project in particular a priority, recovering our large polytunnel, plus an upgrade to our fire and security systems.

The Trustees would once again like to thank all management and staff for their continued commitment and support which is so gratefully recognised and appreciated.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2023

Statement of disclosure of information to accountants

We, the Directors of the Company who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- There is no relevant audit information of which the Company's accountants are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant information and to establish that the Company's accountants are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's Website.

Accountants

A resolution proposing that R J Francis & Co Limited be re-appointed as accountants of the Charity will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Trustees

A J Larkin
Chair of Trustees
24th May 2024

ACCOUNTANTS REPORT

FOR THE YEAR ENDED 31ST AUGUST 2023

Independent examiner's report to the Trustees of Gateway (Education & Childcare) Trust Limited

I report on the accounts of the company for the year ended 31st August 2023 which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW (Institute of Chartered Accountants in England and Wales).]

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R J Francis
For and on behalf of R J Francis & Co Ltd
24th May 2024

Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST AUGUST 2023

	Note	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds</u> <u>2023</u> £	<u>Total Funds</u> <u>2022</u> £
<u>INCOMING RESOURCES</u>					
Income resources from generated funds					
Interest received		321	-	321	9
Incoming resources from charitable activities	2	712,630	-	712,630	604,491
<u>TOTAL INCOMING RESOURCES</u>		<u>712,951</u>	<u>-</u>	<u>712,951</u>	<u>604,500</u>
<u>RESOURCES EXPENDED</u>					
Charitable activities	3	676,658	-	676,658	610,531
Governance costs	4	27,064	-	27,064	26,537
<u>TOTAL RESOURCES EXPENDED</u>		<u>703,722</u>	<u>-</u>	<u>703,722</u>	<u>637,068</u>
<u>NET MOVEMENT IN FUNDS</u>		9,229	-	9,229	(32,568)
<u>TOTAL FUNDS BROUGHT FORWARD</u>		69,966	236,209	306,175	338,743
<u>TOTAL FUNDS CARRIED FORWARD</u>	8	<u>79,195</u>	<u>236,209</u>	<u>£315,404</u>	<u>£306,175</u>

All amounts derive from continuing activities.

There were no recognised gains or losses other than through the Statement of Financial Activities.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

BALANCE SHEET

31ST AUGUST 2023

	Note	£	<u>2023</u>	£	<u>2022</u>	£
<u>FIXED ASSETS</u>						
Tangible Assets	5		306,506		308,676	
<u>CURRENT ASSETS</u>						
Debtors	6	17,672		10,736		
Cash at Bank and in hand		60,198		60,062		
		77,870		70,798		
<u>CREDITORS: Amounts falling due</u>						
within one year	7		68,972		73,299	
			8,898		(2,501)	
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			8,898		(2,501)	
<u>TOTAL ASSETS LESS TOTAL LIABILITIES</u>			£315,404		£306,175	
<u>FUNDS</u>						
Unrestricted	8		79,195		69,966	
Restricted	8		236,209		236,209	
			£315,404		£306,715	

The Accounts have been delivered in accordance with the provisions applicable to Companies subject to the Small Companies Regime.

The financial statements were approved and signed on behalf of the board on 24th May 2024.

..... Director
A J Larkin

Chair of Trustees/Director

Charity Number: 1101914
Company Number: 04882693

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2023

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) "Accounting and Reporting by charities applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

c) Tangible Fixed Assets

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

Motor Vehicles	-	20% Straight Line
Plant and Machinery	-	20% Straight Line
Property Improvements	-	4% Straight Line
Freehold Property	-	2% Straight Line

d) Incoming Resources

Grants and Local Authority Fees are credited to the Statement of Financial Activities in the year for which they are received.

Fees receivable and charges for services are accounted for in the year in which the service is provided.

e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any value added tax which cannot be recovered. They are allocated to the particular activity to which they relate.

2. ANALYSIS OF INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>2023</u>	<u>2022</u>
	£	£
Fees	699,871	597,583
Other Income	1,079	3,908
Small Business Grant	-	3,000
Other Grant Income	3,600	-
Insurance Claim	8,080	-
	<u>£712,630</u>	<u>£604,491</u>

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2023

3. ANALYSIS OF RESOURCES EXPENDED

<u>Charitable Activities</u>	<u>Basis of Allocation</u>	<u>Charitable Activities</u> £	<u>Governance Costs</u> £	<u>Total 2023</u> £	<u>Total 2022</u> £
<u>Teaching and care of children</u>					
Wages	Direct	545,324	-	545,324	488,493
Foods and disposables	Direct	24,590	-	24,590	24,088
Training expenses and healthcare	Direct	1,487	-	1,487	906
Sundry	Direct	2,315	-	2,315	2,338
Activity Costs	Direct	5,895	-	5,895	5,748
		579,611	-	579,611	521,573
<u>Running costs</u>					
Light, heat & power	Direct	9,073	-	9,073	10,777
Grounds maintenance	Direct	5,786	-	5,786	6,541
Premises expenses	Direct	10,298	-	10,298	8,689
Sundry expenses	Direct	7,410	-	7,410	4,860
Telephone, postage and stationery	Direct	6,317	-	6,317	5,254
Advertising	Direct	367	-	367	392
Travel and motor running	Direct	15,345	-	15,345	10,958
Equipment repairs	Direct	6,843	-	6,843	7,222
Insurance	Direct	4,915	-	4,915	4,504
Bad debt provision	Direct	-	-	-	-
Computer Expenses	Direct	5,335	-	5,335	3,738
		71,689	-	71,689	62,935
<u>Administration Costs</u>					
Depreciation	Direct	22,386	-	22,386	23,825
Bank charges and interest	Direct	2,972	-	2,972	2,198
		25,358	-	25,358	26,023
<u>Total charitable activities costs</u>		676,658	-	676,658	610,531
4. <u>Governance costs</u>					
Accountancy	Direct	-	6,845	6,845	6,890
Legal and professional	Direct	-	20,219	20,219	19,647
		-	27,064	27,064	26,537

NET INCOMING RESOURCES

Net incoming resources are stated after charging

	<u>2023</u> £	<u>2022</u> £
Accountancy	6,845	6,890
Depreciation	21,883	23,825

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2023

5.	<u>TANGIBLE FIXED ASSETS</u>	<u>Telephone</u> <u>Exchange</u> <u>Conversion</u> £	<u>Property</u> <u>Improvements</u> £	<u>Land &</u> <u>Buildings</u> £	<u>Equipment</u> <u>Fixtures &</u> <u>Fittings</u> £	<u>Motor</u> <u>Vehicles</u> £	<u>Total</u> £
	<u>Cost</u>						
	At 1 st April 2022	59,226	180,715	239,376	115,054	1,575	595,946
	Additions	-	10,846	-	9,370	-	20,216
	Disposals	-	-	-	-	-	-
	At 31 st August 2023	59,226	191,561	239,376	124,424	1,575	616,162
	<u>Depreciation</u>						
	At 1 st April 2022	34,152	55,091	92,963	104,119	945	287,270
	Charge for the Year	2,369	7,663	4,788	7,251	315	22,386
	On Disposals	-	-	-	-	-	-
	At 31 st August 2023	36,521	62,754	97,751	111,370	1,260	309,656
	<u>Net Book Value</u>						
	At 31 st August 2023	22,705	128,807	141,625	13,054	315	£306,506
	At 31 st August 2022	25,074	125,624	146,413	10,935	630	£308,676
6.	<u>DEBTORS</u>					<u>2023</u> £	<u>2022</u> £
	Trade Debtors					3,956	5,063
	Other Debtors and Prepayments					13,716	5,673
						£17,672	£10,736
7.	<u>CREDITORS: Amounts falling due within one Year</u>						
	Trade Creditors					10,916	4,426
	Other creditors & accruals					18,965	18,795
	Other Taxation and Social Security					8,477	7,808
	J Larkin					240	165
	Bank Overdraft					30,374	42,105
						£68,972	£73,299

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2023

8. <u>MOVEMENT IN FUNDS</u>	<u>At</u> <u>01.09.22</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>At</u> <u>31.08.23</u>
	£	£	£	£
Unrestricted funds	69,966	712,951	703,722	79,195
Restricted funds	236,209	-	-	236,209
Net assets at 31 st August 2023	<u>306,175</u>	<u>712,951</u>	<u>703,722</u>	<u>315,404</u>

9. RELATED PARTY TRANSACTIONS

It was agreed by the trustees that, with effect from the 1st April 2018, the related party balances shown with Gateway (Education & Childcare) Trust and Gateway Nurseries Limited should be written off. All nursery activities are conducted through Gateway (Education & Childcare) Trust Limited and the trustees are progressing ceasing the registration for the other two charities with the Charity Commission.

Included within creditors are expenses due to Mrs J Larkin, who is the wife of Mr A J Larkin, of £240. During this year Mrs A J Larkin was employed as the senior manager and paid remuneration of £40,440 in total covering the year.

Included within grounds maintenance is a total of £1,650, payment for services to Prozone Services Ltd, a company operated by the chair of trustees, A J Larkin. A further £312 was paid to the company for cleaning services, included within premises expenses in the accounts. Both transactions were at strictly agreed commercial rates.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

England & Wales - Charity number 1101914

Accounts

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2022

REGISTERED CHARITY NUMBER: 1101914

COMPANY NUMBER: 04882693

R J FRANCIS AND CO.
Chartered Accountants
& Registered Auditors
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FOR THE YEAR ENDED 31ST AUGUST 2022

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GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

COMPANY INFORMATION

Charity Name: Gateway (Education & Childcare) Trust Limited

Charity Number: 1101914

Company Number: 04882693

Trustees/ Directors: Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

Registered Office: The Gateway Centre
Longworth Lane
Bartestree
Hereford
HR1 4GA

Accountants: R J Francis & Co Limited
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Solicitors: Lambe Corner & Co
Bridge Street
Hereford
HR4 9DJ

Bankers: Lloyds TSB Bank plc
High Town
Hereford
HR1 2AE

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2022

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, submit their financial statements for the year ended 31st August 2022.

The Charity is a charitable Company limited by guarantee and was set up to provide pre-school nursery and out of school activities. It is governed by a memorandum and articles of association.

Structure, Governance and Management

The Trustees in office during the year were as follows:

Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

The Company does not have share capital, being limited by guarantee.

Mrs J Larkin is the senior staff member to whom day to day management of the Charity is delegated by the Trustees.

Potential new Trustees are identified through local knowledge and contacts within the surrounding community and include interested parents using the children's nursery, local professionals and members of the local community themselves.

Discussions take place with potential new Trustees about:

- Duties
- Responsibilities
- Aspirations of the Nursery
- Meetings (timings / content)
- Added value to the community

The candidates also have the opportunity to attend meetings of the existing Trustees.

The nursery comprises those members as detailed above. Decisions are made at the Trustees' meetings on a majority basis, although outcomes are unusually unanimous in view of the commonality of desire to achieve the aims and objectives of the Trust for the benefit of the local and wider community and the nursery staff itself.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2022

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Charity for the purposes 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 charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company for the year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company 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 charitable Company and hence for taking reasonable steps for the prevention of the detection of fraud and other irregularities.

Insofar as the Trustees are aware:

- There is no relevant information of which the charitable Company's auditor is unaware: and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds at a level which equates to approximately 3 months of unrestricted expenditure to provide sufficient funds to cover management, administration and support costs. Due to rising costs, we have been unable to maintain this, but we are taking action to ensure future reserves will be established, as explained in the financial review.

Risk

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the Charity.

Principle identified risks

Cost Pressures

Staffing remains the main overhead, particularly as child numbers increased again in the year and maternity cover continued.

Objectives and activities

The Charity is established to provide pre-school nursery and out of school activities. The object of the nursery is to enhance the development and education of the children under statutory school age by encouraging parents to understand and provide for the needs of their children through the activities of the nursery.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2022

The nursery promotes the care and education of children in need of care during out of school hours and during the school holidays.

The nursery also seeks to promote, for the inhabitants of the parish of Lugwardine and Bartestree and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Achievements and Performance

The setting remains a charitable body governed by its objects and also remains a company limited by guarantee. The Trust owns the freehold of the buildings and land and governs the day-to-day activities of Gateway Nursery.

Total income for the financial year end 31st August 2022 amounted to £604,500 with total expenditure of £637,068, creating a deficit for the year of £32,568. Whilst disappointing, this does reflect a period of further recovery from the COVID-19 pandemic with no further support in respect of the Government's JRS (£30,171 in 2021) or further insurance claims (£48,454 in 2021). Normal fee income reduced in this financial year to £597,583 compared with £631,718 for the twelve months to 31st August 2021 but a fee increase is already planned for the forthcoming new financial year.

In terms of the balance sheet, fixed assets at the end of the new financial year to 31st August 2022 stood at £308,676, up from £300,614 at the 2021 financial year end. These fixed assets comprise primarily land and buildings.

Cash balances totalled £60,062 decreasing from £92,169 as at 31st August 2021. Healthy cash balances continue to be held in the business savings account for liquidity purposes.

Staffing costs continue to remain the main overhead at £488,493 and whilst this has reduced from £516,073 in the 2020-21 financial year, it does represent c. 77% of total costs compared with 75% in the previous financial year and will therefore need monitoring during the new financial year. Pleasingly however, other costs were again broadly in line with the previous year and the introduction of monthly management accounts in the new financial year will enable us to monitor this more closely and regularly, as well as overall financial performance.

Recruitment continues to present a challenge with a number of staff changes again during the year but the current cohort provides a good mix of experience and is being well led by our two main managers Sarah Reed and Elaine Talbot, who continue to work well together and have established excellent relationships with parents, as have the staff themselves. Numbers of children attending the nursery remain healthy where we are operating generally at full capacity, and we also continue to have a healthy waiting list and daily enquiries.

We also saw the resignation of a further Trustee, Tim Bryant, for personal reasons and would like to record our thanks to Tim for his long-standing support. We will seek to recruit a replacement during the new financial year and hopefully appoint additional Trustees in due course.

The priority for the forthcoming financial year will be long-awaited investment in the land and premises, with new fencing in the play areas and completion of the double decker bus project in particular. New metal security perimeter fencing was erected during the current financial year which was funded from reserves (cost c. £14,000) and we were successful with a bid for a grant from Herefordshire County Council for £3,000 with which we were able to construct a new wooden shelter for our forest school project which will also continue to be developed during the new financial year.

The Trustees would once again like to thank all management and staff for their continued commitment and support and we look forward to providing a further update at the end of the next financial year.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2022

Statement of disclosure of information to accountants

We, the Directors of the Company who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- There is no relevant audit information of which the Company's accountants are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant information and to establish that the Company's accountants are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's Website.

Accountants

A resolution proposing that R J Francis & Co Limited be re-appointed as accountants of the Charity will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Trustees

A J Larkin
Chair of Trustees
26th June 2023

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

ACCOUNTANTS REPORT

FOR THE YEAR ENDED 31ST AUGUST 2022

Independent examiner's report to the Trustees of Gateway (Education & Childcare) Trust Limited

I report on the accounts of the company for the year ended 31st August 2022 which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW (Institute of Chartered Accountants in England and Wales).]

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R J Francis
For and on behalf of R J Francis & Co Ltd
26th June 2023

Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST AUGUST 2022

	Note	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total Funds 2022</u> £	<u>Total Funds 2021</u> £
<u>INCOMING RESOURCES</u>					
Income resources from generated funds					
Interest received		9	-	9	5
Incoming resources from charitable activities	2	604,491	-	604,491	712,432
<u>TOTAL INCOMING RESOURCES</u>		<u>604,500</u>	<u>-</u>	<u>604,500</u>	<u>712,437</u>
<u>RESOURCES EXPENDED</u>					
Charitable activities	3	610,531	-	610,531	649,093
Governance costs	4	26,537	-	26,537	28,939
<u>TOTAL RESOURCES EXPENDED</u>		<u>637,068</u>	<u>-</u>	<u>637,068</u>	<u>678,032</u>
<u>NET MOVEMENT IN FUNDS</u>		(32,568)	-	(32,568)	34,405
<u>TOTAL FUNDS BROUGHT FORWARD</u>		102,534	236,209	338,743	304,338
<u>TOTAL FUNDS CARRIED FORWARD</u>	8	<u>69,966</u>	<u>236,209</u>	<u>£306,175</u>	<u>£338,743</u>

All amounts derive from continuing activities.

There were no recognised gains or losses other than through the Statement of Financial Activities.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

BALANCE SHEET

31ST AUGUST 2022

	Note	£	<u>2022</u>	£	<u>2021</u>	£
<u>FIXED ASSETS</u>						
Tangible Assets	5		308,676		300,614	
<u>CURRENT ASSETS</u>						
Debtors	6	10,736		14,692		
Cash at Bank and in hand		60,062		92,169		
		70,798		106,861		
<u>CREDITORS: Amounts falling due within one year</u>						
	7	73,299		68,732		
<u>NET CURRENT (LIABILITIES) / ASSETS</u>			(2,501)		38,129	
<u>TOTAL ASSETS LESS TOTAL LIABILITIES</u>			£306,175		£338,743	
<u>FUNDS</u>						
Unrestricted	8		69,966		102,534	
Restricted	8		236,209		236,209	
			£306,715		£338,743	

The Accounts have been delivered in accordance with the provisions applicable to Companies subject to the Small Companies Regime.

The financial statements were approved and signed on behalf of the board on 26th June 2023.

..... Director
A J Larkin

Chair of Trustees/Director

Charity Number: 1101914
Company Number: 04882693

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2022

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) "Accounting and Reporting by charities applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

c) Tangible Fixed Assets

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

Motor Vehicles	-	20% Straight Line
Plant and Machinery	-	20% Straight Line
Property Improvements	-	4% Straight Line
Freehold Property	-	2% Straight Line

d) Incoming Resources

Grants and Local Authority Fees are credited to the Statement of Financial Activities in the year for which they are received.

Fees receivable and charges for services are accounted for in the year in which the service is provided.

e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any value added tax which cannot be recovered. They are allocated to the particular activity to which they relate.

2. ANALYSIS OF INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>2022</u>	<u>2021</u>
	£	£
Fees	597,583	631,718
Other Income	3,908	403
Insurance Claim	-	48,454
JRS Furlough Income	-	30,171
Small Business Grant	3,000	-
Other Grant Income	-	1,686
	<u>£604,491</u>	<u>£712,432</u>

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2022

3. ANALYSIS OF RESOURCES EXPENDED

<u>Charitable Activities</u>	<u>Basis of Allocation</u>	<u>Charitable Activities</u> £	<u>Governance Costs</u> £	<u>Total 2022</u> £	<u>Total 2021</u> £
<u>Teaching and care of children</u>					
Wages	Direct	488,493	-	488,493	516,073
Foods and disposables	Direct	24,088	-	24,088	25,293
Training expenses and healthcare	Direct	906	-	906	6,071
Sundry	Direct	2,338	-	2,338	2,557
Activity Costs	Direct	5,748	-	5,748	4,305
		<u>521,573</u>	<u>-</u>	<u>521,573</u>	<u>554,299</u>
<u>Running costs</u>					
Light, heat & power	Direct	10,777	-	10,777	10,105
Grounds maintenance	Direct	6,541	-	6,541	8,429
Premises expenses	Direct	8,689	-	8,689	16,257
Sundry expenses	Direct	4,860	-	4,860	2,615
Telephone, postage and stationery	Direct	5,254	-	5,254	6,534
Advertising	Direct	392	-	392	669
Travel and motor running	Direct	10,958	-	10,958	8,973
Equipment repairs	Direct	7,222	-	7,222	8,892
Insurance	Direct	4,504	-	4,504	4,185
Loss on disposal of motor vehicle	Direct	-	-	-	-
Bad debt provision	Direct	-	-	-	-
Computer Expenses	Direct	3,738	-	3,738	5,489
		<u>62,935</u>	<u>-</u>	<u>62,935</u>	<u>72,148</u>
<u>Administration Costs</u>					
Depreciation	Direct	23,825	-	23,825	20,872
Bank charges and interest	Direct	2,198	-	2,198	1,774
		<u>26,023</u>	<u>-</u>	<u>26,023</u>	<u>22,646</u>
<u>Total charitable activities costs</u>		<u>610,531</u>	<u>-</u>	<u>610,531</u>	<u>649,093</u>
<u>Governance costs</u>					
Accountancy	Direct	-	6,890	6,890	6,540
Legal and professional	Direct	-	19,647	19,647	22,399
		<u>-</u>	<u>26,537</u>	<u>26,537</u>	<u>28,939</u>

NET INCOMING RESOURCES

	<u>2022</u> £	<u>2021</u> £
Net incoming resources are stated after charging		
Accountancy	6,890	6,540
Depreciation	23,825	20,872
	<u>30,715</u>	<u>27,412</u>

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2022

5.	<u>TANGIBLE FIXED ASSETS</u>	<u>Telephone</u> <u>Exchange</u> <u>Conversion</u> £	<u>Property</u> <u>Improvements</u> £	<u>Land &</u> <u>Buildings</u> £	<u>Equipment</u> <u>Fixtures &</u> <u>Fittings</u> £	<u>Motor</u> <u>Vehicles</u> £	<u>Total</u> £
	<u>Cost</u>						
	At 1 st April 2021	59,226	154,265	239,376	109,617	1,575	564,059
	Additions	-	26,450	-	5,437	-	31,887
	Disposals	-	-	-	-	-	-
	At 31 st August 2022	59,226	180,715	239,376	115,054	1,575	595,946
	<u>Depreciation</u>						
	At 1 st April 2021	31,783	48,225	88,175	94,632	630	263,445
	Charge for the Year	2,369	6,866	4,788	9,487	315	23,825
	On Disposals	-	-	-	-	-	-
	At 31 st August 2022	34,152	55,091	92,963	104,119	945	287,270
	<u>Net Book Value</u>						
	At 31 st August 2022	25,074	125,624	146,413	10,935	630	£308,676
	At 31 st August 2021	27,443	106,040	151,201	14,985	945	£300,614
6.	<u>DEBTORS</u>					<u>2022</u> £	<u>2021</u> £
	Trade Debtors					5,063	8,469
	Other Debtors and Prepayments					5,673	6,223
						£10,736	£14,692
7.	<u>CREDITORS: Amounts falling due within one Year</u>						
	Trade Creditors					4,426	15,345
	Other creditors & accruals					18,795	10,513
	Other Taxation and Social Security					7,808	6,161
	J Larkin					165	611
	Bank Overdraft					42,105	36,102
						£73,299	£68,732

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2022

8. <u>MOVEMENT IN FUNDS</u>	<u>At</u> <u>01.09.21</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>At</u> <u>31.08.22</u>
	£	£	£	£
Unrestricted funds	102,534	604,500	637,068	69,966
Restricted funds	236,209	-	-	236,209
Net assets at 31 st August 2022	<u>£338,743</u>	<u>604,500</u>	<u>637,068</u>	<u>£306,175</u>

9. RELATED PARTY TRANSACTIONS

It was agreed by the trustees that, with effect from the 1st April 2018, the related party balances shown with Gateway (Education & Childcare) Trust and Gateway Nurseries Limited should be written off. All nursery activities are conducted through Gateway (Education & Childcare) Trust Limited and the trustees are progressing ceasing the registration for the other two charities with the Charity Commission.

Included within creditors are expenses due to Mrs J Larkin, who is the wife of Mr A J Larkin, of £165. During this year Mrs A J Larkin was employed as the senior manager and paid remuneration of £39,389 in total covering the year.

Included within property improvement costs this year is a total of £13,200 payment for services to Daniel Squire Ltd, a company operated by one of the trustees Mr D. Squire.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

England & Wales - Charity number 1101914

Accounts

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2021

REGISTERED CHARITY NUMBER: 1101914

COMPANY NUMBER: 04882693

R J FRANCIS AND CO.
Chartered Accountants
& Registered Auditors
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FOR THE YEAR ENDED 31ST AUGUST 2021

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GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

COMPANY INFORMATION

Charity Name: Gateway (Education & Childcare) Trust Limited

Charity Number: 1101914

Company Number: 04882693

Trustees/ Directors: Mr A J Larkin, Chair of Trustees
Mrs H J Pearson
Mr D Squire

Registered Office: The Gateway Centre
Longworth Lane
Bartestree
Hereford
HR1 4GA

Accountants: R J Francis & Co Limited
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Solicitors: Lambe Corner & Co
Bridge Street
Hereford
HR4 9DJ

Bankers: Lloyds TSB Bank plc
High Town
Hereford
HR1 2AE

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2021

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, submit their financial statements for the year ended 31st August 2021.

The Charity is a charitable Company limited by guarantee and was set up to provide pre-school nursery and out of school activities. It is governed by a memorandum and articles of association.

Structure, Governance and Management

The Trustees in office during the year were as follows:

Mr A J Larkin, Chair of Trustees
Mr T J Bryant
Mr W G McGill
Mrs H J Pearson
Mr D Squire

Mrs R D McGill resigned as a Trustee on 22nd September 2020. Mr WG McGill resigned as a trustee on 17th September 2021 and Mr TJ Bryant resigned on 28th January 2022.

The Company does not have share capital, being limited by guarantee.

Mrs J Larkin is the senior staff member to whom day to day management of the Charity is delegated by the Trustees.

Potential new Trustees are identified through local knowledge and contacts within the surrounding community and include interested parents using the children's nursery, local professionals and members of the local community themselves.

Discussions take place with potential new Trustees about:

- Duties
- Responsibilities
- Aspirations of the Nursery
- Meetings (timings / content)
- Added value to the community

The candidates also have the opportunity to attend meetings of the existing Trustees.

The nursery comprises those members as detailed above. Decisions are made at the Trustees' meetings on a majority basis, although outcomes are unusually unanimous in view of the commonality of desire to achieve the aims and objectives of the Trust for the benefit of the local and wider community and the nursery staff itself.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITEDTRUSTEES' ANNUAL REPORTFOR THE YEAR ENDED 31ST AUGUST 2021**Statement of Trustees' Responsibilities**

The Trustees (who are also Directors of the Charity for the purposes 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 charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company for the year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company 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 charitable Company and hence for taking reasonable steps for the prevention of the detection of fraud and other irregularities.

Insofar as the Trustees are aware:

- There is no relevant information of which the charitable Company's auditor is unaware: and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds at a level which equates to approximately 3 months of unrestricted expenditure to provide sufficient funds to cover management, administration and support costs. Due to rising costs, we have been unable to maintain this, but we are taking action to ensure future reserves will be established, as explained in the financial review.

Risk

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the Charity.

Principle identified risks*Cost Pressures*

Staffing remains the main overhead, particularly as child numbers increased again in the year and maternity cover continued.

Objectives and activities

The Charity is established to provide pre-school nursery and out of school activities. The object of the nursery is to enhance the development and education of the children under statutory school age by encouraging parents to understand and provide for the needs of their children through the activities of the nursery.

The nursery promotes the care and education of children in need of care during out of school hours and during the school holidays.

The nursery also seeks to promote, for the inhabitants of the parish of Lugwardine and Bartestree and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITEDTRUSTEES' ANNUAL REPORTFOR THE YEAR ENDED 31ST AUGUST 2021**Achievements and Performance**

The setting remains a charitable body governed by its objects and also remains a company limited by guarantee. The Trust owns the freehold of the buildings and land and governs the day-to-day activities of Gateway Nursery.

Total income for the financial year end 31st August 2021 was £712,437 and with expenditure totalling £678,032, we achieved a surplus for the financial year of £34,405. Fee income normally accounts for almost all of normal incoming resources, however, we again saw a mixed composition of income during the financial year as a result of the continuing pandemic. Normal fee income increased this year to £631,718 (compared with £532,557 for the twelve months to 31st August 2020) but in addition to normal trading income, we were able to again benefit from the Government's Job Retention Scheme furlough income (£30,171), other grant income (£1,686) and a final payment from a claim under the setting's Business Interruption Insurance (£48,454).

In terms of the balance sheet, fixed assets at the end of the new financial year to 31st August 2021 stood at £300,614, down from £308,080 at the 2020 financial year end. These fixed assets comprise primarily land and buildings. Cash balances totalled £92,169 increasing from £55,267 as at 31st March 2020.

Of the total expenditure, staffing remains the main overhead at £516,073, being 76% of total costs, and this was again broadly consistent with the previous financial year which was 75% of total expenditure. Whilst staff costs increased by around £32,000, other costs were broadly in line with the previous year and the surplus position was again particularly pleasing as we continued to invest in the business and cope with the continuing challenges brought about by the pandemic.

The Early Years sector has continued to provide its services throughout the COVID-19 pandemic but this year we have seen a marked change to the recruitment market with many people having decided to leave the childcare industry. We ourselves have seen a number of staffing changes during the year and have faced difficulty in filling vacant posts. However, we have managed to maintain the required staff ratios throughout which remains a key priority and we have seen a gradual increase in numbers of children returning to the setting and new children attending for the first time. We also have a healthy waiting list and enquiries for places continue on a weekly basis.

We also saw the resignation of one Trustee, Rachel McGill, for personal reasons and we anticipate a further resignation by Mr Bill McGill for similar reasons. We would like to thank Rachel for her continued support during her tenure and we will seek to recruit additional Trustees in due course.

At the end of April, we appointed a new manager, Sarah Reed, to work alongside Elaine Talbot. Whilst they have separate responsibilities they have worked well together from the start with excellent feedback from both staff and parents.

An Ofsted inspection was carried out on the 2nd July with the two relatively new managers leading it for the first time with a 'Good' outcome for overall effectiveness and for all aspects of the inspection. We were delighted with the outcome and the subsequent report which praised management, staff and children and described the setting as "friendly and welcoming".

The Trustees would again like to thank both the staff and management team for their commitment and resilience during what has been a continuing period of challenge and the Trustees will continue to provide whatever support is necessary over the forthcoming months as we hopefully begin to emerge from the pandemic.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2021

Statement of disclosure of information to accountants

We, the Directors of the Company who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- There is no relevant audit information of which the Company's accountants are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant information and to establish that the Company's accountants are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's Website.

Accountants

A resolution proposing that R J Francis & Co Limited be re-appointed as accountants of the Charity will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Trustees

A J Larkin
Chair of Trustees
27th May 2022

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

ACCOUNTANTS REPORT

FOR THE YEAR ENDED 31ST AUGUST 2021

Independent examiner's report to the Trustees of Gateway (Education & Childcare) Trust Limited

I report on the accounts of the company for the year ended 31st August 2021 which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW (Institute of Chartered Accountants in England and Wales).]

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R J Francis
For and on behalf of R J Francis & Co Ltd
27th May 2022

Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

(6)
GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
 (A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST AUGUST 2021

	Note	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total Funds</u> <u>2021</u> £	<u>Total Funds</u> <u>2020</u> £
<u>INCOMING RESOURCES</u>					
Income resources from generated funds					
Interest received		5	-	5	19
Incoming resources from charitable activities	2	712,432	-	712,432	653,625
<u>TOTAL INCOMING RESOURCES</u>		<u>712,437</u>	<u>-</u>	<u>712,437</u>	<u>653,644</u>
<u>RESOURCES EXPENDED</u>					
Charitable activities	3	649,093	-	649,093	612,274
Governance costs	4	28,939	-	28,939	30,071
<u>TOTAL RESOURCES EXPENDED</u>		<u>678,032</u>	<u>-</u>	<u>678,032</u>	<u>642,345</u>
<u>NET MOVEMENT IN FUNDS</u>		34,405	-	34,405	11,299
<u>TOTAL FUNDS BROUGHT FORWARD</u>		68,129	236,209	304,338	293,039
<u>TOTAL FUNDS CARRIED FORWARD</u>	8	<u>102,534</u>	<u>236,209</u>	<u>£338,743</u>	<u>£304,338</u>

All amounts derive from continuing activities.

There were no recognised gains or losses other than through the Statement of Financial Activities.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

BALANCE SHEET

31ST AUGUST 2021

	Note	£	<u>2021</u>	£	<u>2020</u>	£
<u>FIXED ASSETS</u>						
Tangible Assets	5		300,614		308,080	
<u>CURRENT ASSETS</u>						
Debtors	6	14,692		11,076		
Cash at Bank and in hand		92,169		55,267		
		106,861		66,343		
<u>CREDITORS: Amounts falling due within one year</u>						
	7	68,732		70,085		
<u>NET CURRENT ASSETS / (LIABILITIES)</u>			38,129		(3,742)	
<u>TOTAL ASSETS LESS TOTAL LIABILITIES</u>			£338,743		£304,338	
<u>FUNDS</u>						
Unrestricted	8		102,534		68,129	
Restricted	8		236,209		236,209	
			£338,743		£304,338	

The Accounts have been delivered in accordance with the provisions applicable to Companies subject to the Small Companies Regime.

The financial statements were approved and signed on behalf of the board on 27th May 2022.

..... Director
A J Larkin

Chair of Trustees/Director

Charity Number: 1101914
Company Number: 04882693

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2021

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) "Accounting and Reporting by charities applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

c) Tangible Fixed Assets

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

Motor Vehicles	-	20% Straight Line
Plant and Machinery	-	20% Straight Line
Property Improvements	-	4% Straight Line
Freehold Property	-	2% Straight Line

d) Incoming Resources

Grants and Local Authority Fees are credited to the Statement of Financial Activities in the year for which they are received.

Fees receivable and charges for services are accounted for in the year in which the service is provided.

e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any value added tax which cannot be recovered. They are allocated to the particular activity to which they relate.

2. ANALYSIS OF INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>2021</u>	<u>2020</u>
	£	£
Fees	631,718	532,557
Other Income	403	972
Insurance Claim	48,454	14,000
JRS Furlough Income	30,171	74,550
Small Business Grant	-	25,000
Other Grant Income	1,686	6,546
	<u>£712,432</u>	<u>£653,625</u>

(9)
GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
 (A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2021

3. **ANALYSIS OF RESOURCES EXPENDED**

<u>Charitable Activities</u>	<u>Basis of Allocation</u>	<u>Charitable Activities</u> £	<u>Governance Costs</u> £	<u>Total 2021</u> £	<u>Total 2020</u> £
<u>Teaching and care of children</u>					
Wages	Direct	516,073	-	516,073	484,319
Foods and disposables	Direct	25,293	-	25,293	24,021
Training expenses and healthcare	Direct	6,071	-	6,071	5,333
Sundry	Direct	2,557	-	2,557	2,905
Activity Costs	Direct	4,302	-	4,305	3,516
		554,299	-	554,299	520,094
<u>Running costs</u>					
Light, heat & power	Direct	10,105	-	10,105	8,376
Grounds maintenance	Direct	8,429	-	8,429	7,638
Premises expenses	Direct	16,257	-	16,257	15,734
Sundry expenses	Direct	2,615	-	2,615	2,725
Telephone, postage and stationery	Direct	6,534	-	6,534	5,844
Advertising	Direct	669	-	669	427
Travel and motor running	Direct	8,973	-	8,973	10,618
Equipment repairs	Direct	8,892	-	8,892	8,260
Insurance	Direct	4,185	-	4,185	3,851
Loss on disposal of motor vehicle	Direct	-	-	-	636
Bad debt provision	Direct	-	-	-	2,480
Computer Expenses	Direct	5,489	-	5,489	4,080
		72,148	-	72,148	70,669
<u>Administration Costs</u>					
Depreciation	Direct	20,872	-	20,872	19,424
Bank charges and interest	Direct	1,774	-	1,774	2,087
		22,646	-	22,646	21,511
<u>Total charitable activities costs</u>		649,093	-	649,093	612,274
4. <u>Governance costs</u>					
Accountancy	Direct	6,540	-	6,540	6,350
Legal and professional	Direct	22,399	-	22,399	23,721
		28,939	-	28,939	30,071

NET INCOMING RESOURCES

Net incoming resources are stated after charging

	<u>2021</u> £	<u>2020</u> £
Accountancy	6,540	6,350
Depreciation	20,872	19,424

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2021

5.	<u>TANGIBLE FIXED ASSETS</u>	<u>Telephone Exchange Conversion</u>	<u>Property Improvements</u>	<u>Land & Buildings</u>	<u>Equipment Fixtures & Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
		£	£	£	£	£	£
	<u>Cost</u>						
	At 1 st April 2020	59,226	149,285	239,376	101,191	1,575	550,653
	Additions	-	4,980	-	8,426	-	13,406
	Disposals	-	-	-	-	-	-
	At 31 st August 2021	<u>59,226</u>	<u>154,265</u>	<u>239,376</u>	<u>109,617</u>	<u>1,575</u>	<u>564,059</u>
	<u>Depreciation</u>						
	At 1 st April 2020	29,414	42,417	83,387	87,040	315	242,573
	Charge for the Year	2,369	5,808	4,788	7,592	315	20,872
	On Disposals	-	-	-	-	-	-
	At 31 st August 2021	<u>31,783</u>	<u>48,225</u>	<u>88,175</u>	<u>94,632</u>	<u>630</u>	<u>263,445</u>
	<u>Net Book Value</u>						
	At 31 st August 2021	<u>27,443</u>	<u>106,040</u>	<u>151,201</u>	<u>14,985</u>	<u>945</u>	<u>£300,614</u>
	At 31 st August 2020	<u>29,812</u>	<u>106,868</u>	<u>155,989</u>	<u>14,151</u>	<u>1,260</u>	<u>£308,080</u>
6.	<u>DEBTORS</u>					<u>2021</u>	<u>2020</u>
						£	£
	Trade Debtors					8,469	5,570
	Other Debtors and Prepayments					6,223	5,506
						<u>£14,692</u>	<u>£11,076</u>
7.	<u>CREDITORS: Amounts falling due within one Year</u>						
	Trade Creditors					15,345	13,042
	Other creditors & accruals					10,513	5,965
	Other Taxation and Social Security					6,161	218
	J Larkin					611	47
	Bank Overdraft					36,102	50,813
						<u>£68,732</u>	<u>£70,085</u>

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2021

8. <u>MOVEMENT IN FUNDS</u>	<u>At</u> <u>01.09.20</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>At</u> <u>31.08.21</u>
	£	£	£	£
Unrestricted funds	68,129	712,437	678,032	102,534
Restricted funds	236,209	-	-	236,209
Net assets at 31 st August 2021	<u>£304,338</u>	<u>712,437</u>	<u>678,032</u>	<u>£338,743</u>

9. RELATED PARTY TRANSACTIONS

It was agreed by the trustees that, with effect from the 1st April 2018, the related party balances shown with Gateway (Education & Childcare) Trust and Gateway Nurseries Limited should be written off. All nursery activities are conducted through Gateway (Education & Childcare) Trust Limited and the trustees are progressing ceasing the registration for the other two charities with the Charity Commission.

Included within creditors are expenses due to Mrs J Larkin, who is the wife of Mr A J Larkin, of £611. During this year Mrs A J Larkin was employed as the senior manager and paid remuneration of £33,965 in total covering the year.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

England & Wales - Charity number 1101914

Accounts

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2020

REGISTERED CHARITY NUMBER: 1101914

COMPANY NUMBER: 04882693

R J FRANCIS AND CO.
Chartered Accountants
& Registered Auditors
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

FOR THE YEAR ENDED 31ST AUGUST 2020

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GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

COMPANY INFORMATION

Charity Name: Gateway (Education & Childcare) Trust Limited

Charity Number: 1101914

Company Number: 04882693

Trustees/ Directors: Mr A J Larkin, Chair of Trustees
Mr T J Bryant
Mr M G McGill
Mrs R D McGill
Mrs H J Pearson
Mr D Squire

Registered Office: The Gateway Centre
Longworth Lane
Bartestree
Hereford
HR1 4GA

Accountants: R J Francis & Co Limited
Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

Solicitors: Lambe Corner & Co
Bridge Street
Hereford
HR4 9DJ

Bankers: Lloyds TSB Bank plc
High Town
Hereford
HR1 2AE

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2020

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, submit their financial statements for the year ended 31st August 2020.

The Charity is a charitable Company limited by guarantee and was set up to provide pre-school nursery and out of school activities. It is governed by a memorandum and articles of association.

Structure, Governance and Management

The Trustees in office during the YEAR were as follows:

Mr A J Larkin, Chair of Trustees
Mr T J Bryant
Mr M G McGill
Mrs R D McGill
Mrs H J Pearson
Mr D Squire

The Company does not have share capital, being limited by guarantee.

Mrs J Larkin is the senior staff member to whom day to day management of the Charity is delegated by the Trustees.

Potential new Trustees are identified through local knowledge and contacts within the surrounding community and include interested parents using the children's nursery, local professionals and members of the local community themselves.

Discussions take place with potential new Trustees about:

- Duties
- Responsibilities
- Aspirations of the Nursery
- Meetings (timings / content)
- Added value to the community

The candidates also have the opportunity to attend meetings of the existing Trustees.

The nursery comprises those members as detailed above. Decisions are made at the Trustees' meetings on a majority basis, although outcomes are unusually unanimous in view of the commonality of desire to achieve the aims and objectives of the Trust for the benefit of the local and wider community and the nursery staff itself.

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2020

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Charity for the purposes 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 charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company for the YEAR. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observes the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable Company 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 charitable Company and hence for taking reasonable steps for the prevention of the detection of fraud and other irregularities.

Insofar as the Trustees are aware:

- There is no relevant information of which the charitable Company's auditor is unaware: and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds at a level which equates to approximately 3 months of unrestricted expenditure to provide sufficient funds to cover management, administration and support costs. Due to rising costs, we have been unable to maintain this, but we are taking action to ensure future reserves will be established, as explained in the financial review.

Risk

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are regularly reviewed to ensure they meet the needs of the Charity.

Principle identified risks

Cost Pressures

Staffing remains the main overhead, particularly as child numbers increased again in the year and maternity cover continued.

Objectives and activities

The Charity is established to provide pre-school nursery and out of school activities. The object of the nursery is to enhance the development and education of the children under statutory school age by encouraging parents to understand and provide for the needs of their children through the activities of the nursery.

The nursery promotes the care and education of children in need of care during out of school hours and during the school holidays.

The nursery also seeks to promote, for the inhabitants of the parish of Lugwardine and Bartestree and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2020

Achievements and Performance

The setting remains a charitable body governed by its objects and also remains a company limited by guarantee. The Trust owns the freehold of the buildings and land and governs the day-to-day activities of Gateway Nursery.

Last year, the Trustees took the decision to alter the financial year end to 31st August to reflect the end/start of the academic year when the setting's oldest children transition to primary school. The financial year ended 31st August 2020 therefore reflects a return to a normal twelve month trading period from the 1st September 2019. This again though makes a year-on-year comparison difficult when reviewing these latest financial statements with the previous seventeen month financial year.

That said, and like so for many other businesses, the global COVID-19 pandemic has had a significant impact on normal trading activity anyway, about which we provide further comment below.

Total income for the financial year end 31st August 2020 was £653,644 and with expenditure totalling £642,345, we achieved a surplus for the financial year of £11,299. Fee income normally accounts for almost all of normal incoming resources, however, this financial year the pandemic brought a change to the composition of income. Normal fee income comprised just £532,557 (compared with £686,173 for the twelve months 1st April 2018 to 31st March 2019) but in lieu of normal trading income, we were able to benefit from the Government's Job Retention Scheme furlough income (£74,550), a Small Business Grant (£25,000), other grant income (£6,546) and an interim payment from a claim under the setting's Business Interruption Insurance (£14,000). Without these additional income streams a certain deficit position would have arisen.

In terms of the balance sheet, fixed assets at the end of the new financial year to 31st August 2020 stood at £308,080, down from £314,686 at the 2019 financial year end. These fixed assets comprise primarily land and buildings. Cash balances totalled £55,267 increasing from £32,672 as at 31st March 2019.

Of the total expenditure, staffing remains the main overhead at 484,319, 75% of total costs. This was broadly consistent with the previous extended 17 month financial year which was 76% of total expenditure. Costs were impacted by the appointment of a new manager who commenced in role in January 2020 but was brought in to commence the transition of management as part of succession planning to allow long-standing Senior Manager Judith Larkin to step down after over 30 years and instead focus on outside projects and financial administration. The surplus position, however, was particularly pleasing as we continued to invest in the business, with new resources, equipment and improvements to the premises.

For the first time, management accounts have been produced, initially for the eight months 1st September 2020 to 30th April 2021. These highlight total income of £465,075 where, again, the impact of the pandemic, particularly on child attendance and therefore fee income, has been significant, exacerbated by lower JRS furlough income (£20,150), the lack of any further Government grant support and a final payment (£48,454) under the Business Interruption Insurance claim which was limited to a maximum three month claim period. Furlough income was impacted as we were only able to claim 65% of available income for those staff working with funded children as NEF funding continued to be paid and contributed towards those staff members' salaries.

Expenditure for the eight months totalled ££438,733, providing a surplus position of £26,342 as at 30th April 2021 which again is very encouraging given the current continuing challenging environment caused by the pandemic and bodes well for the financial year end as at 31st August 2021.

Following the first Government lockdown which commenced 23rd March 2020, the setting did remain open for key workers in line with Government guidance but it quickly became difficult to manage the balance between child numbers attending (significantly lower) and the cost of staffing and the decision to close was taken from the 31st March.

All staff except two managers and those required for maintenance purposes were furloughed, and a decision was made to lay off those apprentices who had completed their awards and one member of staff was also made redundant.

The setting reopened on the 18th June with nine staff initially, the remainder continuing on furlough, and a gradual increase in the number of children was seen where, up until the end of the financial year, 31st August 2020, only five of the usual cohort were not in attendance. Measures were brought in to limit the contact between staff and parents and children were admitted at specific points outside the building and maintained in room groups wherever possible.

A number of staff changes were seen up until the end of the financial year and a recruitment drive was initiated, allowing a wider review of staffing to be undertaken.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31ST AUGUST 2020

The Early Years sector continued to remain open during the second Government lockdown, with almost daily amendments to guidelines and Covid-compliance requirements, making this the most challenging period ever for all those involved with the setting, including staff, parents and children.

Thankfully, at the time of reporting, we remain Covid-free and continue to carry out our strict Covid procedures.

This year, above all others, the Trustees would like to thank both the staff and senior management team for their fortitude and dedication during what has been an unprecedented period of challenge to which they have risen incredibly and the Trustees will continue to provide whatever support is necessary over the forthcoming months as we hopefully begin to overcome the worst of the pandemic.

Statement of disclosure of information to accountants

We, the Directors of the Company who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that:

- There is no relevant audit information of which the Company's accountants are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant information and to establish that the Company's accountants are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's Website.

Accountants

A resolution proposing that R J Francis & Co Limited be re-appointed as accountants of the Charity will be proposed at the Annual General Meeting.

Signed on behalf of the Board of Trustees

A J Larkin
Chair of Trustees
4th August 2021

ACCOUNTANTS REPORT

FOR THE YEAR ENDED 31ST AUGUST 2020

Independent examiner's report to the Trustees of Gateway (Education & Childcare) Trust Limited

I report on the accounts of the company for the year ended 31st August 2020 which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW (Institute of Chartered Accountants in England and Wales).]

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

R J Francis
For and on behalf of R J Francis & Co Ltd
4th August 2021

Marshall Business Centre
Faraday Road
Hereford
HR4 9NS

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST AUGUST 2020

	Note	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total Funds</u> <u>2020</u> £	<u>Total Funds</u> <u>2019</u> £
<u>INCOMING RESOURCES</u>					
Income resources from generated funds					
Interest received		19	-	19	12
Incoming resources from charitable activities	2	653,625	-	653,625	1,007,918
<u>TOTAL INCOMING RESOURCES</u>		<u>653,644</u>	<u>-</u>	<u>653,644</u>	<u>1,007,930</u>
<u>RESOURCES EXPENDED</u>					
Charitable activities	3	612,274	-	612,274	940,388
Governance costs	4	30,071	-	30,071	44,467
<u>TOTAL RESOURCES EXPENDED</u>		<u>642,345</u>	<u>-</u>	<u>642,345</u>	<u>984,855</u>
<u>NET MOVEMENT IN FUNDS</u>		11,299	-	11,299	23,075
<u>TOTAL FUNDS BROUGHT FORWARD</u>		56,830	236,209	293,039	269,964
<u>TOTAL FUNDS CARRIED FORWARD</u>	8	<u>68,129</u>	<u>236,209</u>	<u>£304,338</u>	<u>£293,039</u>

All amounts derive from continuing activities.

There were no recognised gains or losses other than through the Statement of Financial Activities.

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

BALANCE SHEET

31ST AUGUST 2020

	Note	£	<u>2020</u>	£	£	<u>2019</u>	£
<u>FIXED ASSETS</u>							
Tangible Assets	5		308,080			314,686	
<u>CURRENT ASSETS</u>							
Debtors	6	11,076			14,980		
Cash at Bank and in hand		55,267			32,672		
		66,343			47,652		
<u>CREDITORS: Amounts falling due within one year</u>							
	7		70,085		69,299		
<u>NET CURRENT (LIABILITIES)</u>			(3,742)			(21,647)	
<u>TOTAL ASSETS LESS TOTAL LIABILITIES</u>			£304,338			£293,039	
<u>FUNDS</u>							
Unrestricted	8		68,129			56,830	
Restricted	8		236,209			236,209	
			£304,338			£293,039	

The Accounts have been delivered in accordance with the provisions applicable to Companies subject to the Small Companies Regime.

The financial statements were approved and signed on behalf of the board on 4th August 2021.

..... Director
A J Larkin

Chair of Trustees/Director

Charity Number: 1101914
Company Number: 04882693

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2020

1. ACCOUNTING POLICIES

a) Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charities SORP (FRS 102) "Accounting and Reporting by charities applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

c) Tangible Fixed Assets

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

Motor Vehicles	-	20% Straight Line
Plant and Machinery	-	20% Straight Line
Property Improvements	-	4% Straight Line
Freehold Property	-	2% Straight Line

d) Incoming Resources

Grants and Local Authority Fees are credited to the Statement of Financial Activities in the year for which they are received.

Fees receivable and charges for services are accounted for in the year in which the service is provided.

e) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis, inclusive of any value added tax which cannot be recovered. They are allocated to the particular activity to which they relate.

2. ANALYSIS OF INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<u>2020</u>	<u>2019</u>
	£	£
Fees	532,557	1,005,277
Other Income	972	2,641
Insurance Claim	14,000	-
JRS Furlough Income	74,550	-
Small Business Grant	25,000	-
Other Grant Income	6,546	-
	<u>£653,625</u>	<u>£1,007,918</u>

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
(A Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2020

3. ANALYSIS OF RESOURCES EXPENDED

<u>Charitable Activities</u>	<u>Basis of Allocation</u>	<u>Charitable Activities</u> £	<u>Governance Costs</u> £	<u>Total 2020</u> £	<u>Total 2019</u> £
<u>Teaching and care of children</u>					
Wages	Direct	484,319	-	484,319	751,767
Foods and disposables	Direct	24,021	-	24,021	34,828
Training expenses and healthcare	Direct	5,333	-	5,333	10,093
Sundry	Direct	2,905	-	2,905	2,921
Activity Costs	Direct	3,516	-	3,516	12,065
		520,094	-	520,094	811,674
<u>Running costs</u>					
Light, heat & power	Direct	8,376	-	8,376	11,885
Grounds maintenance	Direct	7,638	-	7,638	10,219
Premises expenses	Direct	15,734	-	15,734	18,534
Sundry expenses	Direct	2,725	-	2,725	4,682
Telephone, postage and stationery	Direct	9,924	-	9,924	12,204
Advertising	Direct	427	-	427	1,083
Travel and motor running	Direct	10,618	-	10,618	18,747
Equipment repairs	Direct	8,260	-	8,260	17,977
Insurance	Direct	3,851	-	3,851	4,885
Loss on disposal of motor vehicle	Direct	636	-	636	-
Bad debt provision	Direct	2,480	-	2,480	-
		70,669	-	70,669	100,216
<u>Administration Costs</u>					
Depreciation	Direct	19,424	-	19,424	25,737
Bank charges and interest	Direct	2,087	-	2,087	2,731
Bank Loan Interest	Direct	-	-	-	30
		21,511	-	21,511	28,498
<u>Total charitable activities costs</u>		612,274	-	612,274	940,388
4. <u>Governance costs</u>					
Accountancy	Direct	-	6,350	6,350	6,350
Legal and professional	Direct	-	23,721	23,721	38,117
		-	30,071	30,071	44,467

NET INCOMING RESOURCES

Net incoming resources are stated after charging

	<u>2020</u> £	<u>2019</u> £
Accountancy	6,350	6,350
Depreciation	19,424	25,737

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2020

5.	<u>TANGIBLE FIXED ASSETS</u>	<u>Telephone Exchange Conversion</u> £	<u>Property Improvements</u> £	<u>Land & Buildings</u> £	<u>Equipment Fixtures & Fittings</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
	<u>Cost</u>						
	At 1 st April 2019	59,226	144,372	239,376	94,125	1,425	538,524
	Additions	-	4,913	-	7,066	1,575	13,554
	Disposals	-	-	-	-	(1,425)	(1,425)
	At 31 st August 2020	59,226	149,285	239,376	101,191	1,575	550,653
	<u>Depreciation</u>						
	At 1 st April 2019	27,045	36,848	78,599	80,657	689	223,838
	Charge for the Year	2,369	5,569	4,788	6,383	315	19,424
	On Disposals	-	-	-	-	(689)	(689)
	At 31 st August 2020	29,414	42,417	83,387	87,040	315	242,573
	<u>Net Book Value</u>						
	At 31 st August 2020	29,812	106,868	155,989	14,151	1,260	£308,080
	At 31 st March 2019	32,181	107,524	160,777	13,468	736	£314,686
6.	<u>DEBTORS</u>					<u>2020</u> £	<u>2019</u> £
	Trade Debtors					5,570	11,703
	Other Debtors and Prepayments					5,506	3,277
						£11,076	£14,980
7.	<u>CREDITORS</u> : Amounts falling due within one Year						
	Trade Creditors					13,042	11,602
	Other creditors & accruals					5,965	10,025
	Other Taxation and Social Security					218	5,924
	J Larkin					47	510
	Bank Overdraft					50,813	41,238
						£70,085	£69,299

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST AUGUST 2020

8. <u>MOVEMENT IN FUNDS</u>	<u>At</u> <u>01.09.19</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>At</u> <u>31.08.20</u>
	£	£	£	£
Unrestricted funds	56,830	653,644	(642,345)	68,129
Restricted funds	236,209	-	-	236,209
Net assets at 31 st August 2020	<u>293,039</u>	<u>653,644</u>	<u>(642,345)</u>	<u>£304,338</u>

9. RELATED PARTY TRANSACTIONS

It was agreed by the trustees that, with effect from the 1st April 2018, the related party balances shown with Gateway (Education & Childcare) Trust and Gateway Nurseries Limited should be written off. All nursery activities are conducted through Gateway (Education & Childcare) Trust Limited and the trustees are progressing ceasing the registration for the other two charities with the Charity Commission.

Included within creditors are expenses due to Mrs J Larkin, who is the wife of Mr A J Larkin, of £47. During this year Mrs A J Larkin was employed as the senior manager and paid remuneration of £31,584 in total covering the year.