

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;
- 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.

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 2024</u> £	<u>Total Funds 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
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BALANCE SHEET

31ST AUGUST 2024

	Note	£	2024	£	£	2023	£
<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		
		<u>72,667</u>			<u>77,870</u>		
<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>							
			<u>£339,056</u>			<u>£315,404</u>	
<u>FUNDS</u>							
Unrestricted	8	102,847			79,195		
Restricted	8	236,209			236,209		
		<u>£339,056</u>			<u>£315,404</u>		

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>

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GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
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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
<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

	<u>2024</u> £	<u>2023</u> £
Net incoming resources are stated after charging		
Accountancy	7,025	6,845
Depreciation	20,670	21,883

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
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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	59,226	192,061	239,376	130,075	1,575	622,313
	<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	38,890	70,417	102,539	116,905	1,575	330,326
	<u>Net Book Value</u>						
	At 31 st August 2024	20,336	121,644	136,837	13,170	-	£291,987
	At 31 st August 2023	22,705	128,807	141,625	13,054	315	£306,506
6.	<u>DEBTORS</u>					<u>2024</u> £	<u>2023</u> £
	Trade Debtors					279	3,956
	Other Debtors and Prepayments					4,693	13,716
						£4,972	£17,672
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
						£25,598	£68,972

GATEWAY (EDUCATION & CHILDCARE) TRUST LIMITED
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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.