

REGISTERED COMPANY NUMBER: 04899075 (England and Wales)
REGISTERED CHARITY NUMBER: 1102007

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024
FOR
CLEETHORPES CHILDCARE

CLEETHORPES CHILDCARE

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FOR THE YEAR ENDED 31 AUGUST 2024

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Charitable Objectives of Cleethorpes Childcare are:

In accordance with the Aims of the adopted Memorandum and Articles of Association of the Pre-school Learning Alliance:

To enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play, education and care facilities and training courses, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs
- Instigating and adhering to and furthering the aims of the Pre-school Learning Alliance

Activities:

The Work of the Executive Committee

The trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The General Manager, alongside Childcare Managers, continue to report to the executive committee on a regular basis with many meetings now being held face to face with a fall back option of online meetings to allow trustees to meet their obligations alongside personal commitments.

Professional memberships & advisors

We continue to be fully paid up members of the Early Years Alliance (formerly Pre-school learning Alliance), a membership organisation offering online training and regular updates of information and advice relating to the Early Years Sector which supports the development of services within Cleethorpes Childcare. The General Manager continues to represent Cleethorpes Childcare as a trustee for the national Charity and was elected as Vice-Chair in March 2023.

HR service advice and support continues to be accessible through Beetenison & Gibbon Solicitors on an as-and-when basis which meets our requirements alongside the Lawcall advice service we continue to access through our Early Years Alliance membership.

Financial support is provided by Smethurst & Co LLP with independent examinations, advice relating to HMRC queries and submissions of appropriate reports to Charities Commission and Companies House, to ensure trustees meet legal obligations.

Fundraising and events

Fundraising and Events have been discussed within the main committee agenda. There have continued to be very limited opportunities for fundraising this year due to increasing financial and time pressures placed on families however, name cards have been filled in at end of term concerts where the audience includes wider family members as this reduces financial pressures on immediate family members. Easyfundraising continues to be a good source of income however small the 3 monthly payments may be, we need very little input to ask parents and carers to sign up to support us when they shop and it costs them nothing to participate.

We have been extremely fortunate this year in being able to create a natural garden play space for our pre-school children to access safely. We used the funding from Tesco/ Groundwork to instal a new gate and fence to secure and create a designated space alongside the current play area. Once the gate and fence had been installed, we had support from John at 'Big Red' to break through from the playground to the natural very overgrown space at the front of the school site. This area was extremely overgrown with trees and tall hedgerows however, a team of volunteers spent a couple of rainy and cold Sundays clearing and enhancing the area. With more input from volunteers and donations of bark, compost and raised beds from our local community, we created a wonderful natural and calming space where children can grow their own fruits and vegetables, explore bugs and discover new skills in nature with their friends. To celebrate the hard work and dedication of our volunteers we held a Garden Party where children and family members enjoyed activities and games to connect them with nature. A name card and a small raffle were also incorporated and generated funds which were immediately put towards new plants and resources to help the new garden space thrive.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

OBJECTIVES AND ACTIVITIES

Fundraising and events (cont.)

A full parent welcome meeting was held at Signhills Pre-school in July where Trustees, Childcare Managers and administration staff promoted Cleethorpes Childcare and our childcare and education offer to families. A further individual meeting was arranged for parents and children in September for each child's keyperson to check paperwork and registrations, discuss any concerns and support settling the child into pre-school life. This supported new families and children with a smooth transition and reassured parents of our level of care and quality of education.

Public relations and marketing

In addition to individual showarounds and 'word of mouth', we also receive free advertising from Families First, an online service provided by North East Lincolnshire Council. Families First support families accessing funding entitlements, giving out a list of all registered providers within the authority. They also have a Facebook page and website for families to seek out appropriate provision for their child. This year, they have allowed individual providers to advertise vacancies for both children and staff, through their Facebook page to promote parental take up of childcare and support the Early Years recruitment issues. This has been accessed by Signhills Pre-school however, it has made very little difference as word of mouth and information shared through enquiries to Signhills Academies are the most beneficial in increasing admissions. Childcare Choices is a government website which we promote to parents as they work with HMRC to allow parents to claim financial support for childcare and claim their funding entitlements. Changes to Flexible Funding Entitlement have created some confusion for families as to their individual entitlements, start and end dates, re-claim dates and generally what seems like an over complicated system however we feel confident that our welcome meetings, open days and prospectus offer practical advice which alleviates some of the myths around childcare funding.

Signhills Infant Academy have continued to promote Hardys Den out of school club through a flyer which is incorporated into their admissions pack for parents. This year, both Infant and Junior Academies have also added us to their websites with direct links to our own website to enable parents to register for places which usually results in new enquiries. We remain confident that we are able to adapt our service offer for our changing community needs by working well within the community. We continue to value the close relationships we share with Signhills Academies and are grateful for their promotion of our services through signposting.

The Famly app has continued to grow and calendar dates and newsfeed communication alongside personal and team messaging has been successful in keeping families who are already registered with us up-to-date.

Facebook and our website, www.cleethorpeschildcare.co.uk are our main methods of communicating awareness of our organisation to the general public and we have seen a significant increase in applications for each setting through our website enquiry form, rather than phone calls to our office which has remained limited in opening hours. The enquiries are followed up with a phone call to families to gain further insight into what is required and families are then advised on admission expectations such as start dates, registration process and waiting list times.

ACHIEVEMENT AND PERFORMANCE

General

This year we have focussed on consolidation, staff retention and recruitment, quality and maintaining presence within the community to promote long term sustainability, being mindful of continued viability with a smaller business model. Whilst we continue to look for suitable additional premises with the view to offering high quality early years provision which supports children's learning and development across a wider area within North East Lincolnshire.

Following on from the additional support we offered children who would be moving on to school, we again set up transition groups however this time they were held in a small part of the main room with a daily session for each week over the full summer term. The children were supported by key people who promoted and supported their development in line with the Early Years Foundation Stage guidance prime areas of learning- Communication & Language, Personal Social and Emotional, and physical development. The children undertook this transition readily and were very keen to work with a more adult initiated focus in small groups to promote and enhance language, listening and attention skills and undertook the challenge of change in a way which supported their individual stage of development. This also enabled staff to recognise and enhance their own skills and knowledge of themselves and their children, resulting in positive praise from all involved, particularly parents.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

ACHIEVEMENT AND PERFORMANCE

Inclusion

This year staff have again provided several children with one-to-one care and education, accessing Early Years Inclusion Funding to support this work. Offering care at this level incurs additional staffing, meetings, support for the family, training and paperwork, all of which have been undertaken by knowledgeable, caring and professional staff. The funding received does not fully cover the cost of delivering one-to-one care for a child and we only apply for additional support where children are unable to be fully integrated into the setting without it. Funding has been successfully applied for on an individual as well as a group application basis to offer general inclusion support for children who may need short term strategies to allow them to fully integrate in pre-school. Specific intervention time has again proved beneficial for the children and staff implementing the strategy in line with the SEN Code of Practice graduated approach. This intervention is supported with higher staff to child ratio's and dedicated, professional staff who maintain a child centred focus, supporting children to develop and learn as individuals with a great sense of achievement.

The General Manager is the named Special Educational Needs Co-ordinator (SENCo) for Signhills Pre-school and Hardys Den Out of School Club. The General Manager, Childcare Manager, Deputy Manager and OOS Co-ordinator are also trained at minimum of Level 3 in Safeguarding to enable us to professionally support children and their families through specific strategies and interventions. These qualified staff are able to support other team members with signposting, monitoring, report writing and interventions on a daily basis which leads to a second nature approach to inclusion with respect and dignity for children and families. Setting managers and SENCo continue to attend network, webinars and training meetings and disseminate information and knowledge to the rest of their staff team to enhance best practice in meeting the individual needs of all children attending our settings.

We have received Early Years Pupil Premium (EYPP) funding this year however this remains an unpredictable amount which is received almost a term after a child becomes eligible. This fund is granted with parental permission for 3 & 4 year old children, whose parents meet set criteria and is used to provide financial or developmental support for children in need. This year we have used the funding to continue with Yoga sessions in pre-school as we identify the support for physical and emotional wellbeing of all of our children and have provided a higher staff ratio for most pre-school sessions to support quality and transitions for all children.

Quality Assurance

The General Manager works alongside the setting manager and co-ordinator to monitor and evaluate practice within each childcare provision, in turn informing staff development and progression. Weekly staff team meetings provide opportunities for all employees to address current issues in a timely manner which may also lead on to reviews of policies or procedures.

Maintaining a healthy environment for adults and children has remained high on our agenda with additional cleaning routines remaining in place following the pandemic and notably, reducing sickness absences for children and staff. Wellbeing of our children, staff and families is well supported with opportunities for informal discussions, more formalised meetings, return to work interviews for staff following absences and signposting to appropriate support services.

North East Lincolnshire Local Authority provide support for our settings through an Early Years Inclusion Team. Managers and staff members seek advice and support to enhance quality and promote excellent practice within the settings. Individual staff members are supported in development through an induction process, 1-1 meetings and supervision meetings/ observations of practice.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

ACHIEVEMENT AND PERFORMANCE

Staff Training and Development

Staff members undertake and update core elements of training to support their professional development which includes Safeguarding, Paediatric First Aid, Understanding and Addressing Behaviour, Prevent duty and Food Hygiene & Safety in the form of a short course, workshop or online training refresher through Educare, Virtual College, Safer Food Group, Forefront Training and occasional local training sources.

Staff members have received support to undertake training courses, and workshops over the year including:

Safeguarding (inc. refresher)	Level 2 (5 members)
Safeguarding (inc. refresher)	Level 3 (4 members)
Paediatric First Aid	Level 3 (4 members)
Food Hygiene	Level 2 (4 members)
Early Years & Childcare (Apprenticeship)	Level 2 (1 member)
Prevent Duty	(4 members)
Health & Safety in Early Years	(2 members)
Infection Control	(3 members)

Staff undertaking training are supported financially and with workplace release and at degree level with additional mentor support meetings.

The General Manager has continued her representation to the Early Years Alliance throughout this year, remaining in Vice-Chair position and continuing as a member of the Audit Committee. The General Manager also continues to represent the Early Years Private, Voluntary and Independent (PVI) sector at North East Lincolnshire Schools Forum. Committee members recognise and support these roles for the General Manager's continuing professional development as information and skills are shared and developed for the benefit of all organisations.

Induction for new committee members took place in March 2024, following the Annual General Meeting elections in February. Members commented that they found this a very useful overview of the organisation, and that it helps them to better understand their roles and responsibilities.

Students and Volunteer Placements

Student placements have taken place this year, with students from Franklin College, Grimsby Institute and Clee Academy. Students are supported with mentor meetings and visits from tutors. Placement experience offers students the opportunity to familiarise themselves with what is required in an early years workplace and supports their experience towards further training and career opportunities. We enjoy sharing our workplace and make the most of the opportunities to have another pair of hands to help with daily responsibilities.

We have recruited more trustees this year however, there have been limitations on events and activities over the year and therefore an estimation of 95 volunteer hours have been undertaken. Trustees recognise the importance and benefits of creating sustainable opportunities for volunteering and have addressed this within the business plan review with the aim to create more activities for involvement such as fun days and open days.

Visitors and liaisons

We continue to work with a broad range of external professionals to support children and staff. This year we have received support and liaised with Speech & Language therapists, Occupational Health, Education Team for Hearing and Vision, Education Psychology, Jiraffe (mobility resources), Early Help team, Signhills Academy, Signhills Infant Academy, Team Around the Family (TAF), Excell (electricians), Cleethorpes Academy, Franklin College, Little Trees Yoga, City PAT (Pat Testing), Gaswise, New Glaze, Wrates Photography and Big Red (local store). Alongside this we have welcomed visits from Childminders- Alison Ross & Charlotte King as well as many parents/ grandparents and family members who have joined us for play sessions with their children.

Professional Advisors

We have sought advice throughout the year from Professional Advisors, which are:

HSBC UK, PO Box 68, 130 New Street, Birmingham, B2 4JU

Smethurst & Co LLP, 12 Abbey Road, Grimsby, DN32 0HL

Lawcall, Early Years Alliance, 50 Featherstone Street, London, EC1Y 8RT

Early Years Alliance Membership and Insurance, 50 Featherstone Street, London, EC1Y 8RT

Early Years Alliance Payroll Services (as above)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

FINANCIAL REVIEW

Financial review

This relates to the enclosed financial statement as agreed by the Executive Committee and in accordance with the accounting procedures determined by Companies House and the Charity Commission.

We have lower admissions over this year due to falling birth rates in our locality however, we have also found ourselves to have issues with recruitment of suitably qualified Early Years staff which has also proved to be a problem Nationally, so much so that Department for Education (DfE) created a national campaign to stimulate interest in working in Early Years. The 'Do Something Big' campaign proved helpful for free advertising for staff with support from the local authority and we were successful in taking on a fully qualified Early Years Keyperson as well as a new apprentice to develop at level 2. There was an opportunity to attract those who were new or having been away from the Early Years Sector for more than six months to gain an additional one-off incentive payment due to North East Lincolnshire being designated as one of only 20 authorities to promote the scheme and we duly applied for this incentive for the 2 new members of staff at the appropriate time. Although the incentive payment was made directly to us, it was distributed by a tax-free payment in the individuals salary. Waiting lists have remained high however age and eligibility for FFE have delayed some children's admissions beyond what we anticipated and we therefore made suitable adjustments to staff levels such as not recruiting for maternity cover, to ensure we remained operational and sustainable.

The main source of income for Signhills Pre-school continues to be from Flexible Funding Entitlement (FFE) for 2, 3 and 4 year old children attending our settings. We have a growing number of families who are eligible to claim 30 hours funding entitlement from the term after their child's third birthday and this year we have seen an increase in the number of hours taken per child. This funding can also be banked with us to be used during holidays at Hardys Den for a maximum of 30 hours per week. Attendance continues to be lower for the first half of the year but we have a healthy waiting list which supports us to anticipate future places and funding. Additional funding for 2 year olds will be introduced from September 2024 and we are considering ways which we can support the take up of places within the limitations of our building as our current starting age is 2.5 years.

Additional income is from fees in Hardys Den and for pre-school children not eligible for FFE, those taking sessions in addition to their FFE allocation or from children who attend pre-school breakfast or lunch clubs. Fees are reviewed annually to ensure they remain affordable to parents, maintain sustainability of the provisions, reflect local pay scales and are competitive within the marketplace. As recruitment and retention of staff is becoming a growing challenge for the Early Years Sector, we recognise we need to review our pay structure whilst taking account of increases in National Minimum Wage, to ensure we attract the highest standard of candidates.

Further income is raised from fundraising activities throughout the year to enable us to enhance children's resources and experiences. Pre-school children are asked to pay a resource/consumables contribution which remained at £1 per child per session, with the majority of families paying this within the allocated timescales in accordance with our fees policy and terms and conditions. The initial pre-school registration fee was raised slightly this year to offset ongoing increases in our expenditure for items such as uniform and the remaining fee supporting the cost of Family software, printing welcome booklets/ prospectus, providing badges and book-bags along with administration and delivery time for this preparation. Children who attend Pre-school also do not pay a further registration fee for Hardys Den whilst they are enrolled there and many parents choose to share funded hours or buy sessions for their children aged 3 and over. Pre-school registration fee is a minimal one-off cost to parents whilst Hardys Den administration fee is charged and reviewed annually as this also covers Family App costs. Registration fees can present a barrier for entry to our settings as parents are under increasing pressures of Cost of Living increases however the majority fully appreciate the reasons for this charge and we are able to support parents with payment plans so their child's start date is not delayed. On occasions, the resource and registration fee may be waived at the General Managers discretion due to a child's individual circumstances.

The Family software has continued to support us with clear invoicing and enables parents to see their balance and payments due at a glance. Fee payments continue to be monitored to ensure we have a sustainable cash-flow. We have now eliminated cash payments for fees, except in exceptional circumstances and when pre-agreed with the General Manager and Finance Assistant. This means that all payments are now made directly through online banking which alleviates time for managers and supports direct accountability and recording of payments, whilst reducing the risks of holding cash on our premises. This has continued to be favoured by parents. Good communication between families and the administration team ensure that we offer all opportunities for parents to pay under mutually agreed terms. Outstanding fees are a regular agenda item at committee meetings and the Finance Assistant provides updates to the setting manager to allow them to monitor payments from their own families, enabling us to make initial approaches for debtor accounts informally and more often avoiding escalation. We continue to recover debts via Money Claim Online (MCOL) where all other attempts have failed.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

The ongoing increases to National Living Wage (NLW), coupled with relatively low increases in FFE funding rates continues to challenge our financial viability due to the majority of our expenditure being for staff costs. We work closely with our payroll administrators to ensure we meet all requirements for HMRC PAYE. This year trustees took a decision to enhance wage rates, with the lowest pay rate being significantly above NLW to support staff retention and to demonstrate recognition of the work undertaken within the Early Years Sector. This was coupled with a very minimal fee increase for some sessions as we also recognise that parents are often struggling to take up places before they receive their funding entitlements. We anticipate a steady increase in admissions for the coming year due to extension of funded places and greater scope of eligibility for families to claim their funding entitlements.

Guarantors

Members of the Charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the Charitable Company in the event of winding up. The total number of such Guarantors at 31st August 2024 was 105.

Reserves

We are aware that staff recruitment and low admissions this year has impacted on our reserves. Reserves continue to be held to support Cleethorpes Childcare in meeting future potential expenditure:

- Recruitment and training costs
- Three months working reserves to cover staff redundancies and the winding up of the business, should this become necessary
- Increase to National Living Wage due to minimal increase in Early Years Entitlement
- Development of additional childcare provision to enhance security in lease of premises
- Unexpected/emergency costs associated with setting closure

Risk Review

This year has been another of challenge however we appreciate that we continue to be well placed and fortunate to have achieved as much as we have over the year through hard work and perseverance as settings around the country close their doors for the last time. We are never complacent and continuously review our current and future market position to ensure we are in touch with the needs of the local community through completion and review of a Business Plan, Risk Analysis and regular Executive Committee meetings. Although trustees are not aware of any major risks to which the charity has been exposed, concerns continue to be raised regarding the rates paid to providers for Flexible Free Entitlement in light of escalating expenditure and we constantly check the need for resource purchases as well as undertaking a full evaluation of each post whenever a staff position becomes vacant.

We continue to have concerns regarding the potential a School/Academy has to cease a lease agreement, in relation to sustainability. This risk continues to be monitored and reported at committee meetings and strategies to secure continuing viability have been implemented to confirm we remain a going concern. We continue to seek longer term security of tenure in suitable premises within our current community base and remain aware of potential and suitable properties as they become available in our local area.

The Trustees ensure the agenda for each meeting promotes full monitoring and evaluation of government/ local challenges to mitigate risk and the General Manager has good national and local networks to remain aware of current and potential issues.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024**

PLANS FOR FUTURE PERIODS

Future Sustainability

Trustees are aware of potential changes in demand for pre-school places however with current premises and no expectation of capital funding support they are cautious in making changes to the setting which may impair the quality and standards of current provision. We are also aware of planned investment into early years provisions in schools and for wraparound care as the Government agenda pushes for longer hours of childcare to provide more flexibility for working parents.

We anticipated challenges with lower birth rates in our community and continued to limit recruitment of new staff and adjust expenditure where we have been able to do so. Continuing rising expenditure for parents which affect the cost of living has also reduced our overall occupancy levels. In reality, despite small improvements to Signhills Pre-school outdoor space with the development of a natural garden area, further investment in maintenance and repairs to premises and outdoor spaces is needed however, the settings remain safe, clean and are refreshed frequently to support children's learning and adult well-being whilst we continue to seek donations and project funding. We continue to work closely with Signhills Academy to ensure we meet lease obligations and source cost effective maintenance and servicing of premises, for which we are extremely grateful as this also supports our long-term partnerships and sustainability.

There has been another increase in children needing additional support to access their learning and development. Inclusion of all children within our settings has always been a key focus on meeting our aims and objectives however this has also placed increasing challenges on staff and additional financial pressures due to increased ratio's, adult support and intervention, specialist training and general workloads. We minimise some of the impact of this challenge by continuing with our intervention strategy programme to enable staff to provide focussed time with individual children whilst gaining new skills within the staff teams and overall we maintain higher than required staff to child ratio's as far as we are able to.

The premises lease renewal at Signhills has been finalised and secured. Signhills Academy continue to support our service and recognise the benefits of early years provision on the site so have been able to fully support the lease renewal. Continuity of service for our local community and high quality and standards remain an ongoing focus for discussions at board meetings.

Our ability to react to uncertainty relies on the expertise and experience of a well-established staff team working alongside trustees. The skills balance enables us to be able to make clear and fair judgements and to address and react quickly to risks when they are presented.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Risk management

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

Structure

Cleethorpes Childcare consists of:

- Signhills Pre-school
- Hardys Den out-of-school clubs

Appointment of Members

All member families are invited to attend the AGM; a member is an adult representative for a child who attends any of the settings of Cleethorpes Childcare. As in previous years, a meeting date was agreed and publicised at each of Cleethorpes Childcare provisions to allow parents and member representatives to attend. An Annual General Meeting was held in February 2024 at Signhills Pre-school. Several members showed interest in joining and some reappointments were ratified. Suitable checks and registrations are always undertaken alongside the Trustee Induction programme to ensure all elected members fully understand their responsibilities and duties prior to the first committee meeting which follows the AGM. At the first meeting, officers were voted into post by fellow trustees. Training, both formal and informal, is offered for committee members should they wish to further develop their skills and knowledge through Educare, offered as part of our Early Years Alliance membership. In this voluntary role, committee members offer their time and expertise in the decision making of Cleethorpes Childcare. Elected members often offer practical time to carry out further duties throughout the year within the childcare provisions or through fundraising, community events (Open days) and activities.

This year, we have once again found it particularly difficult to recruit new committee members into Cleethorpes Childcare with more parents working for longer hours and being supported with 30 hour funded attendance, many tell us that spare time is a luxury saved for their own family. We continue to work with staff to encourage and support connections with families and identify potential new members who may become trustees. This continues year on year and has been incorporated into all meetings between staff and parents as a less formal approach to trustee recruitment with trustees also supporting open days and welcome meetings with parents to enhance face-to-face introductions.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Staffing

The executive committee have a responsibility to ensure that staff are employed within the company to meet company objectives. A General Manager is employed to oversee the day-to-day running of the work of Cleethorpes Childcare within each provision and in addition to this, an average of 12 members of staff have worked to provide high quality care and education for the children who have attended, offering support and information to parents and family members. Reflecting a national crisis in recruitment and retention of staff in the Early Years Sector, Cleethorpes Childcare have again seen changes in the number of staff employed with higher rates of pay being the main reason quoted for staff to seek alternative employment. Although the apprenticeship programme has proven useful to support new interest in the childcare sector and has proven to be beneficial for Cleethorpes Childcare, our level 2 and level 3 apprentices were unable to commit to further employment with us after completing their qualifications.

Changes in staff has been unavoidable this year and we have found ourselves unable to retain some of our longest serving staff due to their own personal circumstances. With this in mind and noting the difficulties in recruitment of suitable, qualified Early Years Practitioners, a full pay review was carried out in line with the rise in NMW in April 2024. To recognise and support the professionalism, commitment and longevity of our employees, a new pay structure was produced which raised base levels above NMW recommendations with anticipation that new government schemes to support increased childcare offer would be supported with adequate funding. We also created a free for employees childcare scheme to support those who have their own childcare commitments and promote a better work-life balance. As a not-for-profit organisation, we recognise that our staff are our most valuable asset and hope this move will prove to be a positive investment over the coming years. We also recruited a new level 2 apprentice to enhance our ratios of adults to children and continue with our commitment to 'grow our own' staff teams.

As appropriate for each individual and within a core training offer, all staff have continued to be supported to develop their skills within the organisation and internal progression has also been encouraged when restructuring staff. Trustees were extremely appreciative for the flexibility, understanding, commitment, and dedication to the children and each other shown by staff over the year.

Policies

There has been very little to change on our policies as there has been very little movement in national curriculum and legislation however the General Manager continues to review policies to reflect changing business and best practice within the Early Years Sector. All policy changes are discussed with staff and Trustees before agreement, allowing full consultation with those who are tasked with implementation. Paper copies of policies are made available within each setting and policies are uploaded onto our website which members, staff and trustees access using a secure password acquired on joining the organisation.

The business plan and organisational risk assessment were monitored by trustees and managers to assure future viability of Cleethorpes Childcare, particularly when reducing the number of settings in operation, the financial implications of staff leaving and changes to premises. We consider that Early Years has a level of risk for sustainability which is balanced with many unknown factors such as funding rates and admissions however, our projections show we have been diligent in considering the worst case scenarios and by continuing to consolidate our business priorities alongside the need to support the local community, the risks are considered manageable providing we continue to adapt to the changing political environment and continue to review our opportunities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04899075 (England and Wales)

Registered Charity number

1102007

Registered office

Signhills School
Hardys Road
Cleethorpes
N E Lincs
DN35 0DN

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2024

Trustees

C Moore
L Pendred
L Hammond (resigned 20.3.24)
C Wray
N Taylor
H Barrett (appointed 17.4.24)
C Hope (appointed 28.3.24)
C Wright (appointed 28.3.24)

Independent Examiner

Mrs H Spauls FCA
Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Bankers

HSBC
PO Box 68
130 New Street
Birmingham
West Midlands
B2 4JU

Solicitors

BG Solicitors LLP
27 Osborne Street
Grimsby
N E Lincs
DN31 1JB

Cleethorpes Childcare is a charitable company limited by guarantee, incorporated on 15 September 2003 and registered as a charity on 10 February 2004.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cleethorpes Childcare for the purposes of company law) are responsible for preparing the Report of the Trustees 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 that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 and detection of fraud and other irregularities.

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

.....

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CLEETHORPES CHILDCARE (REGISTERED NUMBER: 04899075)**

Independent examiner's report to the trustees of Cleethorpes Childcare ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Mrs H Spauls FCA

Smethurst & Co LLP
12 Abbey Road
GRIMSBY
DN32 0HL

Date:

CLEETHORPES CHILDCARE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.8.24 Total funds £	31.8.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Incoming resources from charitable activities		218,806	8,526	227,332	273,340
Activities for generating funds	2	770	-	770	1,158
Other income		-	-	-	1,383
Total				219,576	228,102
				8,526	275,881
EXPENDITURE ON					
Costs of generating funds		769	-	769	1,146
Charitable activities					
Childcare		208,491	7,526	216,017	262,672
Premises costs				18,947	1,000
				19,947	24,506
Total				228,207	236,733
				8,526	288,324
NET INCOME/(EXPENDITURE)		(8,631)	-	(8,631)	(12,443)
RECONCILIATION OF FUNDS					
Total funds brought forward		58,844	-	58,844	71,287
TOTAL FUNDS CARRIED FORWARD				50,213	-
				50,213	58,844

The notes form part of these financial statements

BALANCE SHEET
31 AUGUST 2024

	Notes	31.8.24 £	31.8.23 £
FIXED ASSETS			
Tangible assets	7	759	1,603
CURRENT ASSETS			
		Stocks 8	58 89
			1 5
		Debtors 9	1,8 15,
			82 11
			4
		Cash at bank and in hand	80, 52, 41 50
			1 0
		82,874	68,509
CREDITORS			
Amounts falling due within one year	10	(33,420)	(11,268)
		NET CURRENT ASSETS	49, 57, 45 24
			4 1
TOTAL ASSETS LESS CURRENT LIABILITIES		50,213	58,844
		NET ASSETS	50, 58, 21 84
			3 4
		FUNDS 13	
		Unrestricted funds	50, 58, 21 84
			3 4
		TOTAL FUNDS	50, 58, 21 84
			3 4

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

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

The notes form part of these financial statements

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

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

.....
C Moore - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

Grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Donations and gifts are recognised in the Statement of Financial Activities when received.

Incoming resources for the provision of pre-school places and from investments are recognised in full in the Statement of Financial Activities when receivable.

Resources expended

Resources expended are recognised in the period in which they are incurred.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost, less estimated residual value, of each asset on a systematic basis over their expected useful lives as follows -

Land and buildings	- 20% on reducing balance or over lease term
Fixtures, fittings and equipment	- 20% on cost

Fixed assets are not capitalised if they cost less than £100.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Leasing commitments

Rents payable under leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

CLEETHORPES CHILDCARE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

2. ACTIVITIES FOR GENERATING FUNDS

31.8.24	31.8.23
£	£
Fundraising events	43 46
Uniform sales	8 6
<u>2 2</u>	<u>33 69</u>
<u>770</u>	<u>1,158</u>

3. NET INCOME/(EXPENDITURE)

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

31.8.24	31.8.23
£	£
Depreciation - owned assets	84 1,2
Deficit on disposal of fixed assets	- 75
<u>1</u>	<u>1</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

31.8.24	31.8.23
£	£
Trustees' salaries	31, 28, 88 87
Trustees' social security	6 9
Trustees' pension	2,9 2,7
contributions to money purchase schemes	19 71
<u>95 85</u>	<u>7 1</u>
<u>35,762</u>	<u>32,501</u>

The memorandum of association updated in May 2017 allows trustees of the charity to be a paid employee of the charity, but no trustee can be paid for their duties as a trustee.

Lorna Pendred has been paid for her employment as the general manager of the charity.

Wages, social security and pension costs paid for Louise Robinson, the sister of the trustee Lorna Pendred, totalled £19,984 (2023 £17,316).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

5. STAFF COSTS

31.8.24	31.8.23
£	£
Wages and salaries	175,059
Social security costs	222,108
Other pension costs	7,659
<u>9,901</u>	<u>6,314</u>
<u>192,619</u>	<u>9,629</u>
<u>238,051</u>	<u>238,051</u>

The average monthly number of employees during the year was as follows:

	<u>31.8.24</u>	<u>31.8.23</u>
Furtherance of the entity's activities	9	17
Management and administration	<u>3</u>	<u>3</u>
	<u>12</u>	<u>20</u>

No employees received emoluments in excess of £60,000.

CLEETHORPES CHILDCARE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Incoming resources from charitable activities	261,335	12,005	273,340
	Activities for generating funds	1,158	- 1,158
	Other income	1,383	- 1,383
Total		263,120	275,881
EXPENDITURE ON			
Costs of generating funds	1,146	-	1,146
Charitable activities			
Childcare	250,667	12,005	262,672
	Premises costs	24,506	- 24,506
Total		276,319	288,324
NET INCOME/(EXPENDITURE)	(12,443)	-	(12,443)
RECONCILIATION OF FUNDS			
Total funds brought forward	71,287	-	71,287
TOTAL FUNDS CARRIED FORWARD		58,844	- 58,844

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures, fittings and equipment £	Totals £
COST			
	At 1 September 2023	42,291	39,528
	Disposals		(731)
	At 31 August 2024	42,291	38,797
DEPRECIATION			
	At 1 September 2023	42,166	38,049

NET BOOK VALUE

Charge for year	25	819	844
<u>Eliminated on disposal</u>	-	<u>(731)</u>	<u>(731)</u>
At 31 August 2024	42,19	38,13	80,32
	1	7	8
<u>At 31 August 2024</u>	100	<u>659</u>	<u>759</u>
<u>At 31 August 2023</u>	125	<u>1,478</u>	<u>1,603</u>

CLEETHORPES CHILDCARE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024**

8. STOCKS

31.8.24	31.8.23
£	£
Stocks	58 89
	<u>1 5</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.24	31.8.23
	£	£
Trade debtors	1,861	2,945
Other debtors	<u>21</u>	<u>12,169</u>
	<u>1,882</u>	<u>15,114</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31.8.24	31.8.23
£	£
Trade creditors	78 24
	<u>1 5</u>
Other creditors	10, 9, 9
	<u>14 54</u>
	<u>8</u>
Accruals and deferred income	22, 1, 0
	<u>49 69</u>
	<u>1</u>
	<u>11,268</u>
<u>33,420</u>	

11. LEASING AGREEMENTS

The following operating lease payments are committed to be paid:

	31	31
	.8.	.8.
	24	23
	£	£
Expiring:		
Within one year	5,388	5,388
Between one and five years	23,890	32,581

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Unrestricted funds	Restricted fund	31.8.24 Total funds	31.8.23 Total funds
£	£	£	£
Fixed assets	759	-	759 1,603
Current assets	82,874	-	82,874 68,509
Current liabilities	(33,420)	-(33,420)	(11,268)
	<u>50,213</u>	<u>50,213</u>	<u>58,844</u>

13. MOVEMENT IN FUNDS

	At 1.9.23	Net movement in funds	At 31.8.24
	£	£	£
Unrestricted funds			

General fund

58,844	(8,631)	50,213
<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	58,84	(8,63 50,21
<u> </u>	<u> </u>	<u> </u>
	4	1) 3

CLEETHORPES CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	219,576	(228,207)	(8,631)
Restricted funds			
Restricted fund	8,526	(8,526)	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u> </u>	<u> </u>
		228,102	(236,733) (8,631)

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	71,287	(12,443)	58,844
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u> </u>	<u> </u>
		71,287	(12,443) 58,844

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	263,876	(276,319)	(12,443)
Restricted funds			
Restricted fund	12,005	(12,005)	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u> </u>	<u> </u>
		275,881	(288,324) (12,443)

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

	At 1.9.22 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	71,287	(21,074)	50,213

TOTAL FUNDS	71,28	(21,0 50,21
	7	74) 3

CLEETHORPES CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	483,452	(504,526)	(21,074)
Restricted funds			
Restricted fund	20,531	(20,531)	-
	<hr/>	<hr/>	<hr/>
	TOTAL FUNDS	503,983	(525,057) (21,074)
	<hr/>	<hr/>	<hr/>

Purposes of restricted funds

Restricted funds includes amounts received to assist with the inclusion of children, and a Tesco/Groundworks grant used to for a new fence and gate.

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2024.

CLEETHORPES CHILDCARE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	31.8.24 £	31.8.23 £
INCOME AND ENDOWMENTS		
Incoming resources from charitable activities		
	Nursery Education	15 19
	Grant	6,5 5,1
		86 85
	Other grants &	4,1 3,5
	donations	61 00
	Fees from parents	66, 74,
		58 65
	_____	5 5
	227,332	273,340
Activities for generating funds		
	Fundraising events	43 46
		8 6
	Uniform sales	33 69
	_____	2 2
	770	1,158
Other income		
Sale of resources	-	1,383
Total incoming resources	228,102	275,881
EXPENDITURE		
Fundraising		
Purchases for resale	769	1,146
Charitable activities		
	Wages	12 17
		1,3 2,1
		13 40
	Social security	3,4 2,5
		64 73
	Pensions	8,5 8,7
		81 78
	Training	81 66
		8 1
	Consumables	1,5 2,4
		15 07
	Books, toys and	3,3 3,4
	games	36 35
	Lunch costs and	3,2 3,3
	refreshments	56 21
	Bad debts	24 -
		6
	Stationery	3,0 4,4
		59 86
	Telephone	2,0 2,5
		05 25
	Insurance	84 85
		6 0
	Subscriptions	1,9 2,6

			09 52
		Sundry expenses	2,6 64
			<u>86 6</u>
	153,034		204,474
Premises costs			
		Rent and rates	16, 22,
			19 47
			0 1
		Repairs and	2,9 40
		renewals	13
		Depreciation of	84 1,2
		tangible fixed	4 44
		assets	
		Loss on sale of	- 75
		tangible fixed	1
		<u>assets</u>	<u></u>
	19,947		24,506
Support costs			
Finance			
Bank charges	60		60

CLEETHORPES CHILDCARE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	31.8.24 £	31.8.23 £
Other		
Trustees' salaries		31, 28, 88 87
		6 9
Trustees' social security		2,9 2,7 19 71
Trustees' pension contributions		95 85 7 1
Wages		21, 21, 86 08
		0 9
Social security		1,2 97 76 0
Pensions		36 - 3
Accountancy		2,4 2,3 00 40
Payroll		1,2 1,2 62 38
	<u>62,923</u>	<u>58,138</u>
Total resources expended		23 28 6,7 8,3 33 24
Net expenditure		(8, (12 63 ,44 1) 3)