

Charity registration number 1102092

Company registration number 04732961 (England and Wales)

WOODEN TOPS DAY NURSERY LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

WOODEN TOPS DAY NURSERY LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J Lloyd Mrs A Tindale Ms C Waja Mrs Julie Welch	(Appointed 21 March 2022)
Charity number	1102092	
Company number	04732961	
Registered office	Park Lane Centre Park Lane Woodside Telford Shropshire United Kingdom TF7 5QZ	
Independent examiner	Azets Audit Services 5 - 7 Beatrice Street Oswestry Shropshire United Kingdom SY11 1QE	

WOODEN TOPS DAY NURSERY LTD

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 13

WOODEN TOPS DAY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association incorporated 13 April 2003, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard for Smaller Entities published on 16th July 2014.

Objectives and activities

The charity's objects are to enhance the development and education of children, primarily under statutory school age. The organisation offers play, education, care facilities, training courses and encourages the study of the needs of children and their families and promotes public interest in and recognition of their needs. It instigates and adheres to the aims and objectives of the Pre-School Learning Alliance.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Wooden Tops Day Nursery is situated within a multi use complex Children's Centre, the nursery operates from a self contained area of the building, using five purpose built rooms which accommodates our 0-2's (room 1), we currently have one separate room that accommodates our 2-3's (room 2) and one room allocated to our Pre-School children and one room for the upcoming 3 year olds, getting them ready for preschool.

During the year the Charity has continued to run a day nursery.

A voluntary Board of Directors consisting of a variety of professionals and former parents are responsible for the running of Wooden Tops and all of which contribute effectively within specified areas of their experiences and knowledge.

Financial review

It is the policy of the charity to increase reserves, so that in the event of an income drop the charity can continue operating until other funds are secured.

There has been a small deficit in the year which reverses the surplus in the 2021 year.

With both employment and energy costs increasing with no commensurate rise in income the reserves of the Charity may be called upon to support the Charity in the short term. The trustees believe that the current level of reserves are sufficient for the charity as it stands but are constantly assessing the required level due to the ever changing regulatory and financial environment it finds itself in.

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, governance and management

The charity is controlled by its governing document, the memorandum and articles of association incorporated 13th April 2003, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs J Lloyd

Mrs A Tindale

Ms C Waja

Mrs L Johnston

Mrs Julie Welch

(Resigned 24 November 2021)

(Appointed 21 March 2022)

WOODEN TOPS DAY NURSERY LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

People who are interested in the charity are recruited by word of mouth or through other trustees. Their interest in the charity is discussed with them and existing trustees and are appointed if deemed suitable.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.

Mrs A Tindale
Trustee

28 March 2023

WOODEN TOPS DAY NURSERY LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF WOODEN TOPS DAY NURSERY LTD

I report to the trustees on my examination of the financial statements of Wooden Tops Day Nursery Ltd (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Azets Audit Services

5 - 7 Beatrice Street
Oswestry
Shropshire
SY11 1QE
United Kingdom

Dated:

WOODEN TOPS DAY NURSERY LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	-	6,322	6,322	-	3,232	3,232
Charitable activities	4	308,970	-	308,970	269,386	-	269,386
Investments	5	71	-	71	284	-	284
Other income	6	-	-	-	19,756	-	19,756
Total income		309,041	6,322	315,363	289,426	3,232	292,658
<u>Expenditure on:</u>							
Charitable activities	7	325,279	1,394	326,673	281,261	-	281,261
Net (expenditure)/income for the year/							
Net movement in funds		(16,238)	4,928	(11,310)	8,165	3,232	11,397
Fund balances at 1 April 2021		416,607	13,121	429,728	408,442	9,889	418,331
Fund balances at 31 March 2022		400,369	18,049	418,418	416,607	13,121	429,728

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WOODEN TOPS DAY NURSERY LTD

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		3,745		4,012
Current assets					
Debtors	12	-		5,897	
Cash at bank and in hand		449,879		453,398	
		449,879		459,295	
Creditors: amounts falling due within one year	13	(35,206)		(33,579)	
Net current assets			414,673		425,716
Total assets less current liabilities			418,418		429,728
Income funds					
Restricted funds	14		18,049		13,121
<u>Unrestricted funds</u>					
Designated funds	15	125,000		125,000	
General unrestricted funds		275,369		291,607	
			400,369		416,607
			418,418		429,728

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 28 March 2023

Mrs A Tindale
Trustee

Company registration number 04732961

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Wooden Tops Day Nursery Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Park Lane Centre, Park Lane, Woodside, Telford, Shropshire, TF7 5QZ, United Kingdom.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Building renovations	2% on cost
Fixtures, fittings & equipment	20% on cost
Computers	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	Restricted funds
	2022	2021
	£	£
Graduate leader support fund	6,322	3,232

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Grant income 2022 £	Grant income 2021 £
Revenue grants	240,513	232,676
Government grants	-	5,164
Other income	68,457	31,546
	<u>308,970</u>	<u>269,386</u>

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	<u>71</u>	<u>284</u>

6 Other income

	Total 2022 £	Unrestricted funds 2021 £
JRS Grants	<u>-</u>	<u>19,756</u>

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	220,263	196,827
Depreciation and impairment	265	297
Rent	56,129	56,012
Child education & development	11,765	2,098
Telephone	1,230	1,407
Postage & stationery	3,345	3,437
Advertising	-	1,331
Repairs & renewals	6,241	2,411
Household & cleaning	1,759	2,442
Catering	13,901	7,822
Sundry expenses	3,943	1,836
Staff welfare & training	-	27
Other charitable expenditure	7,832	5,314
	<u>326,673</u>	<u>281,261</u>
	<u>326,673</u>	<u>281,261</u>
Analysis by fund		
Unrestricted funds	325,279	281,261
Restricted funds	1,394	-
	<u>326,673</u>	<u>281,261</u>

8 Trustees

None of the trustees received any remuneration during the year.

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

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Childcare	18	19
Administration	3	3
	<u>21</u>	<u>22</u>

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	214,819	191,121
Social security costs	2,763	3,319
	<u>220,263</u>	<u>196,827</u>

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

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

11 Tangible fixed assets

	Building renovations £	Fixtures, fittings & equipment £	Computers £	Total £
Cost				
At 1 April 2021	4,574	28,909	1,039	34,522
At 31 March 2022	<u>4,574</u>	<u>28,909</u>	<u>1,039</u>	<u>34,522</u>
Depreciation and impairment				
At 1 April 2021	1,430	28,042	1,039	30,511
Depreciation charged in the year	63	203	-	266
At 31 March 2022	<u>1,493</u>	<u>28,245</u>	<u>1,039</u>	<u>30,777</u>
Carrying amount				
At 31 March 2022	<u>3,081</u>	<u>664</u>	<u>-</u>	<u>3,745</u>
At 31 March 2021	<u>3,144</u>	<u>868</u>	<u>-</u>	<u>4,012</u>

12 Debtors

Amounts falling due within one year:	2022 £	2021 £
Other debtors	-	4,397
Prepayments and accrued income	-	1,500
	<u>-</u>	<u>5,897</u>

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	1,884	583
Accruals and deferred income	33,322	32,996
	<u>35,206</u>	<u>33,579</u>

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds			
	Balance at 1 April 2020 £	Incoming resources £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Graduate Leader Fund	<u>9,889</u>	<u>3,232</u>	<u>13,121</u>	<u>6,322</u>	<u>(1,394)</u>	<u>18,049</u>

Graduate leader fund

This fund is restricted for use in the further training of graduates.

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2020 £	Incoming resources £	Balance at 1 April 2021 £	Incoming resources £	Balance at 31 March 2022 £
Close down fund	<u>125,000</u>	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
	<u>125,000</u>	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>

The close down fund represents funds designated for the graceful shut down of the nursery should the need arise. The designated funds represents an estimate of the wage costs, redundancy payments, lease and contractual obligations and associated costs of shut down.

WOODEN TOPS DAY NURSERY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	3,745	-	3,745	4,012	-	4,012
Current assets/(liabilities)	396,624	18,049	414,673	412,595	13,121	425,716
	<u>400,369</u>	<u>18,049</u>	<u>418,418</u>	<u>416,607</u>	<u>13,121</u>	<u>429,728</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).