

ACORNS2OAKS LIMITED  
(A Company limited by Guarantee – Reg.No.04536406)

Registered Charity No. 1104861

ANNUAL REPORT  
AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED

31<sup>st</sup> March 2021

ACORNS2OAKS LIMITED

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## ACORNS2OAKS LIMITED

### **Legal and administrative details**

<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated on 16 <sup>th</sup> September 2002 and registered as a charity in August 2004.
<b>Governing document</b>	The Company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.
<b>Company Number</b>	04536406
<b>Charity Number</b>	1104861
<b>Registered Office</b>	Peppermint Healthy Living Centre Franklin Way Croydon Surrey CR0 4YD
<b>Directors/Trustees</b>	Beverley Noble - Chair Judith Osakwe Amanda Tucker
<b>Chief Executive</b>	Lauraine Nicholson
<b>Company Secretary</b>	Gaynor Murphy
<b>Bankers</b>	HSBC plc 9 Wellesley Road Croydon, Surrey CR92AA
<b>Independent Examiners</b>	Palmer McCarthy Suite 70, Capital Business Centre 22 Carlton Road, South Croydon, CR2 0BS

## ACORNS2OAKS LIMITED

### TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2021

#### **Objectives and Activities**

Acorns 2 Oaks was originally set up as CRSSC Ltd to provide Child Care services to families within the Broad Green area as a result of the Broad Green Sure Start programme being operational in the area. The capital to build the Centres to deliver these services was an investment from Broad Green Sure Start.

Canterbury Centre has operated as a community-based Day Nursery since June 2003.

Peppermint Centre provided a Nursery & Pre-School from July 2005 until September 2014 when the provision then changed to a term-time Pre-School.

Both settings aim to provide quality and affordable child-care to working parents living in the Broad Green area, supporting parents to access and sustain employment, and thereby furthering the charity's purposes for the public benefit.

The Trustees have had regard to the guidelines set out by the Charities Commission on Public Benefit when reviewing its aims and objectives and in planning for the future.

#### **Achievements and Performance**

The Covid-19 pandemic brought many challenges for the organisation, as our Centres were in lockdown throughout, bar the Nursery provisions.

Our Nurseries remained open, providing critical childcare and pre-school education for vulnerable children and the children of Keyworkers. Our Nursery Staff worked tirelessly throughout ensuring practices were to date with current restrictions and regulations and the settings were Covid-19 safe. The number of attendees during the year were extremely low with most placements being government funded and not fee paying.

Peppermint Youth Club was closed throughout. Whilst this service does not attract income, it is a much-needed lifeline for the young people in the surrounding area. It is planned that the club will reopen in Autumn 2021.

Croydon's Best Start family support services were offered via online sessions. It is not yet decided how these sessions will continue in the future.

The pandemic brought about a sense of stronger cohesion within the community, enabling Best Start's ABCD project to continue to promote local-residents' ideas. This is demonstrated by the implementation of the *Heads2Gether Food Hub*, that sources food from the local supermarkets which is then distributed to the Community at our Centres.

With both Centres closed to the public, The ICT suites were not used and neither Community Halls were available for public hire. The Peppermint Centre became a Covid-19 vaccination hub in December 2020. It is not yet decided how long this will continue.



## **Financial Review**

The year ended 31<sup>st</sup> March 2021 resulted in a deficit of £102,160 (2020: £2,864 surplus). This deficit is wholly attributable to the Covid-19 pandemic as:

- ◆ nursery placements were extremely low with most placements being government funded and not fee paying
- ◆ nursery practitioners were not eligible for the furlough scheme, irrespective of the settings not having enough placements to cover their salary costs
- ◆ all halls hire income ceased, leading to loss of income from regular organisations and public hire

The only income streams, bar nursery placements, that continued were:

- ◆ Croydon Council Best Start ABCD.
- ◆ Service charges from AT Medics (NHS Croydon) for use of the premises.

A third of the charity's reserves were used to support the vast loss in revenue, ensuring that the running costs could be met and the aims and objectives of the charity were upheld.

The charity had closing reserves on 31<sup>st</sup> March 2021 of £213,627, of which £1,372 are restricted (2020: reserves of £315,787 of which £1,372 were restricted).

## **Plans for the Future**

Acorns 2 Oaks main objective for the coming year is to re-open the Centres for the wide use amongst the community.

## **Structure, Governance and Management**

The governing document is detailed on the information page attached to these accounts.

The company is governed by the Directors who are volunteers, as listed on the information page attached to these accounts. The major risks to which the company is exposed to are reviewed regularly by the Directors and management, and systems have been put in place to mitigate those risks.

Trustees are trained on their responsibilities initially on induction and periodically thereafter. The Board continues to advertise for Trustees.

The Trustees review and set the remuneration of key management personnel, having had regard to the recent performance of the charity when carrying out the review.

## **Directors Responsibilities**

The directors are required by UK company law to prepare the financial statements for each financial year, in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the statement of financial activity for that period.

In preparing the financial statements the directors are required to:

- i) Select suitable accounting policies and then apply them consistently
- ii) Make judgments and accounting estimates that are reasonable and prudent

- iii) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- iv) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and that enable them to ensure that the financial statements comply with the Companies Act.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. It is important to bear in mind that legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

On behalf of the Board



Beverley Noble - Chair

Date: 22nd October 2021



**ACORNS2OAKS LIMITED**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31ST MARCH 2021**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2021.

**Responsibilities and basis of report**

As the charity's trustees (and also the directors of the company 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 company'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**

Since the company'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 member of the ICAEW, 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 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.

  
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29/10/2021

Peter Mills ACA CTA  
Independent Examiner  
Palmer McCarthy  
Chartered Certified Accountants  
Suite 70, Capital Business Centre, 22 Carlton Road  
South Croydon, CR2 0BS

**ACORNS2OAKS LIMITED****STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)  
For the year ended 31 March 2021**

	£	2021 £		2020 £
Incoming resources				
	Unrestricted Funds	Restricted Funds	Total	Total
Charitable Activities - Note 3	442,534	-	442,534	568,002
Other Trading Activities - Note 4	33,908	-	33,908	67,231
Investment Income - Note 6	134	-	134	575
Total Incoming resources	476,576	-	476,576	635,808
Expenditure on Charitable Activities- Note 7	578,736	-	578,736	632,944
Total Expenditure	578,738	-	578,738	632,944
Net movement in funds	(102,160)	-	(102,160)	2,864
Total funds brought forward	314,415	1,372	315,787	312,923
Total funds carried forward	212,255	1,372	213,627	315,787



**ACORNS2OAKS LIMITED**

Company Registration number 04536406

**BALANCE SHEET AS AT 31 March 2021**

	2021 £	2020 £
<b>FIXED ASSETS</b>		
Intangible asset - note 9	-	-
Tangible assets - note 10	-	-
	-	-
<b>CURRENT ASSETS</b>		
Debtors and prepayments - note 11	8,402	18,278
Cash at bank and in hand	342,983	381,860
	351,385	400,138
<b>CURRENT LIABILITIES</b>		
Creditors and accruals - note 12	(137,758)	(84,351)
<b>NET CURRENT ASSETS</b>	213,627	315,787
<b>Total assets less liabilities</b>	213,627	315,787
<b>Financed by:</b>		
Unrestricted funds - note 13	212,255	314,415
Restricted funds - note 13	1,372	1,372
<b>Total funds</b>	213,627	315,787

For the Financial Year ended 31st March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibility for ensuring the company keeps accounting records which comply with section 386 of the Act, and for preparing accounts which give a true and fair view of the state of affairs of the company at the end of its financial year, and of its income and expenditure for the financial year in accordance with sections 394 & 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006, and in accordance with the Charities SORP 2019 (FRS102) and were approved by the Trustee Board on 22nd October 2021.....

Beverley Noble – Chair



**ACORNS2OAKS LIMITED****STATEMENT OF CASH FLOWS****For the year ended 31 March 2021**

	2021 £	2020 £
Net Cash Provided by/(Used in) operating activities (note 17)	<u>(39,011)</u>	<u>(31,839)</u>
Cash Flows from investing activities		
Investment Income	134	575
Purchase of Fixed Assets	<u>-</u>	<u>-</u>
Cash Provided by (used in) investing activities	<u>134</u>	<u>575</u>
Increase (decrease) in cash and cash equivalents at the end of the year	(38,877)	(31,264)
Cash and cash equivalents at the beginning of the year	<u>381,860</u>	<u>413,124</u>
Total cash and cash equivalents at the end of the year	<u><u>342,983</u></u>	<u><u>381,860</u></u>

## **ACORNS2OAKS LIMITED**

### Notes to the Financial Statements

#### 1. Accounting Policies

##### Company information

The Company is a private company limited by guarantee and is incorporated in England and Wales under Company Number 04536406. The company is a registered charity under charity number 1104861. The company's principal activity and operations are that of providing pre-school education, childcare and youth services. The registered office address is Peppermint Healthy Living Centre, Franklin Way, Croydon, Surrey, CR0 4YD.

#### a) Basis of Accounting

These accounts have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The Charitable Company is a public benefit entity for the purposes of FRS102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The Charities SORP 2019 (FRS102)), the Companies Act 2006 and the Charities Act 2011. The financial statements are prepared in pounds sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

#### b) Going concern

There were no material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern.

#### c) Incoming Resources

Incoming Resources from Charitable Activities and Grants receivable are accounted for on an accruals basis. All other income is accounted for on an as received basis.

#### d) Resources Expended

All expenditure is included in the accounts on an accruals basis.

#### e) Amortisation of Goodwill

The cost of Goodwill was written off over 10 years, being the estimated useful economic life of the asset

#### f) Tangible Fixed Assets

Tangible Fixed Assets are stated at historical cost less accumulated depreciation. Depreciation is provided on the straight line basis at rates calculated to write off the cost of the relevant asset over their expected useful economic life. The Depreciation Rates used are as follows:

Fixtures, Fittings & Equipment	25%
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## **ACORNS2OAKS LIMITED**

### Notes to the Financial Statements (continued)

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held with banks.

h) Recognition of liabilities

Expenditure approved for payment but not paid are recorded as liabilities in the balance sheet. Current liabilities consist of amounts expected to be settled within 12 months from the balance sheet date

i) Debtors

Debtors are recorded at transaction price.

j) Fund accounting

Funds held by the charity are either

- a. Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees;
- b. Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity

k) Activities in furtherance of the Charities objectives comprises nursery fees to third parties, including fees funded by Local Authority.



## **ACORNS2OAKS LIMITED**

### **Notes to the Financial Statements**

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#### **2. Net Movement in Funds**

Net Movement in Funds is Stated after Charging

	2021	2020
	£	£
Operating lease expense	1,815	1,815
Independent Examination fees	2,400	2,502
Amortisation	-	-
Depreciation	-	-
	<hr/>	<hr/>

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#### **3. Charitable Activities Income**

	2021	2020
	£	£
Family services grant	30,000	30,000
Free education funding	368,654	471,668
Childcare placements	21,482	66,334
Coronavirus job retention scheme grants	22,398	-
	<hr/>	<hr/>
	442,534	568,002

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#### **4. Other Trading Activities Income**

	2021	2020
	£	£
Income From Hall Hire	9,625	30,876
Service Charges	24,283	35,604
Sundry Receipts	-	751
	<hr/>	<hr/>
	33,908	67,231

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## ACORNS2OAKS LIMITED

### Notes to the Financial Statements (continued)

#### 5. Staff Costs and numbers:

The Costs incurred in respect of employees were:

	2021	2020
	£	£
Salaries & Wages	450,175	467,934
Social Security Costs	18,775	21,645
Defined Contribution Pension Costs	6,774	7,187
	<u>475,724</u>	<u>496,766</u>

No employee earned over £60,000 during the year under review.

The average number of staff employed during the year was:

	2021	2020
Office & Administration	3	3
Direct Charitable work	<u>42</u>	<u>39</u>

Key management personnel remuneration totalled £138,245 (2020: £131,954)

#### 6. Investment Income

	2021	2020
	£	£
Bank Interest Received	<u>134</u>	<u>575</u>

#### 7. Expenditure on Charitable Activities

	2021			2020
	Staff Costs	Others	Total	Total
	£	£	£	£
Childcare Placements	478,735	-	478,735	517,616
Establishment Costs	-	41,441	41,441	17,897
Catering	-	5,267	5,267	13,426
Educational Equipment	-	668	668	95
Governance Costs	-	2,670	2,670	2,772
Other	-	49,957	49,957	81,138
	<u>478,735</u>	<u>100,003</u>	<u>578,738</u>	<u>632,944</u>

#### 8. Corporation Tax

The Company is a registered Charity and is not subject to Corporation Tax on its activities.

## ACORNS2OAKS LIMITED

### Notes to the Financial Statements (continued)

#### 9. Intangible Fixed Assets

	Goodwill
	£
Cost at 1st April 2020 and 31st March 2021	<u>15,000</u>
Amortisation	
at 1st April 2020	15,000
Charge For the Year	-
at 31st March 2021	<u>15,000</u>
Net Book Value at 31st March 2021	<u>-</u>
Net Book Value at 31st March 2020	<u>-</u>

#### 10. Tangible Fixed Assets

	Fixtures, Fittings & Equip.
	£
Cost at 1st April 2020 and 31st March 2021	<u>10,033</u>
Depreciation	
at 1st April 2020	10,033
Charge for the Year	-
at 31st March 2021	<u>10,033</u>
Net Book Value at 31st March 2021	<u>-</u>
Net Book Value at 31st March 2020	<u>-</u>

#### 11. Debtors & Prepayments

	2021	2020
	£	£
Debtors arising from Charitable activities	-	15,605
Debtors arising from other trading activities	7,018	758
Prepayments	<u>1,384</u>	<u>1,915</u>
	<u>8,402</u>	<u>18,278</u>

#### 12. Creditors & Accruals

	2021	2020
	£	£
Creditors arising from Charitable activities	45,481	21,726
Taxes and Social Security	6,887	7,700
Accruals	<u>85,390</u>	<u>54,925</u>
	<u>137,758</u>	<u>84,351</u>

## **ACORNS2OAKS LIMITED**

### **Notes to the Financial Statements (continued)**

#### 13. Movement in Funds

	Balance 1 Apr 2020 £	Income £	Expenditure £	Balance 31 Mar 2021 £
<u>Unrestricted Funds</u>	314,415	476,576	(578,736)	212,255
<u>Restricted Funds</u>				
Peppermint Grant	42	-	-	42
Crosfield Grant	1,330	-	-	1,330
	1,372	-	-	1,372
<u>Total</u>	315,787	476,576	(578,736)	213,627

The Peppermint Grant and the Crosfield Grant are for the purpose of future capital expenditure.

#### 14. Summary of assets and liabilities between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Debtors	8,402	-	8,402
Cash	341,610	1,372	342,982
Creditors	(137,758)	-	(137,758)
Net Assets	212,254	1,372	213,627

#### 15. Trustees Remuneration and Related Party Transactions

No member of the Management Committee or Trustees received any remuneration during the year.

Where trustees of the company have children placed at the nursery they pay the full nursery fee for that placement.

No Trustee was reimbursed expenses by the charity.

There were no related party transactions that require disclosure.



## **ACORNS2OAKS LIMITED**

### **Notes to the Financial Statements (continued)**

#### 16. Contingent Liabilities

At 31st March 2021 the company had no contingent liabilities or capital commitments not provided for in these accounts. Creditors includes £78,763 (2020: £54,925) provided as a contingent liability in respect of service charges that have not been charged to the company by Croydon Council.

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#### 17. Reconciliation of net movements in funds to net cash flow from operating activities

	2021	2020
	£	£
Net Movement in Funds	(102,160)	2,864
Deduct Investment Income	(134)	(575)
Decrease (Increase) in Debtors	9,876	(16,744)
Increase (Decrease) in Creditors	53,406	(17,354)
Net Cash Provided by/(Used in) operating activities	(39,012)	(31,839)

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#### 18. Operating Lease Commitments

The company has operating lease commitments in relation to the rental of the premises used in the furtherance of its activities, as follows:

Future minimum operating lease payments	2021	2020
	£	£
Within one year	1,815	1,815
Between two and five years	7,258	7,258
In over five years	26,614	28,428
	35,687	37,501

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ACORNS2OAKS LIMITED

The following page does not form part the Statutory Financial Statements

**ACORNS2OAKS LIMITED****INCOME & EXPENDITURE ACCOUNT****For the year ended 31 March 2021**

	2021	2020
	£	£
Income Receivable		
Family services grant	30,000	30,000
Free Education Funding	368,654	471,668
Childcare Fees	21,482	66,334
Bank interest	134	575
Coronavirus job retention scheme grants	22,398	-
Miscellaneous Income	-	177
Youth funding	-	520
Donations	-	54
Hall Hire Income	9,625	30,876
Service charges	24,283	35,604
<b>Total Income receivable</b>	<b>476,576</b>	<b>635,808</b>
Premises costs	41,441	17,897
Management Recharge CRP	-	18,429
Staff salaries	450,175	467,934
Employer's NI	18,775	21,645
Pensions	6,774	7,187
Agency Staff	-	17,298
Staff training and information	2,536	2,851
Staff DBS Checks	475	701
Catering	5,267	13,426
Children social activities/educational	2,199	5,063
Cleaning and domestic supplies	25,040	33,801
Clinical waste	3,325	3,864
Expendable equipment	668	95
Insurance	3,159	2,987
Office supplies	1,276	1,643
Telephone, postage, fax and internet	6,653	8,510
Bank charges	484	533
Books and publication	-	-
Sundry expenses	502	509
Subscriptions	504	111
OFSTED registration	270	270
IT Maintenance & Software	6,800	5,675
Independent Examination Fees	2,400	2,502
Professional fees	13	13
<b>Total admin &amp; overhead expenses</b>	<b>578,736</b>	<b>632,944</b>
<b>Surplus/(Deficit) for the year</b>	<b>(102,160)</b>	<b>2,864</b>