



Myrtle House Ltd

Charity number: 1105421

Company Registration Number: 05152593

Trustees' report and financial statements
for the year ended 30th September 2021

Contents

	Page
Legal and administrative information	1
Trustees report	2 - 4
Independent Examination report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 12

Legal and administrative information

Charity Name: Myrtle House Ltd

Charity Registration Number: 1105421

Company Registration Number: 05152593

Address: Myrtle House Ltd
22 Myrtle Terrace
Llanelli
Carmarthenshire
SA15 1LH

Trustees & Directors: Mrs E P Chapman
Rev W P J Chapman
Mrs K P McShane
Rev M L O'Brien
Mrs S O'Brien
D Kemeny

Independent Examiner: Carwyn Morgan B.S.c., F.C.C.A
Ashmole and Co.
The Old School
The Quay
Carmarthen
SA31 3LN

Report of the Trustees

For the year ended 30th September 2021

The Trustees present their report and the financial statements for the year ended 30th September 2021. The trustees who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

The Charity is a subsidiary of Elim Foursquare Gospel Alliance (charity registration 251549) The daily running of the charitable company is covered by the Project Manager/Nursery Director, Mrs Ellen Chapman who is also a trustee. Oversight is given by the leadership of the local Elim Pentecostal Church. Monthly leader's meetings are held where decisions are made regarding strategic matters. In line with the constitution, trustees must be part of the Church leadership team.

Governing Document

The charity is governed by its Memorandum and Articles of Association as a Company Limited by Guarantee.

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.

Objectives and activities

The main purpose and objects of the charity are set out in the Memorandum of Association as follows:

- 1.1 The charity was set up with the aim of running a nursery and pre-school facility for the benefit of the community of Llanelli and the surrounding area under the umbrella of Elim Pentecostal Church, Llanelli. The charity aims to run the best nursery and pre-school facility, maintaining the highest standards of excellence.

Achievements and performance

This year we faced the Covid-19 pandemic. We had the privilege to support the parents throughout this time by continuing to give the children in our care the childcare that was needed at this difficult time. We continued to be diligent in our cleanliness and COVID guidelines for PPE, social distancing, more cleaning more regularly etc. The change of routines effected both staff and children but enabled us to continue the level of safety within the Nursery and continued to give the parents confidence in the Nursery that was caring for their child.

The premises inside is a bright airy space for all the children and we have seen the benefit of combining the under 2's and over 2's together. Parents continue to be happy with the setting. Staff continue to work at enhancing the space to provide good quality childcare which in turn gives them the calm, happy children to teach and encourage.

The transition of the babies to the over 2's continues to be better for them as they are used to the space. They settle more quickly than if they had to come to a new building which has been so different for them. Within the baby space we have created an area for the under 1's so they are safe to crawl and explore their environment.

The area of the over 2's has been developed to have the designated areas for the six areas of learning of the foundation stage.

The outdoor environment continues to be developed as there is so much learning, exploring, experimenting that happens outside the Nursery, we are so fortunate to have large grounds for the children. There is a new mud kitchen and potting bench as well as more equipment for the wonderful play that happens there, pots, pans, utensils etc, some have been bought others have been donated by parents.

Parents are so pleased that the Nursery has such lovely grounds and an environment that enables the children to have a lot of their time spent at Nursery outdoors.

The staff team continued to be outstanding in all they have done to care not only for the children but each other and the parents. During this year we needed to regularly bring staff back from furlough as the numbers of children steadily increased. Each time a member of staff came off furlough to return to work we had staff meetings, at a distance, to encourage one another and to make the staff as comfortable as we could enabling the return to work a good transition from furlough and lockdown.

The administrative staff have continued to accommodate new children continually throughout this year 20/21.

The staff team including cooks and cleaners continued to work tirelessly to do everything necessary with no questions to help the nursery remain compliant throughout the pandemic.

The parents views and observations continue to be beneficial for the ongoing development of all aspects of the Nursery. The feedback is always welcomed as we are able to review, change, accommodate and be encouraged by all of the parents taking the time to communicate with us.

The childrens views are very important as it helps them become aware that they have a voice and can choose activities that they love to be involved in and play with as long they would like. The child led activities are enjoyed by both children and staff and the children grow so much through the enjoyment of something they have chosen to do enabling staff to observe the skills that the child achieves.

The children are given the opportunity to express their feelings on activities carried out in nursery and are given the opportunity to share ideas and make decisions in the daily routine. The staff talk to the children regularly and use 1:1, group discussion, free play and focussed activities to engage with their ideas. Children often talk to each other about nursery when they are playing outside or in the home corner. Staff seek children's views and ideas through paintings, craft activities and at the start of each session when we talk about the day and theme.

Outside agencies have communicated with us and we have communicated to them by telephone, email, messages, microsoft teams, zoom meetings etc. This has helped the Nursery to continue its work throughout the pandemic safely.

When a child leaves the Nursery the parents give cards and gifts to the staff that clearly show the staff how parents and the child have so loved the Nursery and both the child and parents clearly are going to miss the experience they have had at Myrtle House. There is a really good relationship built between the staff and parents that clearly give security and confidence to both in the learning experience that the children have.

Meals and snacks continue to be an important part of the child's day and so it is important that the meals and snacks are enjoyed by the children. During the pandemic the food was served by staff to the children rather than allowing children the usual independence to avoid and protect each other from contracting COVID. We have maintained our level 5 food hygiene rating which is always noted by the parents and can be the reason the parents enrol their child at Nursery. We continue to help, support and accommodate the children that have any eating problems or dietary requirements.

Parents are always made aware of the meals and snacks a child has had during the day.

Enrolment and settling in is an important process for both parents and staff. It is a time when the two parties can talk and understand the needs of the child enabling the settling of a child at Nursery to be a happy time and not too distressing.

Covid-19 has changed our process of settling in as parents can no longer enter the Nursery. They have a shorter session so that their child can settle more quickly. This has been a success in most cases and parents are happy with this.

The staff have worked hard this year to make sure it has been a year of fun filled activities linked to the theme although at times throughout the pandemic it has been important to relax with the children and care for the needs a little differently and not be so intense with routine of normal sessions.

Throughout the pandemic there have been more regular staff meetings to be able to communicate changing guidelines and has been a place where staff can be encouraged in every aspect of their work as it has been important to support the staff to alleviate any stress during this time.

Meetings are arranged with parents where needed to discuss any concerns about their child's progress in a quick and relaxed atmosphere.

All training was put on hold and inspections by CIW, Estyn, EHO were suspended.

This report reflects another quite difficult year in Nursery although it has been met with the most amazing team of people wanting to support families and continue to develop precious little people for their futures.

Financial review

Policy on reserves

The Charity's policy is to keep a minimum in general funds to run the organisation for 6 months.

Funds in deficit

The funds are in deficit 2021 £92,877 (2020 £107,142)

Total income was £303,505. The charity has financial support from Elim Foursquare Gospel Alliance and Elim Pentecostal Church and despite the current difficulties, the Church continues to offer its financial support.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees declare that they have approved the trustees' report above.

On behalf of the board

Signed:  Trustee

Date: 22 July 2022

Print Name: W B CHAPMAN.

Myrtle House Limited Accounts for the year ending 30 September 2021

Myrtle House Limited 05152593

Independent Examiner's Report to the Trustees of Myrtle House Limited

I report on the accounts for the year ended 30 September 2021, which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

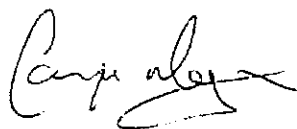
I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.



Ashmole & Co.
Chartered Certified Accountants
The Old School
The Quay
Carmarthen
Carmarthenshire
SA31 3LN

Date: 22/7/2022

STATEMENT OF FINANCIAL ACTIVITIES

for the period ended 30th September 2021

	<u>notes</u>	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total Funds</u> <u>this year</u>	<u>Total</u> <u>Funds</u> <u>last year</u>
Incoming Resources	3				
Donations, Legacies & Similar Incoming resources					
Donations Income				-	-
Grants received - Unrestricted		41,259		41,259	-
Grants Received - Restricted			733	733	35853
Incoming Resources from Operating Activities					
a) in furtherance of the charity's objectives					
Nursery Income		261,513		261,513	224188
b) for generating funds					
Fundraising				-	-
Investment Income					
Bank Interest Received				-	-
Other Incoming Resources					
Tax Rebate from Covenant/Gift Aid				-	-
Other Income				-	-
TOTAL INCOMING RESOURCES		<u>302,772</u>	<u>733</u>	<u>303,505</u>	<u>260041</u>
Resources Expended					
Costs of generating Funds					
Nursery Costs	13	281,380	3,481	284,861	235252
Governance Costs:					
Independent Examination Fees	13	570	-	570	570
Book keeping and Accounting Fees	13	3,809		3,809	2901
TOTAL RESOURCES EXPENDED		<u>285,760</u>	<u>3,481</u>	<u>289,240</u>	<u>238723</u>
NET INCOMING RESOURCES Before transfers		<u>17,013</u>	<u>- 2,748</u>	<u>14,265</u>	<u>21318</u>
Transfers Between Funds			-	-	0.00
NET INCOMING RESOURCES After transfers		<u>17,013</u>	<u>- 2,748</u>	<u>14,265</u>	<u>21,318</u>
Gains/Losses on Revaluation of Fixed Assets		-	-	-	0.00
NET MOVEMENT IN FUNDS		<u>17,013</u>	<u>- 2,748</u>	<u>14,265</u>	<u>21,318</u>
Total Funds Brought Forward	-	109,890	2,748	- 107,142	- 128,460
Total Funds Carried Forward	-	92,877	-	- 92,877	- 107,142

BALANCE SHEET

as at 30.9.21

	notes	Unrestricted Funds	Restricted Funds	Total Funds	last year
<u>Fixed Assets -Tangible</u>					
Fixed Assets -Tangible	7	8535	0	8535	1589
<u>Current Assets</u>					
Debtors & Prepayments	8	21957	0	21957	5127
Loans	8	4500		4500	1400
Bank & Cash		19161	0	19161	16430
		45618	0	45618	22958
<u>Current Liabilities (falling due within 1 year)</u>					
Creditors & Accruals	9	16571	0	16571	7540
Net Pay & Paye	9	20398	0	20398	14088
Loans	9	0	0	0	0
		36968	0	36968	21627
Net Current Assets		8649	0	8649	1330
Total Assets less Current Liabilities		17185	0	17185	2920
Creditors Falling due after 1 year	10	110062	0	110062	110062
Provisions for Liabilities & Charges		0	0	0	0
Total Net Assets		-92877	0	-92877	-107142
<u>Fund Balances</u>					
Funds B/fwd	11	-109890	2748	-107142	-128460
Net movement of funds		17013	-2748	14265	21318
TOTAL FUNDS		-92877	0	-92877	-107142

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th September 2021.


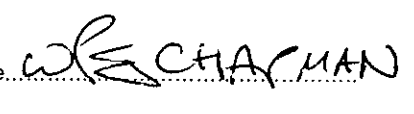
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30th September 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 is applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 22 July 22. And were signed on its behalf by:

Signed  Print Name  W P J Chapman

Notes to the financial statements
for the year ended 30th September 2021

1. Basis of preparation

1.1. 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 2015)', 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.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosure paragraph 33.7.

1.2. Change in Basis of Accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

1.3. Changes to previous Accounts

No changes have been made to accounts for the previous years.

2. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

2.1 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

2.2 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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.

2.3 Tangible fixed assets and depreciation

Expenditure is capitalised if the asset has a useful life of more than 1 year and its cost exceeds £250.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, on a straight-line basis as follows:

Plant and Machinery etc.	25% on cost
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2.4 Taxation

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

2.5 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. Incoming resources from charitable activities

	Activity	30.9.21 £	30.9.20 £
Nursery income	Nursery	<u>303,505</u>	<u>260,041</u>
Total		<u>303,505</u>	<u>260,041</u>

Grants received, included in the above, are as follows:

	30.9.21 £	30.9.20 £
Other grants	<u>41,992</u>	<u>35,853</u>
Total	<u>41,992</u>	<u>35,853</u>

4. Net incoming/(outgoing) resources

Net resources are stated after charging/ (crediting):

	30.9.21 £	30.9.20 £
Depreciation – owned assets	1,227	663

5. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30th September 2021 nor for the year ended 30th September 2020

Trustees' expenses

Telephone expenses of £379.57 were reimbursed to Mrs Ellen Chapman.

6. Staff costs

	30.9.21 £	30.9.20 £
Wages and salaries	<u>193,842</u>	<u>173,173</u>
Total	<u>193,842</u>	<u>173,173</u>

The average number of employees (full time equivalent) during the year was as follows:

	30.9.21	30.9.20
Nursery staff	<u>17</u>	<u>17</u>

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

7. Tangible fixed assets

	Plant & Machinery Etc.	Total Assets
	£	£
Cost		
At 1 st October 2020	78,143	78,143
Additions in Year	8,173	8,173
Disposals in Year	-	-
At 30 th September 2021	<u>86,317</u>	<u>86,317</u>
Depreciation		
At 1 st October 2020	76,554	76,554
Charge for year	1,227	1,227
Released on Disposal	-	-
At 30 th September 2021	<u>77,782</u>	<u>77,782</u>
Net book Value		
At 30 th September 2021	8,535	8,535
At 30 th September 2020	1,589	1,589

8. Debtors: Amounts falling due within one year

	30.9.21 £	30.9.20 £
Debtors & prepayments	<u>26,457</u>	<u>6,527</u>
Total	<u>26,457</u>	<u>6,527</u>

9. Creditors: Amounts falling due within one year

	30.9.21 £	30.9.20 £
Creditors and Accruals	16,571	7,540
Net Pay & PAYE	20,398	14,088
Loans	<u>0</u>	<u>0</u>
Total	<u>36,969</u>	<u>21,627</u>

10. Creditors: Amounts falling due after more than one year

	30.9.21 £	30.9.20 £
Other Creditors	<u>110,062</u>	<u>110,062</u>
Total	<u>110,062</u>	<u>110,062</u>

11. Movement in funds

	At 1.10.20 £	Net Movement in funds £	Transfers between funds £	30.9.21 £
Unrestricted funds				
General Funds	(109,890)	17,013	0	(92,877)
Restricted funds				
Grants	2,748	(2,748)	0	0
Total funds	<u>(107,142)</u>	14,265	0	<u>(92,877)</u>

12. Related party disclosures

The company is a subsidiary of Elim Foursquare Gospel Alliance (EFGA), a charitable trust number 251549. The bank overdraft is guaranteed by EFGA. The nursery occupies the premises of Llanelli Elim church and pays rent.

Loan interest of £6,648 (2020 £6,707) was charged and £6,648 was paid during the year. The outstanding loan to Elim Church was £110,062 as at 30th September 2021.

13. Breakdown of Resources Expended

Costs of Generating Funds	30.9.21	30.9.20
	£	£
Wages, Salaries & Associated Costs	193842	173173
Nursery consumables & hygiene	10836	7346
Rent, Rates, Light & Heat	52054	39226
Administration Costs	1313	1730
Repairs & Maintenance	8943	2505
Travel and subsistence	1378	1030
Training	315	849
Small tools & Equipment	6453	638
Insurance	404	0
Bank Charges	317	327
Loan Interest	6648	6707
Professional & consultancy Fees	194	299
Subscription and membership fees	937	759
Depreciation	1227	663
Sundries	0	0
	284861	235252

Governance Costs	30.9.21	30.9.20
	£	£
Independent Examination Fees	570	570
Accounting Fees	3,809	2,901