

Company registration number: 05392562

Charity registration number: 1110941

North Tynies Childcare Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023



North Tynies Childcare Limited

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North Tynies Childcare Limited

Reference and Administrative Details

Trustees	S J Barnes A Taylor R C Moore P Troop
Secretary	C Hopkins
Charity Registration Number	1110941
Company Registration Number	05392562
Principal Office	The charity is incorporated in England and Wales. Bellingham Schools Site Redesmouth Road Bellingham Hexham Northumberland NE48 2EN
Independent Examiner	TyneRede Accountancy Ltd Lloyds Bank House Bellingham Hexham Northumberland NE48 2AZ
Bankers	Unity Trust Bank Nine Brindley Place 4 Oozells Square Birmingham B1 2HB

North Tynies Childcare Limited

Strategic Report for the Year Ended 31 March 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

Reserves are required to bridge the gap between spending and income to carry out emergency repairs and other expenditure. Upon the inception of North Tynies Childcare Ltd 'grants in advance' were awarded to address future shortfalls due to the unpredictable nature of the business. The reserves have been instrumental in the continuation of North Tynies Childcare Ltd thus providing financial stability to sustain the high-quality delivery of services despite the current economic backdrop and our reliance on local demographics. We continue to apply for grants to enable continuing repairs and renewals from local and national sources.

Investment policy and objectives

Under the memorandum and articles of association, the charity has the power to make any investments which trustees see fit.

The strategic report was approved by the trustees of the charity on and signed on its behalf by:

.....
S J Barnes
Trustee

North Tynies Childcare Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023.

Objectives and activities

Objects and aims

The objects of the Charity are:

- a) To advance the education of the children and in particular those children below compulsory school age.
- b) By the promotion and provision of day care facilities for such children which stimulate their growth and development through play.
- c) To advance the education and development of children from primarily within the North Tyne and Redesdale area, in particular by the provision of a comprehensive childcare service offering facilities for safe and satisfying play and to provide or to arrange for the provision of such ancillary facilities and activities as are considered necessary or desirable for the fulfilment of the objects.

Structure, governance and management

Nature of governing document

The organisation is a charitable company limited by guarantee, incorporated on 15 March 2005 and registered as a charity on 15 March 2005. 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. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of trustees

The Trustees of North Tynies Childcare Ltd make up the Voluntary Management Committee. The committee comprises of school teachers, staff and children's parents/carers.

North Tynies Childcare Ltd may by ordinary resolution appoint a person who is willing to act to be a Trustee.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
S J Barnes
Trustee

North Tynies Childcare Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of North Tynies Childcare Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on and signed on its behalf by:

.....
S J Barnes
Trustee

North Tynies Childcare Limited

Independent Examiner's Report to the trustees of North Tynies Childcare Limited ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

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 North Tynies Childcare Limited 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 North Tynies Childcare Limited 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.

.....
Christopher Gillie
FCCA

Lloyds Bank House
Bellingham
Hexham
Northumberland
NE48 2AZ

Date:.....

North Tynies Childcare Limited

Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2023 £
Income and Endowments from:			
Other trading activities	4	207,658	207,658
Investment income	5	<u>1,046</u>	<u>1,046</u>
Total Income		<u>208,704</u>	<u>208,704</u>
Expenditure on:			
Raising funds	6	<u>(219,017)</u>	<u>(219,017)</u>
Total Expenditure		<u>(219,017)</u>	<u>(219,017)</u>
Net expenditure		(10,313)	(10,313)
Transfers between funds		<u>6,183</u>	<u>6,183</u>
Reconciliation of funds			
Total funds carried forward	15	<u>(4,130)</u>	<u>(4,130)</u>
	Note	Unrestricted £	Total 2022 £
Income and Endowments from:			
Donations and legacies	3	10,945	10,945
Other trading activities	4	218,184	218,184
Investment income	5	<u>61</u>	<u>61</u>
Total Income		<u>229,190</u>	<u>229,190</u>
Expenditure on:			
Raising funds	6	<u>(210,240)</u>	<u>(210,240)</u>
Total Expenditure		<u>(210,240)</u>	<u>(210,240)</u>
Net income		18,950	18,950
Transfers between funds		<u>(18,950)</u>	<u>(18,950)</u>
Reconciliation of funds			
Total funds carried forward	15	<u>-</u>	<u>-</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 15.

The notes on pages 9 to 16 form an integral part of these financial statements.

North Tynies Childcare Limited
(Registration number: 05392562)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	5,087	5,575
Current assets			
Debtors	11	29,619	31,431
Cash at bank and in hand	12	<u>123,133</u>	<u>145,417</u>
		152,752	176,848
Creditors: Amounts falling due within one year	13	<u>(5,196)</u>	<u>(19,467)</u>
Net current assets		<u>147,556</u>	<u>157,381</u>
Total assets less current liabilities		152,643	162,956
Creditors: Amounts falling due after more than one year	14	<u>(156,773)</u>	<u>(162,956)</u>
Net liabilities		<u>(4,130)</u>	<u>-</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted		<u>(4,130)</u>	<u>-</u>
Total funds	15	<u>(4,130)</u>	<u>-</u>

For the financial year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The notes on pages 9 to 16 form an integral part of these financial statements.

North Tynies Childcare Limited
(Registration number: 05392562)
Balance Sheet as at 31 March 2023

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
S J Barnes
Trustee

.....
C Hopkins
Secretary

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Bellingham Schools Site

Redesmouth Road

Bellingham

Hexham

Northumberland

NE48 2EN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

North Tynies Childcare Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	15% reducing balance
Leasehold improvements	10% reducing balance
Externals	15% reducing balance

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Total 2023 £	Total 2022 £
Grants, including capital grants;		
Grants	-	10,945
	-	10,945

4 Income from other trading activities

	Unrestricted General £	Total 2023 £	Total 2022 £
Trading income;			
Childcare fees	108,050	108,050	115,274
2 3 4 funding	97,605	97,605	101,747
Subsidies and miscellaneous income	2,003	2,003	548
SEN Funding	-	-	615
	207,658	207,658	218,184

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,046	1,046	61

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted General £	Total 2023 £	Total 2022 £
Subcontract cost		5,614	5,614	2,082
Accountancy fees		1,140	1,140	1,143
Staff costs		169,600	169,600	165,537
Staff NIC (Employers)		7,966	7,966	6,621
Staff pensions (Defined contribution) - pension scheme		2,849	2,849	2,616
Training costs		220	220	121
Light, heat and water		3,958	3,958	5,370
General insurance		-	-	1,059
Repairs and renewals		5,124	5,124	4,006
Office costs		6,901	6,901	5,213
Equipment and consumables		1,185	1,185	1,229
Catering		6,877	6,877	7,884
Sundry expenses		1,069	1,069	1,394
Cleaning		2,214	2,214	2,523
Motor expenses		991	991	142
Legal and professional fees		2,270	2,270	2,145
Bank charges		251	251	293
Depreciation of fixtures and fittings		598	598	651
Depreciation of leasehold property improvements		190	190	211
		219,017	219,017	210,240

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Staff costs

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Childcare Workers	10	10
Administration and Support	2	2
	<u>12</u>	<u>12</u>

8 (2022 - 9) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £2,849 (2022 - £2,616).

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

10 Tangible fixed assets

	Externals and office equipment £	Leasehold improvements £	Total £
Cost			
At 1 April 2022	11,997	9,195	21,192
Additions	<u>300</u>	<u>-</u>	<u>300</u>
At 31 March 2023	<u>12,297</u>	<u>9,195</u>	<u>21,492</u>
Depreciation			
At 1 April 2022	8,309	7,308	15,617
Charge for the year	<u>598</u>	<u>190</u>	<u>788</u>
At 31 March 2023	<u>8,907</u>	<u>7,498</u>	<u>16,405</u>
Net book value			
At 31 March 2023	<u>3,390</u>	<u>1,697</u>	<u>5,087</u>
At 31 March 2022	<u>3,688</u>	<u>1,887</u>	<u>5,575</u>

11 Debtors

	2023 £	2022 £
Trade debtors	28,283	31,086
Prepayments	<u>1,336</u>	<u>345</u>
	<u>29,619</u>	<u>31,431</u>

12 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	50	18
Cash at bank	<u>123,083</u>	<u>145,399</u>
	<u>123,133</u>	<u>145,417</u>

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	-	1,574
Other taxation and social security	3,310	15,768
Other creditors	731	970
Accruals	<u>1,155</u>	<u>1,155</u>
	<u>5,196</u>	<u>19,467</u>

North Tynies Childcare Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

14 Creditors: amounts falling due after one year

	2023 £	2022 £
Accruals	-	6,183
Deferred income	156,773	156,773
	<u>156,773</u>	<u>162,956</u>

15 Funds

	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted				
General	<u>208,704</u>	<u>(219,017)</u>	<u>6,183</u>	<u>(4,130)</u>