

Charity Registration No. 1113357

Company Registration No. 05568542 (England and Wales)

ABC CHILDCARE (IPSWICH) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ABC CHILDCARE (IPSWICH) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R Elden K Jeffery I Rowe
Secretary	J K Smith
Charity number	1113357
Company number	05568542
Principal address	537 Foxhall Road Ipswich Suffolk IP3 8LR
Registered office	537 Foxhall Road Ipswich Suffolk IP3 8LR
Independent examiner	Staines and Co 629 Foxhall Road Ipswich Suffolk IP3 8NE

ABC CHILDCARE (IPSWICH) LIMITED

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ABC CHILDCARE (IPSWICH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], 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) (effective 1 January 2019)".

Objectives and activities

The objects of the charity is to enhance the development and education of children in the east of Ipswich area aged 2 to 11 years by encouraging parents to understand and provide for the needs of their children.

The activities carried out by the charity for the public benefit are the continued running of PRe-School, After School, Holiday and Breakfast Club services so parents are safe in the knowledge their children are being properly looked after.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England & Wales.

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

Achievements and performance

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

ABC Childcare (Ipswich) Limited is a company limited by Guarantee, governed by it's Memorandum & Articles of Association dated 2nd March 2009.

The company is a registered charity with the Charities Commission.

Anyone over the age of 18 can become a member of the company.

Each Trustee must contribute £1 each on the winding up of the company.

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:

R Elden

K Jeffery

I Rowe

Trustees are appointed at the company's AGM in accordance with Clause 4 of the Articles of Association.

ABC CHILDCARE (IPSWICH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to XX day's purchases, based on the average daily amount invoiced by suppliers during the year.

The company is controlled by the committee consisting of Trustee's and Directors elected annually in accordance with Clause 4 of the Articles of Association.

The trustees (who are also the Directors of ABC Childcare (Ipswich) Limited for the purpose of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with United Kingdom accounting standards and applicable law and regulations.

The trustees report was approved by the Board of Trustees.

R Elden

Director

Dated: 5 April 2021

K Jeffery

Director

Dated:5 April 2021

ABC CHILDCARE (IPSWICH) LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ABC CHILDCARE (IPSWICH) LIMITED

I report to the trustees on my examination of the financial statements of ABC Childcare (Ipswich) Limited (the charity) for the year ended 31 December 2020.

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

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.

Staines and Co

629 Foxhall Road
Ipswich
Suffolk
IP3 8NE

Dated: 30 March 2021

ABC CHILDCARE (IPSWICH) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	116,892	85,290
Charitable activities	4	52,783	100,374
Other trading activities	5	401	2,412
Investments	6	54	70
Total income		170,130	188,146
<u>Expenditure on:</u>			
Raising funds	7	192,908	214,874
Total resources expended		192,908	214,874
Net expenditure for the year/ Net movement in funds		(22,778)	(26,728)
Fund balances at 1 January 2020		435,742	462,430
Fund balances at 31 December 2020		412,964	435,702

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.

ABC CHILDCARE (IPSWICH) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		291,572		303,747
Current assets					
Debtors	11	4,256		4,766	
Cash at bank and in hand		163,214		129,557	
		<u>167,470</u>		<u>134,323</u>	
Creditors: amounts falling due within one year	13	<u>(11,078)</u>		<u>(2,368)</u>	
Net current assets			156,392		131,955
Total assets less current liabilities			<u>447,964</u>		<u>435,702</u>
Creditors: amounts falling due after more than one year	14		(35,000)		-
Net assets			<u>412,964</u>		<u>435,702</u>
Income funds					
Unrestricted funds			412,964		435,702
			<u>412,964</u>		<u>435,702</u>

ABC CHILDCARE (IPSWICH) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

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 December 2020.

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 5 April 2021

R Elden
Trustee

K Jeffery
Trustee

Company Registration No. 05568542

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

ABC Childcare (Ipswich) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 537 Foxhall Road, Ipswich, Suffolk, IP3 8LR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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) (effective 1 January 2019)". 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.

1.5 Expenditure

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it's 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 a particular headings they have been allocated on a basis consistent with the use of the resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets used. Other support costs are allocated based on the spread of the staff costs.

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:

Freehold land and buildings	Straight line over 50 years
Leasehold land and buildings	25% reducing balance
furniture, fixtures and equipment	25% reducing balance

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 net income/(expenditure) for the year.

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 Taxation

The Charity is considered to pass the tests set out in Paragraph 1, Schedule 6 of the Finance Act 2010 and therefore 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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Government Grants	116,892	85,290

4 Charitable activities

	Pre School Fees	Out of School Club Fees	Total	Pre School Fees	Out of School Club Fees	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Services provided	5,571	47,212	52,783	15,887	84,487	100,374

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising events	401	2,412

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	54	70

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	126	1,402
<u>Trading costs</u>		
Other trading activities	2,878	4,263
Staff costs	141,603	147,582
Depreciation and impairment	12,196	16,760
Support costs	36,105	44,867
Trading costs	192,782	213,472
	192,908	214,874

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	11	11
Employment costs	2020	2019

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9	Employees								(Continued)
								£	£
	Wages and salaries							132,218	137,978
	Other pension costs							9,385	9,604
								141,603	147,582
10	Tangible fixed assets								
			Freehold land and buildings	Leasehold land and buildings	furniture, fixtures and equipment				Total
			£	£	£				£
	Cost								
	At 1 January 2020		303,846	41,241	78,795				423,882
	At 31 December 2020		303,846	41,241	78,795				423,882
	Depreciation and impairment								
	At 1 January 2020		30,385	28,954	58,838				118,177
	Depreciation charged in the year		6,077	3,072	4,984				14,133
	At 31 December 2020		36,462	32,026	63,822				132,310
	Carrying amount								
	At 31 December 2020		267,384	9,215	14,973				291,572
	At 31 December 2019		273,461	16,384	13,902				303,747
11	Debtors								
								2020	2019
	Amounts falling due within one year:							£	£
	Trade debtors							1,184	4,766
	Other debtors							3,072	-
								4,256	4,766

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Loans and overdrafts

	2020 £	2019 £
Bank loans	35,000	-
	<u>35,000</u>	<u>-</u>
Payable after one year	35,000	-
	<u>35,000</u>	<u>-</u>

The long-term loan is an unsecured Bounce Bank Loan underwritten by the Government.

The Loan is interest and repayment free for the 1st 12 months and is then repayable in equal monthly instalments over the next 5 years.

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	-	944
Payments received on account	9,976	-
Trade creditors	322	644
Accruals and deferred income	780	780
	<u>11,078</u>	<u>2,368</u>

14 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	12	35,000	-
		<u>35,000</u>	<u>-</u>

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £9,385 (2019 - £9,604).

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).