

Charity registration number 1113357

Company registration number 05568542 (England and Wales)

ABC CHILDCARE (IPSWICH) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

ABC CHILDCARE (IPSWICH) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|----------------------|---|
| Trustees | Mr I Rowe |
| | Mr D Gordon |
| | Mr B Chisnall |
| | Mrs J K Smith |
| Secretary | Mrs 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 235 Foxhall Road Ipswich Suffolk IP3 8LF |

ABC CHILDCARE (IPSWICH) LIMITED

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ABC CHILDCARE (IPSWICH) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

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

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 consider 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 have 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 its 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:

Mr I Rowe

Mr D Gordon

Mr B Chisnall

Mrs J K Smith

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 2022

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.

Mrs J K Smith
Trustee

Mr D Gordon
Trustee

25 May 2023

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 2022.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

235 Foxhall Road
Ipswich
Suffolk
IP3 8LF

Dated: 29 May 2023

ABC CHILDCARE (IPSWICH) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

| | Notes | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|-------|------------------------------------|------------------------------------|
| <u>Income and endowments from:</u> | | | |
| Grant funding | 3 | 104,104 | 111,908 |
| Charitable activities | 4 | 99,519 | 72,054 |
| Other trading activities | 5 | 1,133 | 1,246 |
| Investments | 6 | 51 | 14 |
| Other income | 7 | - | 16,990 |
| | | <hr/> | <hr/> |
| Total income | | 204,807 | 202,212 |
| | | <hr/> | <hr/> |
| <u>Expenditure on:</u> | | | |
| Raising funds | 8 | 202,321 | 200,066 |
| | | <hr/> | <hr/> |
| Total expenditure | | 202,321 | 200,066 |
| | | <hr/> | <hr/> |
| Net income for the year/ Net movement in funds | | 2,486 | 2,146 |
| | | <hr/> | <hr/> |
| Fund balances at 1 January 2022 | | 415,110 | 412,964 |
| | | <hr/> | <hr/> |
| Fund balances at 31 December 2022 | | 417,596 | 415,110 |
| | | <hr/> <hr/> | <hr/> <hr/> |

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 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|-----------------|----------------|-----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 270,456 | | 281,021 |
| Current assets | | | | | |
| Debtors | 13 | 2,890 | | 1,743 | |
| Cash at bank and in hand | | 161,101 | | 149,024 | |
| | | <u>163,991</u> | | <u>150,767</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(16,851)</u> | | <u>(16,678)</u> | |
| Net current assets | | | 147,140 | | 134,089 |
| Total assets less current liabilities | | | <u>417,596</u> | | <u>415,110</u> |
| Income funds | | | | | |
| Unrestricted funds | | | 417,596 | | 415,110 |
| | | | <u>417,596</u> | | <u>415,110</u> |

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 2022.

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

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

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

The financial statements were approved by the Trustees on 25 May 2023

Mr D Gordon
Trustee

Mrs J K Smith
Trustee

Company registration number 05568542

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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.

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

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 the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 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.

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.10 Retirement benefits

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

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 Grant funding

| | Unrestricted funds | Unrestricted funds |
|-------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Government Grants | 104,104 | 111,908 |

4 Charitable activities

| | Pre School Fees 2022 £ | Out of School Club Fees 2022 £ | Total 2022 £ | Pre School Fees 2021 £ | Out of School Club Fees 2021 £ | Total 2021 £ |
|-------------------|---------------------------------|---|--------------------|---------------------------------|---|--------------------|
| Services provided | 17,363 | 82,156 | 99,519 | 5,787 | 66,238 | 72,025 |
| Other income | - | - | - | 29 | - | 29 |
| | 17,363 | 82,156 | 99,519 | 5,816 | 66,238 | 72,054 |

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Other trading activities

| | Unrestricted funds | Unrestricted funds |
|--------------------|-----------------------|-----------------------|
| | 2022 £ | 2021 £ |
| Fundraising events | 1,133 | 1,246 |

6 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2022 £ | 2021 £ |
| Interest receivable | 51 | 14 |

7 Other income

| | Total | Unrestricted funds |
|---------------------------|-----------|-----------------------|
| | 2022 £ | 2021 £ |
| HMRC Job Retention Scheme | - | 6,600 |
| IBC Covid grants | - | 10,390 |
| | - | 16,990 |

8 Raising funds

| | Unrestricted funds | Unrestricted funds |
|----------------------------------|-----------------------|-----------------------|
| | 2022 £ | 2021 £ |
| <u>Fundraising and publicity</u> | | |
| Staging fundraising events | 1,011 | 111 |

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Raising funds (Continued)

| | | |
|-----------------------------|---------|---------|
| Trading costs | | |
| Other trading activities | 4,826 | 5,195 |
| Staff costs | 147,137 | 146,515 |
| Depreciation and impairment | 11,144 | 12,641 |
| Support costs | 38,203 | 35,604 |
| | <hr/> | <hr/> |
| Trading costs | 201,310 | 199,955 |
| | <hr/> | <hr/> |
| | 202,321 | 200,066 |
| | <hr/> | <hr/> |

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|---------------------|----------------|----------------|
| | 11 | 11 |
| | <hr/> | <hr/> |
| Employment costs | 2022 | 2021 |
| | £ | £ |
| Wages and salaries | 143,195 | 136,732 |
| Other pension costs | 3,942 | 9,783 |
| | <hr/> | <hr/> |
| | 147,137 | 146,515 |
| | <hr/> | <hr/> |

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets

| | Freehold land and buildings | Leasehold land and buildings | furniture, fixtures and equipment | Total |
|------------------------------------|--------------------------------|------------------------------------|---|-------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 January 2022 | 303,846 | 41,241 | 80,885 | 425,972 |
| Additions | - | - | 577 | 577 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2022 | 303,846 | 41,241 | 81,462 | 426,549 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Depreciation and impairment | | | | |
| At 1 January 2022 | 42,538 | 34,329 | 68,082 | 144,949 |
| Depreciation charged in the year | 6,077 | 1,728 | 3,339 | 11,144 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2022 | 48,615 | 36,057 | 71,421 | 156,093 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Carrying amount | | | | |
| At 31 December 2022 | 255,231 | 5,184 | 10,041 | 270,456 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2021 | 261,307 | 6,911 | 12,803 | 281,021 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

13 Debtors

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 2,890 | 1,743 |
| | <u> </u> | <u> </u> |

14 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Other taxation and social security | 545 | - |
| Payments received on account | 14,243 | 14,318 |
| Trade creditors | 1,118 | 1,580 |
| Accruals and deferred income | 945 | 780 |
| | <u> </u> | <u> </u> |
| | 16,851 | 16,678 |
| | <u> </u> | <u> </u> |

ABC CHILDCARE (IPSWICH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 £3,942 (2021 - £9,783).

16 Related party transactions

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