

Company registration number: 5769390

Charity registration number: 1116891

# Shadwell Childcare Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

Fullertons Limited  
Chartered Certified Accountants  
Manchester House  
50 Oxford Road  
Guiseley  
Leeds  
LS20 8AB

# **Shadwell Childcare Limited**

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## **Shadwell Childcare Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	Mrs Sarah Jane Coltman Susan Morgan Carolyn Eyre
<b>Senior Management Team</b>	Paula Wilson, Childcare Manager
<b>Principal Office</b>	Shadwell Primary School Main Street Shadwell Leeds LS17 8JF
<b>Company Registration Number</b>	5769390
<b>Charity Registration Number</b>	1116891
<b>Accountants</b>	Fullertons Limited Chartered Certified Accountants Manchester House 50 Oxford Road Guiseley Leeds LS20 8AB

# **Shadwell 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 August 2020.

### **Objectives and activities**

#### ***Objects and aims***

To enhance the development and education of children up to the age of 11 by providing appropriate play, education and care facilities ensuring that opportunities are offered to all children whatever their race, culture, religion, means or ability.

#### ***Objectives, strategies and activities***

#### ***Public benefit***

Our activities to further public benefit include looking after the education and well-being of children up to the age of 11 regardless of gender, race, religion or financial means.

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 and Wales.

### **Achievements and performance**

The setting remained open to children of critical workers and vulnerable families throughout the start of the Covid pandemic, even when this was at cost to ourselves. There was a wider opening in June 2020 to offer all our pre-school children the opportunity to return to nursery in bubble for transition support. Again this was at some financial cost to us but recognised this as critical to meeting the children's needs in moving school especially with the lockdowns and current climate of uncertainty and change.

Throughout the first lockdown, regular contact was made with all families including telephone support, learning packs posted to all children, stories and songs uploaded to the website for families to use along with weekly activities and updates.

#### ***Key non-financial performance indicators***

Feedback from staff and parents has been overwhelmingly positive during this period. The positive responses and the impact of the outstanding care and support offered to children and their families over this period was unparalleled.

### **Financial review**

#### ***Policy on reserves***

The trustees observed that the decision made in previous years to build a contingency fund of £120,000 or three months running costs, in line with Charity Commission guidance has stood us in good stead. Without the contingency our setting may not have survived through the pandemic.

# **Shadwell Childcare Limited**

## **Trustees' Report**

### **Structure, governance and management**

#### ***Nature of governing document***

The governing document is the memorandum and articles of association dated 20 March 2018 and lodged with Companies House

#### ***Recruitment and appointment of trustees***

It is noted that we were not able to attract new trustees last year, partly due to Covid. It is agreed that we should redouble our efforts to source at least one new trustee in the coming year.

#### ***Arrangements for setting key management personnel remuneration***

Key management personnel is comprised of Ms P Wilson whose remuneration is agreed by the trustees.

### **Financial instruments**

#### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables.

#### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity maintains a deposit account.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 30 June 2021 and signed on its behalf by:

.....  
Carolyn Eyre  
Trustee

## **Shadwell Childcare Limited**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Shadwell 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 30 June 2021 and signed on its behalf by:

.....  
Carolyn Eyre  
Trustee

## **Shadwell Childcare Limited**

### **Independent Examiner's Report to the trustees of Shadwell Childcare Limited**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 7 to 15.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of Shadwell Childcare Limited (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 Shadwell 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**

Since Shadwell Childcare Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Shadwell 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.

.....  
Graham Anthony Elliott FCCA  
Chartered Certified Accountants  
Association of Chartered Certified Accountants

Manchester House  
50 Oxford Road  
Guiseley  
Leeds  
LS20 8AB

**Shadwell Childcare Limited**

**Independent Examiner's Report to the trustees of Shadwell Childcare Limited**

30 June 2021



# Shadwell Childcare Limited

## Statement of Financial Activities for the Year Ended 31 August 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Charitable activities	3	400,009	400,009
Investment income	4	<u>281</u>	<u>281</u>
Total income		<u>400,290</u>	<u>400,290</u>
<b>Expenditure on:</b>			
Charitable activities	5	<u>(379,332)</u>	<u>(379,332)</u>
Total expenditure		<u>(379,332)</u>	<u>(379,332)</u>
Net income		<u>20,958</u>	<u>20,958</u>
Net movement in funds		20,958	20,958
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>281,879</u>	<u>281,879</u>
Total funds carried forward	16	<u>302,837</u>	<u>302,837</u>
	Note	Unrestricted funds £	Total 2019 £
<b>Income and Endowments from:</b>			
Charitable activities	3	480,240	480,240
Investment income	4	<u>181</u>	<u>181</u>
Total income		<u>480,421</u>	<u>480,421</u>
<b>Expenditure on:</b>			
Charitable activities	5	<u>(423,000)</u>	<u>(423,000)</u>
Total expenditure		<u>(423,000)</u>	<u>(423,000)</u>
Net income		<u>57,421</u>	<u>57,421</u>
Net movement in funds		57,421	57,421
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>224,457</u>	<u>224,457</u>
Total funds carried forward	16	<u>281,878</u>	<u>281,878</u>

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

The notes on pages 9 to 15 form an integral part of these financial statements.

**Shadwell Childcare Limited**  
**(Registration number: 5769390)**  
**Balance Sheet as at 31 August 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	32,078	41,124
<b>Current assets</b>			
Debtors	13	5,632	-
Cash at bank and in hand	14	<u>297,464</u>	<u>254,356</u>
		303,096	254,356
<b>Creditors: Amounts falling due within one year</b>	15	<u>(32,337)</u>	<u>(13,602)</u>
<b>Net current assets</b>		<u>270,759</u>	<u>240,754</u>
<b>Net assets</b>		<u>302,837</u>	<u>281,878</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>302,837</u>	<u>281,878</u>
<b>Total funds</b>	16	<u>302,837</u>	<u>281,878</u>

For the financial year ending 31 August 2020 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; 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 financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on 30 June 2021 and signed on their behalf by:

.....  
Carolyn Eyre  
Trustee

The notes on pages 9 to 15 form an integral part of these financial statements.

# **Shadwell Childcare Limited**

## **Notes to the Financial Statements for the Year Ended 31 August 2020**

### **1 Charity status**

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Shadwell Primary School  
Main Street  
Shadwell  
Leeds  
LS17 8JF

These financial statements were authorised for issue by the trustees on 30 June 2021.

### **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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

Shadwell 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.

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### 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.

#### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### 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, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### 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
Furniture and equipment	25% on net book value
Improvements to leasehold property	20% on initial cost

#### 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.

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### 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.

#### Fund structure

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

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Childcare provision	400,009	400,009
<b>Total for 2020</b>	<b>400,009</b>	<b>400,009</b>
<b>Total for 2019</b>	<b>480,240</b>	<b>480,240</b>

### 4 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest receivable and similar income; Interest receivable on bank deposits	281	281
<b>Total for 2020</b>	<b>281</b>	<b>281</b>
<b>Total for 2019</b>	<b>181</b>	<b>181</b>

# Shadwell Childcare Limited

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Childcare provision		28,486	28,486
Staff costs		254,873	254,873
Governance costs	6	95,973	95,973
<b>Total for 2020</b>		<b>379,332</b>	<b>379,332</b>
<b>Total for 2019</b>		<b>423,000</b>	<b>423,000</b>
			<b>Total expenditure £</b>

In addition to the expenditure analysed above, there are also governance costs of £95,973 (2019 - £89,205) which relate directly to charitable activities. See note 6 for further details.

### 6 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	870	870
Legal fees	4,174	4,174
Depreciation, amortisation and other similar costs	18,465	18,465
Other governance costs	72,464	72,464
<b>Total for 2020</b>	<b>95,973</b>	<b>95,973</b>
<b>Total for 2019</b>	<b>89,206</b>	<b>89,206</b>

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### 7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	<u>18,465</u>	<u>16,944</u>

#### 8 Trustees remuneration and expenses

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
<b>Staff costs during the year were:</b>		
Wages and salaries	282,789	271,530
Pension costs	20,577	17,206
Other staff costs	<u>(48,493)</u>	<u>-</u>
	<u>254,873</u>	<u>288,736</u>

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

#### 10 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>870</u>	<u>720</u>

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### 11 Taxation

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

#### 12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 September 2019	78,418	5,831	84,249
Additions	9,160	259	9,419
At 31 August 2020	87,578	6,090	93,668
<b>Depreciation</b>			
At 1 September 2019	40,836	2,289	43,125
Charge for the year	17,515	950	18,465
At 31 August 2020	58,351	3,239	61,590
<b>Net book value</b>			
At 31 August 2020	29,227	2,851	32,078
At 31 August 2019	37,582	3,542	41,124

Included within the net book value of land and buildings above is £Nil (2019 - £Nil) in respect of freehold land and buildings and £29,227 (2019 - £37,582) in respect of leaseholds.

#### 13 Debtors

	2020 £
Other debtors	5,632

#### 14 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	297,464	254,356

#### 15 Creditors: amounts falling due within one year



# Shadwell Childcare Limited

## Notes to the Financial Statements for the Year Ended 31 August 2020

	2020 £	2019 £
Other creditors	29,837	11,102
Accruals	2,500	2,500
	<u>32,337</u>	<u>13,602</u>

### 16 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>				
General	<u>281,879</u>	<u>400,290</u>	<u>(379,332)</u>	<u>302,837</u>

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>				
General	<u>224,457</u>	<u>480,421</u>	<u>(423,000)</u>	<u>281,878</u>

### 17 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 August 2020 £
Tangible fixed assets	32,078	32,078
Current assets	303,096	303,096
Current liabilities	<u>(32,337)</u>	<u>(32,337)</u>
Total net assets	<u>302,837</u>	<u>302,837</u>
	Unrestricted funds General £	Total funds at 31 August 2019 £
Tangible fixed assets	41,124	41,124
Current assets	254,356	254,356
Current liabilities	<u>(13,602)</u>	<u>(13,602)</u>
Total net assets	<u>281,878</u>	<u>281,878</u>

## Shadwell Childcare Limited

### Detailed Statement of Financial Activities for the Year Ended 31 August 2020

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Income and Endowments from:</b>		
Charitable activities (analysed below)	400,009	480,240
Investment income (analysed below)	<u>281</u>	<u>181</u>
Total income	<u>400,290</u>	<u>480,421</u>
<b>Expenditure on:</b>		
Charitable activities (analysed below)	<u>(379,332)</u>	<u>(423,000)</u>
Total expenditure	<u>(379,332)</u>	<u>(423,000)</u>
Net income	<u>20,958</u>	<u>57,421</u>
Net movement in funds	20,958	57,421
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>281,879</u>	<u>224,457</u>
Total funds carried forward	<u><u>302,837</u></u>	<u><u>281,878</u></u>

This page does not form part of the statutory financial statements.

# Shadwell Childcare Limited

## Detailed Statement of Financial Activities for the Year Ended 31 August 2020

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<i><b>Charitable activities</b></i>		
Fees and supplies	400,009	480,240
	<u>400,009</u>	<u>480,240</u>
<i><b>Investment income</b></i>		
Interest on cash deposits	281	181
	<u>281</u>	<u>181</u>
<i><b>Charitable activities</b></i>		
Direct costs	(28,486)	(45,058)
Wages and salaries	(282,789)	(271,530)
Staff pensions (Defined contribution) - pension scheme 1	(14,479)	(13,747)
CJRS grants receivable	48,493	-
Staff training	(6,098)	(3,459)
Rent	(32,400)	(32,400)
Light, heat and power	(825)	(5,844)
Insurance	(3,337)	(2,628)
Repairs and maintenance	(11,593)	(6,317)
Telephone and fax	(2,899)	(1,531)
Computer software and maintenance costs	(2,881)	(2,502)
Printing, postage and stationery	(4,175)	(3,464)
Trade subscriptions	(166)	-
Hire of plant and machinery (Operating leases)	(1,083)	(1,182)
Sundry expenses	(2,058)	(2,901)
Cleaning	(10,573)	(7,815)
Advertising	(361)	(299)
Accountancy fees	(870)	(720)
Legal and professional fees	(4,174)	(4,525)
Bank charges	(113)	(134)
Depreciation of short leasehold property improvements	(17,515)	(15,684)
Depreciation of office equipment	(950)	(1,260)
	<u>(379,332)</u>	<u>(423,000)</u>

This page does not form part of the statutory financial statements.