

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 2022

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>	Sarah Jane Coltman Valerie Wilson Susan Morgan Carolyn Eyre
<b>Senior Management / Leadership Team</b>	Paula Wilson, Childcare Manager
<b>Charity Registration Number</b>	1116891
<b>Company Registration Number</b>	5769390
<b>Registered Office</b>	The charity is incorporated in England. Shadwell Primary School Main Street Shadwell Leeds LS17 8JF
<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 2022.

### **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 trustees are delighted that again both rooms were at full capacity and feedback from families is that children are extremely happy and settled. We are aware that significant delays in children's speech and language development and learning to play are still being reported nationally as a result of covid. Conscious of this, additional support has been put in place in the pre-school room Bluebell, to bridge gaps particularly in the prime areas to ensure all children continue to make good progress.

We are very pleased that Valerie Wilson is now able to re-join the trust board and she will support the setting and manager with SEN expertise. We will continue to actively look to recruit further trustees.

As seen nationwide staff recruitment remains challenging, however a staff questionnaire confirms staff are happy and well supported. In line with Charity Commission guidance exit interviews are conducted by a trustee for all leavers; through this process any staff turnover has been confirmed as due to changes in personal circumstances. Staff continued to be supported with CPD and training including Preparing for Ofsted and Safeguarding, and where required Health and Safety, Paediatric First Aid and Food Hygiene. All staff are expected to achieve their first aid certificate and this far exceeds the national minimum requirement but we believe it to be a worthwhile expense to ensure children are as safe as possible. All staff completed a GDPR course during the year and at the external audit of data protection arrangements, the setting was rated as "green" which is exemplary.

In addition to staff training the focus has been on maintenance and upgrading of the setting which was not possible over the covid period, including canopies and the Sunflower outside area. The future development focus is on bathrooms and Bluebell's outside area. Having used some of our reserves during the covid pandemic the trustees are now endeavouring to build the contingency fund back up to the amount recommended by the Charity Commission. We are keen to ensure that this is achieved without detriment to the current cohort of children.

The waiting list for the coming academic year is healthy and we anticipate that both rooms will be over subscribed.

# **Shadwell Childcare Limited**

## **Trustees' Report**

### ***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.

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Sarah Jane Coltman
	Valerie Wilson (appointed 23 November 2022)
	Susan Morgan
	Carolyn Eyre

Senior Management / Leadership Team:	Paula Wilson, Childcare Manager
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### **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 agreed that we should continue our efforts to source at least one new trustee/member in the coming year, ideally a service user. Information about becoming a user trustee is displayed on our website.

#### ***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.

# Shadwell Childcare Limited

## Trustees' Report

### *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.

### **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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 18 May 2023 and signed on its behalf by:

.....  
Carolyn Eyre  
Trustee

## **Shadwell Childcare Limited**

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

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2022.

#### **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 the Company 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 the Company'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.

**Shadwell Childcare Limited**

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

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

Manchester House  
50 Oxford Road  
Guiseley  
Leeds  
LS20 8AB

18 May 2023



# Shadwell Childcare Limited

## Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £
<b>Income and Endowments from:</b>			
Charitable activities	3	480,895	480,895
Investment income	4	28	28
Total income		480,923	480,923
<b>Expenditure on:</b>			
Charitable activities	5	(508,186)	(508,186)
Total expenditure		(508,186)	(508,186)
Net expenditure		(27,263)	(27,263)
Net movement in funds		(27,263)	(27,263)
<b>Reconciliation of funds</b>			
Total funds brought forward		287,443	287,443
Total funds carried forward	14	260,180	260,180
		<b>Unrestricted funds £</b>	<b>Total 2021 £</b>
<b>Income and Endowments from:</b>			
Charitable activities	3	460,634	460,634
Investment income	4	43	43
Total income		460,677	460,677
<b>Expenditure on:</b>			
Charitable activities	5	(476,070)	(476,070)
Total expenditure		(476,070)	(476,070)
Net expenditure		(15,393)	(15,393)
Net movement in funds		(15,393)	(15,393)
<b>Reconciliation of funds</b>			
Total funds brought forward		302,837	302,837
Total funds carried forward	14	287,444	287,444

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 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	30,740	17,816
<b>Current assets</b>			
Cash at bank and in hand	12	254,982	286,937
<b>Creditors: Amounts falling due within one year</b>	13	<u>(25,542)</u>	<u>(17,309)</u>
<b>Net current assets</b>		<u>229,440</u>	<u>269,628</u>
<b>Net assets</b>		<u>260,180</u>	<u>287,444</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>260,180</u>	<u>287,444</u>
<b>Total funds</b>	14	<u>260,180</u>	<u>287,444</u>

For the financial year ending 31 August 2022 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 financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 7 to 15 were approved by the trustees, and authorised for issue on 18 May 2023 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 2022**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England, 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 18 May 2023.

### **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**

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 financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

## **Shadwell Childcare Limited**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income. Income consists of fees receivable for child care either by way of council funding, child care vouchers or private individuals and is included in full in the SOFA when receivable. Investment income by way of bank interest on cash deposits is included when receivable.

#### **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.

#### **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.

#### **Governance costs**

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

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2022

Asset class	Depreciation method and rate
Furniture and equipment	25% on net book value
Improvements to leasehold property	20% on initial cost

#### 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 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

	Unrestricted funds General £	Total funds £
Childcare provision	480,895	480,895
<b>Total for 2022</b>	<b>480,895</b>	<b>480,895</b>
<b>Total for 2021</b>	<b>460,634</b>	<b>460,634</b>

### 4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	28	28
<b>Total for 2022</b>	<b>28</b>	<b>28</b>
<b>Total for 2021</b>	<b>43</b>	<b>43</b>

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2022 £	Total 2021 £
Childcare provision		49,367	49,367	34,547
Depreciation, amortisation and other similar costs		27,472	27,472	19,440
Staff costs		355,788	355,788	342,841
Allocated support costs	6	70,828	70,828	72,486
Governance costs	6	4,731	4,731	6,756
		508,186	508,186	476,070
				<b>Total expenditure £</b>

In addition to the expenditure analysed above, there are also governance costs of £4,731 (2021 - £6,756) 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 2022 £	Total 2021 £
Independent examiner fees			
Examination of the financial statements	1,080	1,080	975
Legal fees	3,532	3,532	5,690
Other governance costs	119	119	91
	4,731	4,731	6,756

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	<u>27,472</u>	<u>19,440</u>

#### 8 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	329,969	316,453
Pension costs	19,536	17,320
Other staff costs	<u>6,283</u>	<u>9,068</u>
	<u>355,788</u>	<u>342,841</u>

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

#### 9 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>1,080</u>	<u>975</u>

## Shadwell Childcare Limited

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### 10 Taxation

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

#### 11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 September 2021	89,248	9,598	98,846
Additions	33,380	7,015	40,395
At 31 August 2022	122,628	16,613	139,241
<b>Depreciation</b>			
At 1 September 2021	76,201	4,829	81,030
Charge for the year	24,525	2,946	27,471
At 31 August 2022	100,726	7,775	108,501
<b>Net book value</b>			
At 31 August 2022	21,902	8,838	30,740
At 31 August 2021	13,047	4,769	17,816

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £21,902 (2021 - £13,047) in respect of leaseholds.

#### 12 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	254,982	286,937

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

	2022 £	2021 £
Other creditors	23,042	14,809
Accruals	2,500	2,500
	25,542	17,309



# Shadwell Childcare Limited

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 14 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>				
General	<u>287,443</u>	<u>480,923</u>	<u>(508,186)</u>	<u>260,180</u>

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>				
General	<u>302,837</u>	<u>460,677</u>	<u>(476,070)</u>	<u>287,444</u>

### 15 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	30,740	30,740
Current assets	254,982	254,982
Current liabilities	<u>(25,542)</u>	<u>(25,542)</u>
Total net assets	<u>260,180</u>	<u>260,180</u>
	Unrestricted funds General £	Total funds at 31 August 2021 £
Tangible fixed assets	17,816	17,816
Current assets	286,937	286,937
Current liabilities	<u>(17,309)</u>	<u>(17,309)</u>
Total net assets	<u>287,444</u>	<u>287,444</u>

# Shadwell Childcare Limited

## Detailed Statement of Financial Activities for the Year Ended 31 August 2022

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Income and Endowments from:</b>		
Charitable activities (analysed below)	480,895	460,634
Investment income (analysed below)	<u>28</u>	<u>43</u>
Total income	<u>480,923</u>	<u>460,677</u>
<b>Expenditure on:</b>		
Charitable activities (analysed below)	<u>(508,186)</u>	<u>(476,070)</u>
Total expenditure	<u>(508,186)</u>	<u>(476,070)</u>
Net expenditure	<u>(27,263)</u>	<u>(15,393)</u>
Net movement in funds	(27,263)	(15,393)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>287,443</u>	<u>302,837</u>
Total funds carried forward	<u><u>260,180</u></u>	<u><u>287,444</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 2022

	Total 2022 £	Total 2021 £
<i><b>Charitable activities</b></i>		
Fees and supplies	480,895	460,634
	<u>480,895</u>	<u>460,634</u>
<i><b>Investment income</b></i>		
Interest on cash deposits	28	43
	<u>28</u>	<u>43</u>
<i><b>Charitable activities</b></i>		
Direct costs	(25,864)	(11,934)
School meals	(23,503)	(22,613)
Wages and salaries	(329,969)	(319,024)
Staff pensions (Defined contribution) - pension scheme 1	(19,536)	(17,320)
CJRS grants receivable	-	2,571
Staff training	(5,112)	(9,068)
Staff welfare	(1,171)	-
Rent	(32,460)	(32,400)
Light, heat and power	(1,976)	(2,145)
Insurance	(1,157)	(1,229)
Repairs and maintenance	(3,293)	(1,168)
Telephone and fax	(2,336)	(1,995)
Computer software and maintenance costs	(8,610)	(2,807)
Printing, postage and stationery	(5,472)	(7,984)
Hire of plant and machinery (Operating leases)	(828)	(593)
Sundry expenses	(3,094)	(4,215)
Cleaning	(10,782)	(16,920)
Advertising	(820)	(1,030)
Depreciation of short leasehold property improvements	(24,525)	(17,850)
Depreciation of office equipment	(2,947)	(1,590)
Accountancy fees	(1,080)	(975)
Legal and professional fees	(3,532)	(5,690)
Bank charges	(119)	(91)
	<u>(508,186)</u>	<u>(476,070)</u>

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