

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

Shadwell Childcare Limited
(A company limited by guarantee)
Annual Report and Financial Statements
for the Year Ended 31 August 2023

Company registration number: 5769390
Charity registration number: 1116891

Shadwell Childcare Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6 to 7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 to 18

Shadwell Childcare Limited
Reference and Administrative Details

Trustees	Sarah Jane Colthman
	Valerie Wilson
Senior Management / Leadership Team	Susan Morgan
	Carolyn Eyre
Charity Registration Number	Paula Wilson, Childcare Manager
	1116891
Company Registration Number	5769390
	The charity is incorporated in England.
Registered Office	Shadwell Primary School
	Main Street
Accountants	Shadwell
	Leeds
	LS17 8JF
	Fullertons Limited
	Chartered Certified Accountants
	Manchester House
	50A 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 2023.

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.

Trustees' Report

Achievements and performance

Key non-financial performance indicators

The long expected Ofsted inspection took place on 26 January 2023. Although any inspection is stressful for the staff this was a hugely positive experience, the inspector was knowledgeable and interested in seeking the views of staff, parents and pupils. Two trustees were able to be present during the day and a long queue of parents waited patiently to share their positive experiences and heap praise on the setting particularly in relation to inclusion, diversity and SEND. The trustees believe that the resulting "outstanding" judgement is a testament to the commitment of the manager and every team member.

In terms of team members, staff training has included Safeguarding and where required Health and Safety, Paediatric First Aid and Food Hygiene. All staff are expected to achieve their paediatric first aid certificate, this far exceeds the national minimum requirement but we believe it to be a worthwhile expense to ensure children are as safe as possible. In addition all staff have been trained in supporting children with diabetes and epilepsy and we have purchased two LifeVac systems which all staff have been trained to use.

During the year we also appointed an apprentice, this has been a positive experience for the individual and our setting. A second apprentice has been recruited to join us in the new academic year.

Also five staff have been enrolled on the EYFDP a government backed qualification for experienced professionals already working in the sector.

Finally, both nursery rooms are at full capacity and demand for the out of school club remains high. Feedback from families is that the children are extremely happy and settled and we are delighted that Ofsted recognised this in their report. Meanwhile the waiting list for the coming academic year is healthy and we anticipate that both rooms will be over subscribed.

Financial review

Having used some of our reserves during the covid pandemic the trustees made a commitment to build the contingency fund back up towards a minimum of three months operational costs without detriment to the current cohort of children. We have made good progress on the contingency balance over the last year and have still been able to invest in new resources and a significant CPD programme for all staff.

Policy on reserves

The trustees observed that the decision made in previous years to build a contingency fund of over £150,000 or at least three months running costs, in line with Charity Commission guidance has stood us in good stead.

Trustees and officers

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

Shadwell Childcare Limited

Trustees' Report

Trustees:

Sarah Jane Colman
Valerie Wilson (appointed 23 November 2022)
Susan Morgan
Carolyn Eyre

Senior Management / Leadership Team:
Paula Wilson, Childcare Manager

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

There are currently four trustees. We are conscious of the need to be diverse and to reflect the communities of our beneficiaries. A permanent advertisement for new trustees is displayed in parent areas and on our website and we will continue to actively look to recruit further trustees.

Arrangements for setting key management 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.


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 8 May 2024 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 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.

Approved by the trustees of the charity on 8 May 2024 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 2023.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of 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
50A Oxford Road
Guiselley
Leeds
LS20 8AB

8 May 2024

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

Income and Endowments from:Investment income

Expenditure on:

Total expenditure

Net movement in funds

Page 8

Shadwell Childcare Limited

(Registration number: 5769390)
Balance Sheet as at 31 August 2023

	2023	2022
Fixed assets		
Tangible assets	24,157	30,740
Current assets		
Debtors	715	-
Cash at bank and in hand	221,896	254,982
Creditors: Amounts falling due within one year		
	14	
	(14,522)	(25,542)
Net current assets	208,089	229,440
Net assets	232,246	260,180
Funds of the charity:		
Unrestricted income funds		
Unrestricted funds	232,246	260,180
Total funds	232,246	260,180
	15	

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

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; 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 8 to 18 were approved by the trustees, and authorised for issue on 8 May 2024 and signed on their behalf by:


Carolyn Eyre
Trustee

The notes on pages 11 to 18 form an integral part of these financial statements.

Shadwell Childcare Limited

Statement of Cash Flows for the Year Ended 31 August 2023

	2023	2022
£	£	£
Cash flows from operating activities		
Net cash expenditure	(27,935)	(27,263)
Adjustments to cash flows from non-cash items		
Depreciation	32,343	27,471
Investment income	(720)	(28)
	4	
Working capital adjustments		
Increase in debtors	(715)	-
(Decrease)/increase in creditors	(11,020)	8,233
	14	
Net cash flows from operating activities	(8,047)	8,413
Cash flows from investing activities		
Interest receivable and similar income	720	28
Purchase of tangible fixed assets	(25,760)	(40,395)
	11	
Net cash flows from investing activities	(25,040)	(40,367)
Net decrease in cash and cash equivalents	(33,087)	(31,954)
Cash and cash equivalents at 1 September	254,982	286,937
Cash and cash equivalents at 31 August	221,895	254,983
Out of balance to Cash at bank and in hand category	(1)	1
Reconciliation of net cash flow to movement in net funds		
Decrease in cash	(33,086)	(31,955)
Net funds at 1 September 2022	254,982	286,937
Net funds at 31 August 2023	221,896	254,982

All of the cash flows are derived from continuing operations during the above two periods.

Shadwell Childcare Limited

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

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 8 May 2024.

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 2023

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.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFAs) 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 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.

Shadwell Childcare Limited

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

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.

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 funds	Total funds
	£	£	£
Childcare provision	557,841	557,841	557,841
Total for 2023	557,841	557,841	557,841
Total for 2022	480,895	480,895	480,895

Shadwell Childcare Limited

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

4 Investment income

	Unrestricted funds	Total funds
	£	£
Interest receivable and similar income;		
Interest receivable on bank deposits	720	720
Total for 2023	720	720
Total for 2022	28	28

5 Expenditure on charitable activities

	Unrestricted funds	Total	
	£	£	
Childcare provision	52,893	52,893	
Depreciation, amortisation and other similar costs	32,342	32,342	
Staff costs	412,816	412,816	
Allocated support costs	80,532	80,532	6
Governance costs	7,913	7,913	6
Total expenditure	508,186	508,186	

In addition to the expenditure analysed above, there are also governance costs of £7,913 (2022 - £7,075) which relate directly to charitable activities. See note 6 for further details.

Shadwell Childcare Limited

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

6 Analysis of governance and support costs

Governance costs

Unrestricted funds General	£	Total 2023	£	Total 2022
Independent examiner fees	1,500	1,500	1,080	
Examination of the financial statements	6,298	6,298	5,876	
Legal fees	115	115	119	
Other governance costs	7,913	7,913	7,075	

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

Depreciation of fixed assets	£	2023	£	2022
		32,342		27,472

8 Staff costs

The aggregate payroll costs were as follows:

Staff costs during the year were:	£	2023	£	2022
Wages and salaries		378,164		327,625
Pension costs		21,519		19,536
Other staff costs		13,133		6,283
		412,816		353,444

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

9 Independent examiner's remuneration

Examination of the financial statements	£	2023	£	2022
		1,500		1,080

Shadwell Childcare Limited

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

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
Cost	£	£	£
At 1 September 2022	122,628	16,613	139,241
Additions	16,683	9,077	25,760
At 31 August 2023	139,311	25,690	165,001
Depreciation			
At 1 September 2022	100,726	7,775	108,501
Charge for the year	27,864	4,479	32,343
At 31 August 2023	128,590	12,254	140,844
Net book value			
At 31 August 2023	10,721	13,436	24,157
At 31 August 2022	21,902	8,838	30,740

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £10,721 (2022 - £21,902) in respect of leaseholds.

12 Debtors

Prepayments	2023	2022
	£	£
	715	

13 Cash and cash equivalents

Cash at bank	2023	2022
	£	£
	221,896	254,982

14 Creditors: amounts falling due within one year

Shadwell Childcare Limited

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

	2023	2022
Other creditors	11,656	23,042
Accruals	2,866	2,500
	<u>14,522</u>	<u>25,542</u>

15 Funds

	Balance at 1 September 2022	Incoming resources	Resources expended	Balance at 31 August 2023
Unrestricted funds	260,181	558,561	(586,496)	232,246
General				

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

16 Analysis of net assets between funds

	Unrestricted funds	Total funds at 31 August 2023
Tangible fixed assets	24,157	24,157
Current assets	222,611	222,611
Current liabilities	(14,522)	(14,522)
Total net assets	232,246	232,246
	Unrestricted funds	Total funds at 31 August 2022
Tangible fixed assets	30,740	30,740
Current assets	254,982	254,982
Current liabilities	(25,542)	(25,542)
Total net assets	260,180	260,180

Shadwell Childcare Limited

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

17 Related party transactions

Shadwell Childcare Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2023

Total	2023	£
Total	2022	£
Income and Endowments from:		
Charitable activities (analysed below)	557,841	480,895
Investment income (analysed below)	720	28
Total income	558,561	480,923
Expenditure on:		
Charitable activities (analysed below)	(586,496)	(508,186)
Total expenditure	(586,496)	(508,186)
Net expenditure	(27,935)	(27,263)
Net movement in funds	(27,935)	(27,263)
Reconciliation of funds		
Total funds brought forward	260,181	287,443
Total funds carried forward	232,246	260,180

Shadwell Childcare Limited

Detailed Statement of Financial Activities for the Year Ended 31 August 2023

	Total 2023 £	Total 2022 £
<i>Charitable activities</i>		
Fees and supplies	557,841	480,895
<i>Investment income</i>		
Interest on cash deposits	720	28
<i>Charitable activities</i>		
Direct costs	31,257	25,864
School meals	21,636	23,503
Wages and salaries	378,164	327,625
Staff pensions (Defined contribution)	21,519	19,536
Staff training and recruitment	11,281	5,112
Staff welfare	1,852	1,171
Rent	32,850	32,460
Rates	300	-
Light, heat and power	3,606	1,976
Insurance	1,191	1,157
Repairs and maintenance	8,481	3,293
Telephone and internet	3,209	2,336
Computer software and maintenance costs	6,965	8,610
Printing, postage and stationery	3,120	5,472
Trade subscriptions	275	-
Hire of equipment (Operating leases)	396	828
Sundry expenses	2,171	3,094
Cleaning	16,518	10,782
Advertising	1,450	820
Depreciation of short leasehold property improvements	27,864	24,525
Depreciation of fixtures and fittings	4,478	2,947
Accountancy fees	1,500	1,080
Legal and professional fees	6,298	5,876
Bank charges	115	119
	(586,496)	(508,186)