

**BRIGHT SPARKS KINDERGARTEN LTD**

**(LIMITED BY GUARANTEE)**

**Company Number 06113421 (England & Wales)**

**Charity Number 1120624**

**REPORT OF THE TRUSTEES  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

# **BRIGHT SPARKS KINDERGARTEN LTD**

## **Contents of the Financial Statements For the Year Ended 31 August 2020**

	<u>Page</u>
Company Information	1
Trustees Report	2 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 - 12

# **BRIGHT SPARKS KINDERGARTEN LTD**

## **Company Information For the Year Ended 31 August 2020**

<b>Trustees</b>	Claire Felipes Sarah Brown Steve Belshaw Joh Belshaw Becky Portess Stacey Feary Nicola Burrell
<b>Directors</b>	Sarah Brown Nicola Burrell
<b>Registered Office</b>	Sibsey Free School Old Main Road Boston Lincolnshire PE22 0RR
<b>Company Number</b>	06113421 (England & Wales)
<b>Charity Number</b>	1120624
<b>Independent Examiner</b>	Mrs Nicola Lenton FCCA Dexter & Sharpe Chartered Certified Accountants The Old Vicarage Church Close Boston Lincolnshire PE21 6NA
<b>Bankers</b>	HSBC 49 Lumley Road Skegness Lincolnshire PE25 3LW

# **BRIGHT SPARKS KINDERGARTEN LTD**

## **Report of the Trustees for the Year Ended 31 August 2020**

The Trustees present their Report with the financial statements of the Charitable Company for the Year ended 31 August 2020.

### **Legal and Administrative Information**

Bright Sparks Kindergarten Limited is a charitable Company Limited by Guarantee and does not have any share capital. It was incorporated on 19 February 2007 and was registered as a Charity on 20 August 2007. It is governed by a Memorandum and Articles of Association dated 19 February 2007 as amended by Special Resolution dated 9 August 2007. New Trustees are approved by the present members of the trustee board. (Further administrative details of the charity can be found on page 1).

### **Objectives of the Charity**

Bright Sparks Kindergarten exists to deliver safe, high quality pre-school childcare and education for children aged 2 years to 4 years and to offer stimulating out of school club activities for children aged 3 years to 11 years. We are also committed to developing staff and offering opportunities for trainee staff.

### **Review of the Charity**

Finances have continued to hold their own. There have been some staff changes with the impact of Covid-19 and staff being furloughed. In March, as we were plunged into national lockdown, two staff members continued to work full-time to enable Bright Sparks to remain open and continue providing childcare for Key Workers. We saw a huge decline in numbers of children attending as parents didn't require childcare. Because of this, we decided that the holiday club would not be open during the summer holiday due to viability.

Outside agencies such as Early Years Childcare Support continue to provide invaluable and up to date information and guidance, which the committee and staff appreciate greatly.

The committee appreciate and recognise all of the staff for all of their hard work, dedication and commitment to making Bright Sparks a great place to learn, and a great place to work.

### **Financial Review**

The results for the year and the financial position of the charity are shown in the Financial Statements.

The results shown are in line with projected figures.

### **Management and Staffing**

The Committee and staff at Bright Sparks are particularly proud of their staff, even more so during the latter part of this financial year which has proven to be an emotional and stressful one.

Bright Sparks has continued to work under the EYFS; and the senior management team are continually monitoring this and support staff accordingly. Everyone works very hard to work within the guidelines and to implement this in order to ensure that the quality of care at Bright Sparks is maintained whilst complying with the latest national government initiative in early year's childcare and education.

## **BRIGHT SPARKS KINDERGARTEN LTD**

### **Report of the Trustees for the Year Ended 31 August 2020 continued**

#### **Management and Staffing continued/....**

We have continued to work with other providers.

Continual Professional Development of management and staff is seen as a very important area. This enables us to make sure that Bright Sparks, in our opinion, continues to be one of the top childcare provisions in the local area. The local authority provides relevant and up to date training for staff to attend which they have greatly subsidised, and Bright Sparks have continued to fund staff to attend these, which for the majority of this year have been delivered virtually. We also use training agencies to do whole staff team in-house training.

We are still extremely proud to have in our employment two staff members with their Early Years Foundation Degree.

The voluntary management committee continues to function well in support of the setting. Committee visits were suspended during the pandemic and meetings have been held virtually since March. Support for the management and staff from the committee has continued via other means. Ongoing action plans support the operational function and identifies areas for attention.

Staff go above and beyond their contractual duties to fundraise for Bright Sparks, which again has been a difficult task this year because of the pandemic. This allows staff to purchase equipment and resources to enhance play and learning within our setting.

The strength of the committee is in its members and their commitment and drive to support Bright Sparks Kindergarten. The committee are extremely proud of all staff whose professionalism and dedication is commendable.

#### **Overall Performance:**

We believe that Bright Sparks continues to excel in the provision of quality, affordable and accessible childcare, even with the added challenges and hurdles we have faced.

The Committee are confident that Bright Sparks will continue to keep moving forward. As a charity, however, we do rely on its parents to keep it going. With their continuing help and support, we will continue to make sure that Bright Sparks achieves this.

#### **The Future:**

September is looking brighter with the possible return of all staff and children. We still have government guidance to adhere to and restrictions in place but we believe we will see an improvement over the coming months.

Bright Sparks has an excellent reputation in the area and we aim to enhance this, not only as a childcare provider, but also as an excellent employer. We will endeavour to continue to deliver outstanding performance to ensure Bright Sparks as a group continues to be the areas first choice for high quality childcare and education.

# **BRIGHT SPARKS KINDERGARTEN LTD**

## **Report of the Trustees for the Year Ended 31 August 2020 continued**

### **Statement of trustees' responsibilities**

The trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of that year.

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

When amounts are presented within items in the profit and loss account and balance sheet, the trustees have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board on 6 April 2021 and signed on its behalf.

+ S-LZ

x

**Sarah Brown**  
Trustee

## **BRIGHT SPARKS KINDERGARTEN LTD**

### **Independent Examiner's Report to the Trustees**

I report on the accounts of the company for the year ended 31 August 2020 set out on pages 6 to 12.

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

As the charity's trustees of the Company (who are also the directors of the Company 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 for this year 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 Charities Commission (under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



**NICOLA LENTON FCCA**  
**Independent Examiner**  
**Dexter & Sharpe**  
**Chartered Certified Accountants**  
**The Old Vicarage**  
**Church Close**  
**Boston, Lincolnshire**  
**PE21 6NA**

**Date: 6 April 2021**

# **BRIGHT SPARKS KINDERGARTEN LTD**

## **Statement of Financial Activities Including Income and Expenditure Account For the Year Ended 31 August 2020**

Notes	Total Funds 2020 £	Total Funds 2019 £
1	<b>INCOME AND EXPENDITURE</b>	
	<b>INCOMING RESOURCES</b>	
	<b>Incoming Resources from generated funds:</b>	
	Activities for generating funds	146,538
	135,590	
3	Investment income	8
	6	
	<b>TOTAL INCOMING RESOURCES</b>	<b>146,546</b>
	<b>135,596</b>	
	<b>Resources Expended:</b>	
5	Charitable activities	134,675
6	Governance costs	2,098
	2,750	
	<b>TOTAL RESOURCES EXPENDED</b>	<b>136,773</b>
	<b>124,196</b>	
2	<b>NET INCOMING RESOURCES FOR THE YEAR</b>	<b>9,773</b>
	<b>11,400</b>	
	<b>TOTAL FUND BROUGHT FORWARD</b>	<b>23,962</b>
	<b>33,735</b>	
	<b>TOTAL FUND CARRIED FORWARD</b>	<b>33,735</b>
	<b>45,135</b>	

All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 12 form part of these financial statements



# BRIGHT SPARKS KINDERGARTEN LTD

## Balance Sheet as at 31 August 2020

Notes	2020 £	2019 £
<b>Fixed Assets:</b>		
7 Intangible assets	-	-
8 Tangible assets	2,121	2,027
	<u>2,121</u>	<u>2,027</u>
<b>Current Assets:</b>		
9 Debtors	3,671	2,042
Cash at bank and in hand	50,133	42,089
	<u>53,804</u>	<u>44,131</u>
10 Creditors: amounts falling due within one year	10,790	12,423
<b>Net Current Assets</b>	<u>43,014</u>	<u>31,708</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>45,135</u>	<u>33,735</u>
<b>FUNDS</b>		
Unrestricted funds	45,135	33,735
<b>TOTAL FUNDS</b>	<u>45,135</u>	<u>33,735</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 August 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

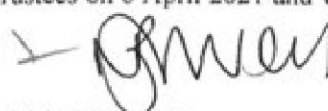
- (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 6 April 2021 and were signed on its behalf by:



**Sarah Brown**  
Director and Trustee



**Nicola Burrell**  
Director and Trustee

The notes on pages 8 to 12 form part of these financial statements.

## BRIGHT SPARKS KINDERGARTEN LIMITED

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

#### 1. ACCOUNTING POLICIES

##### **Basis of Preparation of Financial Statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Incoming Resources**

All incoming resources are included in the SOFA (Statement of Financial Activities) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1. Grants are accounted for when received.
2. Investment income is accounted for when receivable.
3. Fees are accounted for when received.

##### **Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure is allocated between those specific to the operation of the charity's objectives (charitable expenditure) and the costs for the running of the charity itself as an organisation (management and administration).

##### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of the business in March 2008 and April 2009, is being amortised evenly over their estimated useful lives of five years.

##### **Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	25% on reducing value
Nursery Equipment	33% on reducing value

##### **Taxation**

These financial statements are prepared on the basis that the charity is exempt under s.505 ICTA 1988 and that no charge to taxation applies.

##### **Fund Accounting**

Funds held by the charity are either:

- **Unrestricted general funds** – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- **Designated funds** - these are funds set aside by the trustees out of unrestricted funds for specific future purposes or projects.
- **Restricted funds** – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

# BRIGHT SPARKS KINDERGARTEN LIMITED

## Notes to the Financial Statements For the Year Ended 31 August 2020 continued

	2020 £	2019 £
<b>2. NET INCOMING RESOURCES</b>		
Net incoming resources are stated after charging:		
Depreciation - owned assets	745	733
- goodwill	-	-
Independent Examination	1,680	1,680
Accountancy services	1,070	418
Staff Costs	<u>105,903</u>	<u>113,575</u>
<b>STAFF COSTS</b>		
Charitable Activities	<u>105,903</u>	<u>113,575</u>
Staff costs consist of:		
Wages and Salaries	103,113	110,615
Social Security Costs	2,790	2,960
	<u>105,903</u>	<u>113,575</u>
No employee earned £50,000 per annum or more.		
	No.	No.
The average weekly number of employees was	<u>10</u>	<u>10</u>
	2020 £	2019 £
Trustees Remuneration	<u>39,246</u>	<u>37,933</u>
Directors Remuneration	<u>23,000</u>	<u>23,000</u>
<b>3. INVESTMENT INCOME</b>		
Bank interest	<u>6</u>	<u>8</u>

# BRIGHT SPARKS KINDERGARTEN LTD

## Notes to the Financial Statements For the Year Ended 31 August 2020 continued

### 4. TAXATION

#### Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2020 nor for the year ended 31 August 2019.

### 5. CHARITABLE ACTIVITIES

	2020 £	2019 £
Wages	105,903	113,575
Pensions	2,011	1,436
Lunches	3,351	5,726
Rent and rates	2,352	2,374
Insurance	520	500
Light and heat	1,391	1,693
Telephone	711	722
Stationery	1,034	826
Advertising	-	300
Travelling	24	-
Repairs and renewals	770	2,364
Activity materials etc.	1,272	1,365
Cleaning	194	824
Sundry expenses	546	564
Courses and subscriptions	423	1,470
Bank charges	199	203
<b>Depreciation:</b>		
Fixtures and Fittings	626	555
Nursery Equipment	119	178
	<u>121,446</u>	<u>134,675</u>

### 6. GOVERNANCE COSTS

Accountancy and professional fees	<u>2,750</u>	<u>2,098</u>
-----------------------------------	--------------	--------------

# BRIGHT SPARKS KINDERGARTEN LTD

## Notes to the Financial Statements For the Year Ended 31 August 2020 continued

<b>7. INTANGIBLE FIXED ASSETS</b>			<b>Goodwill £</b>
<b>Cost:</b>			
At 1 September 2019 and 31 August 2020			<u>2,667</u>
<b>Amortisation:</b>			
At 1 September 2019 and 31 August 2020			<u>2,667</u>
<b>Net Book Value:</b>			
At 31 August 2020			<u>0</u>
At 31 August 2019			<u>0</u>
<b>8. TANGIBLE FIXED ASSETS</b>			
	<b>Fixtures and Fittings £</b>	<b>Nursery Equipment £</b>	<b>TOTAL £</b>
<b>Cost:</b>			
At 1 September 2019	23,634	2,944	26,578
Additions	839	-	839
At 31 August 2020	<u>24,473</u>	<u>2,944</u>	<u>27,417</u>
<b>Depreciation:</b>			
At 1 September 2019	21,969	2,582	24,551
Charge for year	626	119	745
At 31 August 2020	<u>22,595</u>	<u>2,701</u>	<u>25,296</u>
<b>Net Book Value:</b>			
At 31 August 2020	<u>1,878</u>	<u>243</u>	<u>2,121</u>
At 31 August 2019	<u>1,665</u>	<u>362</u>	<u>2,027</u>

# **BRIGHT SPARKS KINDERGARTEN LTD**

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

<b>9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	<u>3,671</u>	<u>2,042</u>
<b>10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Trade creditors	8,076	8,722
PAYE	1,034	921
Accruals and deferred income	1,680	2,780
	<u>10,790</u>	<u>12,423</u>

### **11. SHARE CAPITAL**

The company is incorporated under the Companies Act as a Guarantee company. No share capital has been issued. In the event of the company's winding up each member may be required to contribute an amount not exceeding £1 as a contribution towards the debts and liabilities of the company.