

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 2025**

BRIGHT SPARKS KINDERGARTEN LTD

Contents of the Financial Statements For the Year Ended 31 August 2025

	<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 - 13

BRIGHT SPARKS KINDERGARTEN LTD

Company Information For the Year Ended 31 August 2025

Trustees	Sarah Brown Stacey Mustill Danielle Skinner Laura White (Resigning at next AGM) David Mitchell Rebecca Sharpe (Resigned 28 April 2025) Leanne Belton Jenna Mitchell (Resigned 04 September 2025) Jessica Taylor (Appointed 08 January 2026) Katherine Twiddy (Appointed 08 January 2026)
Registered Office	Sibsey Free School Old Main Road Boston Lincolnshire PE22 0RR
Company Number	06113421 (England & Wales)
Charity Number	1120624
Independent Examiner	Mrs Nicola Lenton FCCA Dexter & Sharpe Chartered Certified Accountants The Old Vicarage Church Close Boston Lincolnshire PE21 6NA
Bankers	HSBC 49 Lumley Road Skegness Lincolnshire PE25 3LW

BRIGHT SPARKS KINDERGARTEN LTD

Report of the Trustees for the Year Ended 31 August 2025

The Trustees present their Report with the financial statements of the Charitable Company for the Year ended 31 August 2025.

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).

Purpose

Bright Sparks Kindergarten aims to deliver a safe, caring, and high-standard early years environment for children aged 2 to 4. In addition, we provide a range of engaging before- and after-school activities for children between the ages of 3 and 11. We are equally committed to developing our workforce and supporting individuals training to work in childcare.

Overview

Despite ongoing financial pressures throughout the year, Bright Sparks has continued to run effectively without significant disruption. Pre-school enrolment has remained strong, with 12 children moving on to primary education in July. Our out-of-school provision has also continued to thrive, and this year's 'Open Day' proved highly successful, contributing to a growing waiting list for the upcoming September intake.

Government funding initiatives for younger children, including 2-year-olds and 9-month-olds of working parents, have led to increased demand and higher session uptake. However, it is important to note that the current funding rates do not fully cover the true cost of delivering high-quality childcare. As a result, these funded sessions place additional financial pressure on the setting and do not adequately reflect the level of care, staffing, and resources required to meet our standards.

Our out-of-school clubs continue to be well attended and valued by families.

We are grateful for the continued advice and support from Early Years Childcare Support (EYCC), which remains instrumental in guiding both staff and the management committee.

We would also like to recognise the dedication and hard work of our team. The Manager and Assistant Manager foster a positive and inclusive atmosphere, making Bright Sparks an enjoyable place for both children and staff.

Financial/ Performance

The financial outcome for the year aligns with expectations, reflecting a stable and well-managed position as outlined in the annual accounts. Nevertheless, the shortfall between government funding and the actual cost of delivery remains an ongoing challenge that must be carefully managed.

BRIGHT SPARKS KINDERGARTEN LTD

Report of the Trustees for the Year Ended 31 August 2025

Management and Staffing

The leadership team has remained stable and continues to work collaboratively, playing a key role in maintaining high standards and driving ongoing improvement.

Although there have been some staffing changes, we are fortunate to have a committed and highly skilled team of Early Years practitioners. Recruitment continues to be a sector-wide challenge, particularly as salary levels do not always reflect the level of responsibility required in these roles. This challenge is further compounded by the limitations of current funding levels within the sector.

Bright Sparks operates in line with the Early Years Foundation Stage (EYFS) framework. The senior team regularly reviews guidance and ensures staff receive the necessary support to maintain high-quality practice.

We work closely with other childcare providers where needed, particularly when children attend multiple settings, to ensure consistency in care and learning.

Staff development remains a key priority. Team members are encouraged to access relevant training opportunities, with regular meetings and supervision sessions supporting ongoing professional growth. Training is delivered through a combination of online platforms such as Teams and Zoom, alongside face-to-face sessions. First Aid training is also provided internally for all staff.

Our team is highly qualified and experienced. We are particularly proud of colleagues holding advanced qualifications, including an Early Years Foundation Degree, a BA (Hons) in Education, and an MSc in Child and Adolescent Mental Wellbeing. Additional staff have also achieved Level 3 Early Years qualifications.

The voluntary management committee continues to play a vital role in supporting daily operations. Regular meetings ensure effective oversight, with clear action plans in place to address key priorities.

Staff consistently contribute beyond their core roles, volunteering time for fundraising and additional activities. These efforts support the purchase of new resources and equipment, enhancing the children's learning experiences.

The commitment and support shown by both staff and committee members are central to the continued success of Bright Sparks.

Overall Performance

We are very proud of the progress and achievements of Bright Sparks. The setting provides a welcoming and nurturing environment where children and families feel supported. With the continued involvement of parents, we are confident in our ability to sustain and build on this success.

BRIGHT SPARKS KINDERGARTEN LTD

Report of the Trustees for the Year Ended 31 August 2025

Looking ahead

We recognise that increasing living costs and upcoming changes to the National Living Wage will have financial implications. These factors, alongside anticipated increases in National Insurance contributions and uncertainties around government funding, will be carefully monitored, and fees will be reviewed where necessary. The gap between funding levels and actual delivery costs will remain a key consideration in future planning.

Bright Sparks continues to hold a strong reputation within the local community. We remain committed to maintaining the high standards of care and education that families expect, while also supporting staff wellbeing and professional development.

We are confident that Bright Sparks will continue to grow and thrive, remaining a preferred choice for families seeking high-quality childcare and education.

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 21 April 2026 and signed on its behalf.

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 2025 set out on pages 6 to 13.

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 following 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: 21 April 2026

BRIGHT SPARKS KINDERGARTEN LTD

Statement of Financial Activities Including Income and Expenditure Account For the Year Ended 31 August 2025

Notes	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
INCOME AND EXPENDITURE				
INCOMING RESOURCES				
Incoming Resources from generated funds:				
2 Donations and legacies	-	2,999	2,999	-
3 Activities for generating funds	209,935	-	209,935	195,522
5 Investment income	442	-	442	400
TOTAL INCOMING RESOURCES	210,377	2,999	213,376	195,922
Resources Expended:				
7 Charitable activities	192,335	2,040	194,375	177,664
8 Governance costs	3,148	-	3,148	2,674
TOTAL RESOURCES EXPENDED	195,483	2,040	197,523	180,338
4 NET INCOMING RESOURCES FOR THE YEAR	14,894	959	15,853	15,584
TOTAL FUND BROUGHT FORWARD	48,618	-	48,618	33,034
TOTAL FUND CARRIED FORWARD	63,512	959	64,471	48,618

All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 13 form part of these financial statements

BRIGHT SPARKS KINDERGARTEN LTD

Balance Sheet as at 31 August 2025

Notes	2025 £	2024 £
Fixed Assets:		
9 Intangible assets	-	-
10 Tangible assets	4,281	5,132
	<hr/> 4,281	<hr/> 5,132
Current Assets:		
11 Debtors	11,154	735
Cash at bank and in hand	57,641	52,266
	<hr/> 68,795	<hr/> 53,001
12 Creditors: amounts falling due within one year	8,605	9,515
	<hr/>	<hr/>
Net Current Assets	60,190	43,486
	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES	64,471	48,618
	<hr/> <hr/>	<hr/> <hr/>
FUNDS		
Unrestricted funds	63,512	48,618
Restricted funds	959	-
	<hr/>	<hr/>
TOTAL FUNDS	64,471	48,618
	<hr/> <hr/>	<hr/> <hr/>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2025.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 August 2025 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 21 April 2026 and were signed on its behalf by:

Sarah Brown
Director and Trustee

The notes on pages 8 to 13 form part of these financial statements.

BRIGHT SPARKS KINDERGARTEN LIMITED

Notes to the Financial Statements For the Year Ended 31 August 2025

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 2025 continued

2. Donations and legacies

	Unrestricted Fund £	Restricted Fund £	2025 Total Funds £	2024 Total Funds £
Grants	-	2,999	2,999	-

Grants received, included in the above, are as follows:

	Unrestricted Fund £	Restricted Fund £	2025 Total Funds £	2024 Total Funds £
LCC – Early year expansion	-	444	444	-
LCC – HSF	-	1,845	1,845	-
LCC – Deprivation funding	-	387	387	-
LCC – RKS	-	323	323	-
	-	2,999	2,999	-

3. Activities for generating funds

	Unrestricted Fund £	Restricted Fund £	2025 Total Funds £	2024 Total Funds £
LCC – EYE Funding	135,300	-	135,300	104,501
Fees	74,309	-	74,309	91,021
Fundraising	326	-	326	-
	209,935	-	209,935	195,522

BRIGHT SPARKS KINDERGARTEN LTD

Notes to the Financial Statements For the Year Ended 31 August 2025 continued

	2025 £	2024 £		
4. NET INCOMING RESOURCES				
Net incoming resources are stated after charging:				
Depreciation - owned asset	1,541	1,770		
- goodwill	-	-		
Independent Examination	2,400	2,220		
Accountancy services	748	454		
Staff Costs	167,863	154,250		
STAFF COSTS				
Charitable Activities	167,863	154,250		
Staff costs consist of:				
Wages and Salaries	158,360	146,440		
Social Security Costs	7,107	5,868		
Pension contributions	2,396	1,942		
	167,863	154,250		
No employee earned £50,000 per annum or more.	No.	No.		
The average weekly number of employees was	7	8		
	2025 £	2024 £		
Trustees Remuneration	82,959	74,455		
5. INVESTMENT INCOME				
	Unrestricted Fund £	Restricted Fund £	2025 Total Funds £	2024 Total Funds £
Bank interest	442	-	442	400

BRIGHT SPARKS KINDERGARTEN LTD

Notes to the Financial Statements For the Year Ended 31 August 2025 continued

6. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2025 nor for the year ended 31 August 2024.

7. CHARITABLE ACTIVITIES

	Unrestricted Fund £	Restricted Fund £	2025 Total Funds £	2024 Total Funds £
Wages	74,691	710	75,401	152,308
Trustee's remuneration	82,959	-	82,959	-
Social security	7,107	-	7,107	-
Pensions	2,396	-	2,396	1,942
Sub contractors	390	-	390	-
HSF Grants spent	-	1,330	1,330	-
Lunches	6,844	-	6,844	6,149
Rent and rates	2,514	-	2,514	2,518
Insurance	754	-	754	713
Light and heat	2,603	-	2,603	3,137
Telephone	575	-	575	554
Stationery	1,164	-	1,164	1,321
Advertising	-	-	-	84
Travelling	-	-	-	4
Repairs and renewals	1,534	-	1,534	1,395
Activity materials etc.	3,247	-	3,247	2,469
Cleaning	1,233	-	1,233	883
Sundry expenses	1,518	-	1,518	1,572
Courses and subscriptions	1,208	-	1,208	775
Bank charges	57	-	57	70
Depreciation:				
Fixtures and Fittings	1,190	-	1,190	1,586
Nursery Equipment	351	-	351	184
	<u>192,335</u>	<u>2,040</u>	<u>194,375</u>	<u>177,664</u>

8. GOVERNANCE COSTS

Accountancy and professional fees	<u>3,148</u>	<u>-</u>	<u>3,148</u>	<u>2,674</u>
-----------------------------------	--------------	----------	--------------	--------------

BRIGHT SPARKS KINDERGARTEN LTD

Notes to the Financial Statements For the Year Ended 31 August 2025 continued

9. INTANGIBLE FIXED ASSETS

Goodwill £

Cost:

At 1 September 2024 and 31 August 2025

2,667

Amortisation:

At 1 September 2024 and 31 August 2025

2,667

Net Book Value:

At 31 August 2025

-

At 31 August 2024

-

10. TANGIBLE FIXED ASSETS

Fixtures and Fittings £	Nursery Equipment £	TOTAL £
-------------------------------	---------------------------	------------

Cost:

At 1 September 2024

34,522

4,316

38,838

Additions at 31 August 2025

-

690

690

34,522

5,006

39,528

Depreciation:

At 1 September 2024

29,764

3,942

33,706

Charge for year

1,190

351

1,541

At 31 August 2025

30,954

4,293

35,247

Net Book Value:

At 31 August 2025

3,568

713

4,281

At 31 August 2024

4,758

374

5,132

BRIGHT SPARKS KINDERGARTEN LTD

**Notes to the Financial Statements
For the Year Ended 31 August 2025 continued**

**11. DEBTORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

	2025	2024
	£	£
Trade debtors	10,990	735
Prepayments	164	-
	11,154	735

**12. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

Trade creditors	1,440	90
PAYE	1,851	4,245
Accruals and deferred income	5,314	5,180
	8,605	9,515

13. SHARE CAPITAL

The company is incorporated under the Companies Act as a Company Limited by Guarantee. 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.