

Registered number  
05405743

# APPLETREE CHILDCARE (SHEFFIELD) LIMITED

## Report and Accounts

Year ended 31 March 2022

## **APPLETREE CHILDCARE (SHEFFIELD) LIMITED**

### **Report of the Trustees for the period ended 31 March 2022**

The trustees are pleased to present their report together with the financial statements of the charity for the period ended 31 March 2022.

#### **Legal and administrative details**

**Charity number** 1122241 (registered January 2008)

**Company number** 5405743

**Principal address** The Pavilion  
Main Street  
Grenoside  
Sheffield  
S35 8PR

**Bankers** Co-operative  
Balloon Street  
Manchester

#### **Directors and trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

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

Janet Parkin  
Tony Cosenino (resigned 15 October 2021)  
John Guymer  
Trevor Bagshaw  
Vikki Knowles  
Lyndsey Herdman  
Richard Elliott (appointed 6 December 2021)  
Patricia Hudson (appointed 21 February 2022)

#### **Objects and organisation**

The objects of the charity are:

To advance the education of children and their families, resident predominantly but not exclusively in the City of Sheffield, through the provision of day care and pre-school facilities for children, which stimulates their growth and development through safe and stimulating play. In the interests of social welfare, to promote and provide educational, training, support and recreational facilities and other leisure time activities for such children and their families, so that their conditions of life may be improved and so that unemployment amongst such families may be relieved.

The charity is managed by a voluntary management committee who are elected at the annual general meeting. Staff are employed in the day to day running of the organisation.

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Report of the Trustees for the period ended 31 March 2022**

**Appletree Childcare Review of Progress and Achievements 2021-22**

In our small way we continue to battle the worldwide pandemic as we start our financial year 2021-2022. Most restrictions to stop Covid 19 were still in place until April 2021, but by July we were all pleased when legal restrictions regarding social contact were removed.

Our Health and Safety staff continued to oversee very high regimes that enabled our settings to remain open. The first COVID vaccine has been approved and gradually made available.

Our Trustees and staff team have continued to work hard throughout the year to ensure we remain sustainable, and so that we can continue to support the families within our community. As the year progressed we were able to offer more places and welcome many new children into our settings. Due to shut downs, children haven't been able to socialise through the pandemic and parents are justifiably very anxious, our staff team have worked hard to settle everyone.

It should be noted that throughout the pandemic there has been an alarming rise of children who needed support due to safeguarding issues, many still attend our settings and we continue to work with Social Care to ensure their safety.

Throughout the year we have received wonderful comments, praise and tributes regarding the outcomes we have achieved.

## **Trustees**

Trustees continued to be involved despite the difficulties of the pandemic, we had meetings via zoom, regarding updates on the charities progress staffing, furlough and issues with the building. We continued to share phone calls and emails to summarise actions to all Trustees. As the year progressed we were once again allowed to meet up at nursery.

Sadly, our plans to move Appletree forwards have not been able to progress. Our aim of taking over the showers and changing rooms area and gaining permission to have the roof repaired was still not resolved at the end of financial year 2021-22. Despite our Strategy Trustees making every attempt to communicate with Sheffield City Council, the roof of the pavilion we operate our nursery from deteriorated further, which caused additional damage to the walls of the nursery.

Trustees held an Emergency General Meeting to discuss the financial position. Costs related to the pandemic and ongoing work to the building due to the roof have eaten into our small reserves. After debate, Trustees decided to apply for a Government bounce back loan. The loan was available on an interest free credit basis for 12 months and then there will be a rate of interest of 2.5% per annum. This loan would be used to address the issues with the roof and undertake work in the showers and changing rooms area once permission had been gained.

During 2021-22 one of our Trustees was employed, and another was connected to the charity. As allowed within the Charities M&A scope and powers permitting directors' and connected persons' benefits all declaration of directors' interests and conflicts of interests noted within the M&A were adhered to and appropriately recorded.

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Report of the Trustees for the period ended 31 March 2022**

**Appletree Childcare Staff / Working Practices**

We continue to have a strong staff team with few changes. There are 23 members of staff working within the Appletree team, all nursery practitioners have NVQ 2 and 3 qualifications. Many, work part time around their own family's needs. This year we have employed a new Apprentice who is undertaking her NVQ2 in Early Years.

Health and wellbeing has improved as we move away from the pandemic. Policies and procedures are in place for staff members to follow, and Managers are available for wellbeing discussions if required.

Our CEO and founder of Appletree is now preparing her exit strategy. After much deliberation and discussion with Trustees we have decided to develop an Exec Team of Managers to oversee the day to day running of the charity when our CEO retires. The Exec's will head up their own responsibilities but be able to support each other when required. Our charities strength is our staff, their professionalism, skill and compassion.

The National Living Wage (NMW) was due to raise in April 2022, staff wages aged 23 and over would rise from £8.91 per hour to £9.50 per hour (6.3%). Trustees agreed to increase staff wages by 4% in December 2021 and a further 2.3% in April 2022.

With the help of Bhayani HR & Employment Law Advisors we reviewed and updated our staff contracts. The advice we from our HR Company ensures we continue to meet all our legal requirements.

**Funding and Support**

We continue to use the charity 'In Kind', which helps us purchase low cost cleaning products and other useful resources. Another charity that we use is 'Fare Share' – for a small donation towards petrol and their running costs we are able to receive food donated by local supermarkets.

Alastair Norton of Norton Mayfield Architects has been a great support, especially with drawing up plans for the new roof and gaining planning permission. Solicitors DLA Piper have continued to support us on a pro-bono basis with legal advice with regards to Sheffield City Council and progressing the work to take over the showers and changing rooms, roof etc.

**Buildings**

Since agreeing the lease in 2012 on the Pavilion, we have continued to maintain and update our buildings both inside and out making them bright and cheerful for our children and their families.

Unfortunately, we are still waiting for Sheffield City Council to invoice the Charity for the water and gas they provide and which our Charity is expected to pay for.

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Report of the Trustees for the period ended 31 March 2022**

**Finances**

Despite COVID 19 and all the incidental costs connected to the pandemic we have worked hard to keep the Charity cost's covered and have made a small surplus in 2021-22.

**Reserves Policy**

The reserves policy is to maintain free reserves in unrestricted funds at a level which at least equates to three months of projected charitable expenditure. This will enable sufficient time to seek alternative funding should existing funding cease and ensure the continued operation of the charity.

The unrestricted reserve at 31st March 2022 was £95862.

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Report of the Trustees for the period ended 31 March 2022 - continued**

**Trustee's responsibilities statement**

The trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which 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 the 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

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

This report was approved by the board on



J Parkin  
Director

29 March 2022

## **Independent Examiner's Report to the Trustees of Appletree Childcare (Sheffield) Limited**

I report on the accounts of the company for the year ended 31 March 2022 which are set out on pages 7 to 13.

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

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

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

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Keith Hawson FCA**



Walters Hawson Limited  
Norham House  
Mountenoy Road  
Rotherham  
S60 2AJ

Date: 19/12/2022

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Profit and Loss Account**  
**for the year ended 31 March 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	338,921	305,336
Administrative expenses	(307,037)	(302,549)
Other operating income	-	-
<b>Operating profit</b>	<u>31,884</u>	<u>2,787</u>
Interest payable	(308)	-
<b>Profit on ordinary activities before taxation</b>	<u>31,576</u>	<u>2,787</u>
Tax on profit on ordinary activities	-	-
<b>Profit for the financial year</b>	<u>31,576</u>	<u>2,787</u>



**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**

Registered number:

05405743

**Balance Sheet**

**As at 31 March 2022**

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	5	-	-
Tangible assets	6	1,557	1,814
		<u>1,557</u>	<u>1,814</u>
<b>Current assets</b>			
Debtors	7	7,475	10,760
Cash at bank and in hand		147,229	114,590
		<u>154,704</u>	<u>125,350</u>
<b>Creditors: amounts falling due within one year</b>	8a	(3,613)	(5,930)
<b>Net current assets</b>		<u>151,091</u>	<u>119,420</u>
<b>Total assets less current liabilities</b>		<u>152,648</u>	<u>121,234</u>
<b>Creditors: amounts falling due after more than one year</b>	8b	(47,338)	(47,500)
<b>Provisions for liabilities</b>			
<b>Net assets</b>		<u>105,310</u>	<u>73,734</u>
<b>Capital and reserves</b>			
Unrestricted income fund		95,862	65,634
Restricted income funds		9,448	8,100
<b>Total charity funds</b>		<u>105,310</u>	<u>73,734</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.



J Parkin

Director

Approved by the board on 29/11/2022

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Statement of financial activities**  
**for the year ended 31 March 2022**

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>Income</b>					
Incoming from charitable activities					
Grants	2	-	152,074	152,074	216,497
Fees		185,591		185,591	86,195
Other income	3	1,256		1,256	2,644
<b>Total income</b>		<b>186,847</b>	<b>152,074</b>	<b>338,921</b>	<b>305,336</b>
<b>Expenditure</b>					
Consumables		8,530		8,530	7,102
Transport costs		69		69	5
Refreshments		3,812		3,812	2,191
Wages and salaries	11	91,560	151,866	243,426	243,579
Employers national insurance		1,237		1,237	5,745
Employers pension contributions		5,539		5,539	3,063
Staff training and welfare		577		577	1,752
Travel and subsistence		-		-	43
Rent		14,386		14,386	10,962
Rates		990		990	-
Property refurbishment		41		41	1,204
Light and heat		2,177		2,177	1,766
Waste collection		3,133		3,133	2,155
Telephone and fax		2,539		2,539	2,324
Stationery and printing		1,843		1,843	1,117
Computer costs		3,586		3,586	3,536
Licences and subscriptions		796		796	267
Registration and inspection fees		736		736	666
Insurance		1,492		1,492	1,874
Repairs and maintenance		3,040		3,040	2,038
Equipment repairs		481		481	3,187
Depreciation		256		256	315
Outings and events		964		964	121
Sundry expenses		292		292	(10)
Equipment leasing		478		478	478
Accountancy fees		450		450	1,350
Reporting accountants fees		1,350		1,350	450
Legal and professional fees		3,227		3,227	4,537
Marketing		1,590		1,590	-
Bad debts		-		-	732
Loan interest		308		308	-
<b>Total expenditure</b>		<b>155,479</b>	<b>151,866</b>	<b>307,345</b>	<b>302,549</b>
<b>Net income/(expenditure)</b>		<b>31,368</b>	<b>208</b>	<b>31,576</b>	<b>2,787</b>
<b>Transfers</b>		<b>(1,140)</b>	<b>1,140</b>	<b>-</b>	
<b>Fund balances brought forward</b>		<b>65,634</b>	<b>8,100</b>	<b>73,734</b>	<b>70,947</b>
<b>Fund balances carried forward</b>		<b>95,862</b>	<b>9,448</b>	<b>105,310</b>	<b>73,734</b>

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**1 Accounting policies**

***Basis of preparation***

Appletree Childcare (Sheffield) Limited is a charitable company limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guaranteee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements

The charity constitutes a public benefit entity as defined by FRS 102.

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 on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

***Turnover***

Donations and sundry income are accounted for on a receipts basis. Grant income and fee income are accounted for on an accruals basis, insofar as it is prudent to do so.

***Depreciation***

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery  
Leasehold land and buildings

20% reducing balance basis.  
10% reducing balance basis.

Goodwill is being written off in equal instalments over its estimated useful life of 10 years.

***Income recognition***

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the of the charity
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

**1 Accounting policies - continued**

***Fund accounting***

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds relate to incoming resources where the monies are ring-fenced by the grantor to be solely used for particular activities or projects.

The Charity receives funding from the Local authority for free early learning places and specific support for children with special needs. This is included within restricted funds and, for clarity, is regarded as being entirely spent by the allocation of payroll costs.

Where the Charity is able to secure any other grants which are for specific projects, that is shown as restricted income and the related expenditure is directly allocated as restricted fund expenditure. No support costs are allocated to restricted funds as the amounts involved would be negligible.

***Expenditure***

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

For SORP accounts purposes, the Charity is regarded as having a single activity and simple affairs. In view of that, expenditure is reported by its natural analysis, and no distinction is made between direct expenditure, support expenditure and governance costs, all of which can be readily identified from the detailed breakdown of costs provided.

***Allocation of support costs***

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities. As noted above, these costs are shown under their natural analysis under unrestricted funds.

**2 Grants and donations**

Grants and donations received during the year were:

Restricted:

Sheffield City Council - Free early learning fund	133,620	144,371
CJRS grants	15,746	58,202
Sheffield City Council - Training funding	2,500	1,000
Sheffield City Council - Special needs grant	(480)	780
Grant - ECC re CCTV	688	
Grant - SYCF	-	2,119
	<u>152,074</u>	<u>206,472</u>

Unrestricted:

Covid grant - SCC	-	1,000
Grant - other	-	25
Grant - Church Burgesses Trust	-	-
Grant - WH Smith	-	-
Reach Fund	-	-
	<u>-</u>	<u>1,025</u>

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

3	Other income	2022 £	2021 £
	Fund raising	1,244	2,535
	Other income	12	9
	Donations	-	100
		<u>1,256</u>	<u>2,644</u>

- 4 Staff number and costs**
- No employees received emoluments in excess of £60,000 per year.  
The average number of employees during the period was 23.

5	Intangible fixed assets	2022 £
	Goodwill:	
	<b>Cost</b>	
	At 1 April 2021	30,000
	At 31 March 2022	<u>30,000</u>
	<b>Amortisation</b>	
	At 1 April 2021	30,000
	Provided during the period	
	At 31 March 2022	<u>30,000</u>
	<b>Net book value</b>	
	At 31 March 2022	-
	At 31 March 2021	<u>-</u>

6	Tangible fixed assets	2022 £	2021 £
	<b>Leasehold land and buildings</b>		
	<b>Cost</b>		
	At 1 April 2021	4,000	7,370
	Additions	-	-
	At 31 March 2022	<u>4,000</u>	<u>7,370</u>
	<b>Depreciation</b>		
	At 1 April 2021	3,006	6,551
	Charge for the period	81	175
	At 31 March 2022	<u>3,087</u>	<u>6,726</u>
	<b>Net book value</b>		
	At 31 March 2022	913	644
	At 31 March 2021	<u>994</u>	<u>819</u>
	<b>Plant and machinery</b>		
	<b>Cost</b>		
	At 1 April 2021	4,000	7,370
	Additions	-	-
	At 31 March 2022	<u>4,000</u>	<u>7,370</u>
	<b>Depreciation</b>		
	At 1 April 2021	3,006	6,551
	Charge for the period	81	175
	At 31 March 2022	<u>3,087</u>	<u>6,726</u>
	<b>Net book value</b>		
	At 31 March 2022	913	644
	At 31 March 2021	<u>994</u>	<u>819</u>

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 March 2022**

7 Debtors	2022 £	2021 £
Trade debtors	4,395	3,201
Other debtors	3,080	7,559
	<u>7,475</u>	<u>10,760</u>

8a Creditors: amounts falling due within one year	2022 £	2021 £
Bank loan	307	2,500
Trade creditors	1,257	1,381
Other taxes and social security costs	-	-
Accruals	<u>2,049</u>	<u>2,049</u>
	3,613	5,930

8b Creditors: amounts falling after more than one year	2022 £	2021 £
Bank loan	47,338	47,500
	<u>47,338</u>	<u>47,500</u>

9 Restricted funds	At 01/04/21 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31/03/22 £
Sheffield City Council - Free early learning	-	133,620	(133,620)	-	-
Sheffield City Council - Special needs	-	(480)	-	480	-
Sheffield City Council - Other	-	2,500	(2,500)	-	-
CJRS grants	-	15,746	(15,746)	-	-
Grant - ECC re CCTV	-	688	-	-	688
Grant - SYCF	8,100	-	-	660	8,760
Grant - Reach Fund	<u>8,100</u>	<u>152,074</u>	<u>(151,866)</u>	<u>1,140</u>	<u>9,448</u>

**10 Other financial commitments**

Total amount of commitments, guarantees and contingencies is £252,000.

The above includes a lease which commenced on 21 May 2012 with a term of 40 years.  
Rent is fixed at fair market value, currently £7,900 per year.

**11 Trustee remuneration and other related party transaction**

As permitted by the Charity's constitution, the charity employed trustees, or persons connected with a trustee, within its settings and paid for their services accordingly. For the year ended 31 March 2022, the payroll costs were as follows:

J Parkin	£20,595	Trustee and Chief Executive Officer
M Guymer	£18,040	A person who is a Related Party of a trustee

No trustees were paid or expenses reimbursed for their work as trustees of the Charity.