

Registered number  
05405743

APPLETREE CHILDCARE (SHEFFIELD) LIMITED

Report and Accounts

Year ended 31 March 2024

# **APPLETREE CHILDCARE (SHEFFIELD) LIMITED**

## **Report of the Trustees for the period ended 31 March 2023**

The trustees are pleased to present their report together with the financial statements of the charity for the period ended 31 March 2024.

### **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  
John Guymer  
Trevor Bagshaw  
Vikki Knowles  
Lyndsey Herdman  
Richard Elliott  
Patricia Hudson  
Amy Stanbridge

### **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 Review of Progress and Achievements 2023-24**

2023-24 has been a year of highs, with the Kings Coronation and the opening of our new Blossoming Baby Room, which we have developed in the unused showers area of the pavilion after taking over the lease for this space in 2023. We now have a lovely spacious bright setting for babies from 3 months to 2 years of age. We still rent space for our Wrap Around Childcare from Grenoside Community Association, which is next door to our nursery.

There have also been some challenging times due to high utility costs, National Minimum Wage increases and a serious issue with our portable building roof. Overall, we have managed to keep sustainable, cutting costs wherever we can, and we continue to move forwards with a positive attitude.

### **Trustees**

Our Board of Trustees continue to meet throughout the year to monitor and review our practices, offering advice and support where required. We were delighted to welcome a new Parent Trustee, Amy Stanbridge. Amy, as well as bringing a parent's views to our board of Trustees, has a wealth of experience with regards to legal matters and business skills, and has many contacts through her employment with Henry Boot plc, a leading property development and building construction business.

Our Trustees all bring something different to our Board which benefits and improves the services that we provide. During 2023-24 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 Staff / Working Practices**

There are now 25 members of staff working within the Appletree team. Many of our staff join Appletree without any childcare qualifications, as it is our aim to support people who may have had barriers to work. All staff members who work with the children undertake a minimum qualification of a NVQ 2 in Early Years Health and Wellbeing qualification, or equivalent. Many have progressed to an NVQ 3. We also have Room Managers and Executive Managers that work alongside our CEO. The Exec and Management team have now taken over many responsibilities from our CEO, who is the founder of Appletree, as she reduces her hours of work as she moves towards retirement. The remainder of our team consist of 2 Apprentices working towards their NVQ Qualifications and our wonderful housekeeping and caretaker team.

### **Wage increase**

Our Trustees again reviewed our staff wages, as the National Minimum Wage (NMW) went up for most of our staff by 9.7%. Our Trustees have worked hard to increase our staff wages, moving them away from the NMW and implementing a wage scale that reflects the responsibilities and experience of our team.

With careful planning we were able to maintain staff wages and from April 2023 all staff wages were increased to coincide with the increase in NMW. Our charities strength is our staff team, their professionalism, skill, kindness and compassion.

We continue to use Bhayani HR & Employment Law Advisors, who support us with HR needs to ensure we meet all our legal requirements.

### **Funding and Support**

We continue to visit the IKEA warehouse when invited, through IKEA charities aid and look forwards to receiving an invitation to visit and see what resources they have to donate! We were very fortunate to have our Charity chosen to receive a 'Wish List' of wonderful new resources for our new baby room.

Alastair Norton of Norton Mayfield Architects continues to be a great support, especially with the improvements to our baby room.

Solicitors DLA Piper have continued to support us on a pro-bono basis with legal advice when dealing with our lease with Sheffield City Council.

### **Buildings**

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

Sadly, the roof gave way on our much-loved portable building, which is used for our 2-year-old Braeburns children. We had to close this building and move the children and staff out to keep them safe. This didn't stop us offering our services as we used the Community Centre, and our local Church Hall so continue offering our services for all our children. During the closure, fortunately, local residents came to our support. David Bell, who has a wealth of knowledge regarding structural design and Mathew Hague from Hague Roofing were able to repair the roof on the portable building so that we could reopen in January 2024.

Lastly, it should be noted that 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.

### **Finances**

We have had a number of challenges this year but despite these difficulties and with careful planning we have managed to keep our Charity's costs covered and have made a surplus in 2023-24

**Reserves Policy**

The reserves policy is to maintain free reserves in unrestricted funds at a level which 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 as at 31st March 2024 is £123477 which the Trustees believe falls short of the target amount but we continue to progress towards our goal.

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

### **Report of the Trustees for the period ended 31 March 2023 - 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 6 November 2024.

J Parkin  
Director

## **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 2024 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: 6 November 2024

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Profit and Loss Account**  
**for the year ended 31 March 2024**

	<b>2024</b> <b>£</b>	2023 £
<b>Turnover</b>	460,664	386,157
Administrative expenses	(435,832)	(381,452)
Other operating income	-	-
<b>Operating profit</b>	<u>24,832</u>	<u>4,705</u>
Interest payable	(840)	(1,082)
<b>Profit on ordinary activities before taxation</b>	<u>23,992</u>	<u>3,623</u>
Tax on profit on ordinary activities	-	-
<b>Profit for the financial year</b>	<u><u>23,992</u></u>	<u><u>3,623</u></u>



# APPLETREE CHILDCARE (SHEFFIELD) LIMITED

## Statement of financial activities

for the year ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<b>Income</b>					
Incoming from charitable activities					
Grants	2	5,000	179,853	184,853	157,341
Fees		272,391		272,391	227,714
Other income	3	3,420		3,420	1,102
<b>Total income</b>		<b>280,811</b>	<b>179,853</b>	<b>460,664</b>	<b>386,157</b>
<b>Expenditure</b>					
Consumables		9,275		9,275	8,463
Transport costs		40		40	-
Refreshments		4,320		4,320	3,914
Wages and salaries	11	148,676	179,853	328,529	284,994
Employers national insurance		11,852		11,852	8,778
Employers pension contributions		4,979		4,979	4,405
Staff training and welfare		1,581		1,581	1,014
Travel and subsistence		151		151	116
Rent		15,573		15,573	13,906
Rates		837		837	-
Property refurbishment		12,292		12,292	17,400
Light and heat		9,975		9,975	3,287
Waste collection		3,702		3,702	3,437
Telephone and fax		3,738		3,738	3,916
Stationery and printing		1,651		1,651	1,042
Computer costs		4,059		4,059	3,113
Licences and subscriptions		804		804	889
Registration and inspection fees		-		-	1,027
Insurance		1,937		1,937	1,755
Repairs and maintenance		6,539		6,539	4,850
Equipment repairs		1,475		1,475	1,344
Depreciation		3,418		3,418	-
Outings and events		805		805	1,772
Sundry expenses		258		258	238
Equipment leasing		738		738	478
Accountancy fees		13		13	600
Reporting accountants fees		2,580		2,580	2,090
Legal and professional fees		3,333		3,333	5,096
Marketing		310		310	2,092
Bad debts		1,068		1,068	1,436
Loan interest		840		840	1,082
<b>Total expenditure</b>		<b>256,819</b>	<b>179,853</b>	<b>436,672</b>	<b>382,534</b>
<b>Net income/(expenditure)</b>		<b>23,992</b>	<b>-</b>	<b>23,992</b>	<b>3,623</b>
<b>Transfers</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances brought forward</b>		<b>99,485</b>	<b>9,448</b>	<b>108,933</b>	<b>105,310</b>
<b>Fund balances carried forward</b>		<b>123,477</b>	<b>9,448</b>	<b>132,925</b>	<b>108,933</b>

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**

Registered number: 05405743

**Balance Sheet**

As at 31 March 2024

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	5	-	-
Tangible assets	6	30,113	22,415
		<u>30,113</u>	<u>22,415</u>
<b>Current assets</b>			
Debtors	7	13,692	11,563
Cash at bank and in hand		131,062	119,426
		<u>144,754</u>	<u>130,989</u>
<b>Creditors: amounts falling due within one year</b>	8a	(23,728)	(16,200)
<b>Net current assets</b>		<u>121,026</u>	<u>114,789</u>
<b>Total assets less current liabilities</b>		<u>151,139</u>	<u>137,204</u>
<b>Creditors: amounts falling due after more than one year</b>	8b	(18,214)	(28,271)
<b>Provisions for liabilities</b>			
<b>Net assets</b>		<u>132,925</u>	<u>108,933</u>
<b>Capital and reserves</b>			
Unrestricted income fund		123,477	99,485
Restricted income funds		9,448	9,448
<b>Total charity funds</b>		<u>132,925</u>	<u>108,933</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 6 November 2024

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

### **Notes to the Accounts**

**for the year ended 31 March 2024**

#### **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 guarantee 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 the 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

##### ***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	20% reducing balance basis.
Leasehold land and buildings	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 2024**

**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.

<b>2 Grants and donations</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Grants and donations received during the year were:		
Restricted:		
Sheffield City Council - Free early learning fund	177,788	155,650
Other charitable trusts	-	-
Sheffield City Council - Training funding	500	1,500
Sheffield City Council - Special needs grant	1,565	-
	<u>179,853</u>	<u>157,150</u>
Unrestricted:		
Grants - other	5,000	191
	<u>5,000</u>	<u>191</u>

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 March 2024**

<b>3 Other income</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fund raising	2,666	1,029
Other income	754	73
Donations	-	-
	<u>3,420</u>	<u>1,102</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 25.

<b>5 Intangible fixed assets</b>	<b>2024</b>
Goodwill:	<b>£</b>
<b>Cost</b>	
At 1 April 2023	30,000
At 31 March 2024	<u>30,000</u>
<b>Amortisation</b>	
At 1 April 2023	30,000
Provided during the period	
At 31 March 2024	<u>30,000</u>
<b>Net book value</b>	
At 31 March 2024	-
At 31 March 2023	<u>-</u>

<b>6 Tangible fixed assets</b>	<b>Leasehold land and buildings £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2023	24,862	7,370	32,232
Additions	11,112	-	11,112
At 31 March 2024	<u>35,974</u>	<u>7,370</u>	<u>43,344</u>
<b>Depreciation</b>			
At 1 April 2023	(3,087)	(6,726)	(9,813)
Charge for the period	(3,289)	(129)	(3,418)
At 31 March 2024	<u>(6,376)</u>	<u>(6,855)</u>	<u>(13,231)</u>
<b>Net book value</b>			
At 31 March 2024	<u>29,598</u>	<u>515</u>	<u>30,113</u>
At 31 March 2023	<u>21,775</u>	<u>644</u>	<u>22,419</u>

**APPLETREE CHILDCARE (SHEFFIELD) LIMITED**  
**Notes to the Accounts**  
**for the year ended 31 March 2024**

<b>7 Debtors</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	7,306	5,449
Other debtors	6,386	6,114
	<u>13,692</u>	<u>11,563</u>

**8a Creditors: amounts falling due within one year**

Bank loan	10,056	9,808
Trade creditors	4,474	2,527
Other taxes and social security costs	987	-
Other creditors	-	1,016
Accruals	8,211	2,849
	<u>23,728</u>	<u>16,200</u>

**8b Creditors: amounts falling after more than one year**

Bank loan	18,214	28,271
	<u>18,214</u>	<u>28,271</u>

**9 Restricted funds**

	<b>At</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Transfers</b>	<b>At</b>
	<b>01/04/23</b>	<b>Resources</b>	<b>Resources</b>		<b>31/03/24</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sheffield City Council - Free early learning	-	177,788	(177,788)		-
Sheffield City Council - Other	-	500	(500)		-
Grant - ECC re CCTV	688				688
Grant - Reach Fund	8,760	-			8,760
	<u>9,448</u>	<u>178,288</u>	<u>(178,288)</u>	<u>-</u>	<u>9,448</u>

**10 Other financial commitments**

Total amount of commitments, guarantees and contingencies is £303,500.

The above includes a lease which commenced on 21 May 2012 with a term of 40 years, and a supplemental lease commencing in 2022 to the same date.

Rent is fixed at fair market value.

**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 2024, the payroll costs were as follows:

J Parkin	£22,904	Trustee and Chief Executive Officer
M Guymer	£25,979	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.