

# **ST. AGNES DAY NURSERY**

**(Registered Charity and Company Limited by Guarantee)**



## **Report and Financial Statements For the Year Ended 31 March 2021**

**Charity number 1124178  
Company number 06570853**

School House, Rosedale Road,  
Crawcrook,  
RYTON,  
Tyne & Wear,  
NE40 4UN  
Telephone (0191) 413 4822

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## Reference and Administrative Information

<b>Charity Name:</b>	St Agnes Day Nursery
<b>Charity Registration Number:</b>	1124178
<b>Company Registration Number:</b>	06570853
<b>Registered Office and Operational Address:</b>	School House, Rosedale Road Crawcrook, Ryton, Tyne & Wear, NE40 4UN
<b>Board of Directors:</b>	Mrs C F McDermott (Chair) Mrs I Arce Garcia (Secretary) Mrs L Madl (Treasurer) Mrs Victoria Dodds Mrs D J Davies
<b>Senior Management Team:</b>	Mrs D J Davies Nursery Manager and Director Mrs Joanne Jeavens Deputy Manager
<b>Independent Examiners:</b>	Douglas Maltman FMAAT Connected Voice Business Services Ltd Higham House, Higham Place Newcastle upon Tyne NE1 8AF
<b>Bankers:</b>	Lloyds Bank, Front Street, Whickham NE16 4DS

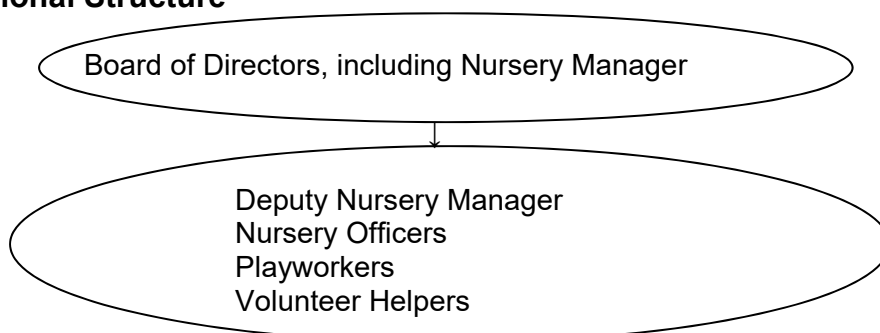
# Management Report

## Structure, Governance and Management

### Governing Document

St Agnes Day Nursery is a charitable company limited by guarantee, incorporated on 20 April 2008 and registered as a charity on 21 May 2008. The company was established under a Memorandum of Association, which sets out the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

### Organisational Structure



The organisation currently has five Directors on the Board, who meet approximately six times annually and are responsible for the strategic direction and policy of the Nursery. Our Nursery Manager is a member of the Board of Directors, but for matters that relate directly to her role, the Nursery Manager is invited to sit out and voting rights are withheld.

Day to day responsibility for the provision and operational management of the Nursery services rests with the Nursery Manager, who also takes responsibility for supervision of the staff and for ensuring continuous professional development of herself and all other practitioners to ensure continuous improvement of skills and working practices.

### Related Parties

St Agnes Day Nursery began as a playgroup forty years ago, supported by St Agnes RC Church and operating on premises provided by the church. The playgroup grew and evolved into a Day Nursery and in 2008 the Nursery became a Registered Charity and a Company Limited by Guarantee. The Nursery has a close affiliation with St Agnes RC Primary School, as the premises are sited on land adjacent to the school and rented from the Church. The Nursery maintains a close working relationship with the Headteacher of St Agnes RC Primary School, and acts as the primary 'feeder' nursery for this school. However, attendance at the Nursery does not automatically entitle children to a place at the school; please refer to the Admissions Policy for the school.

The Nursery is registered with Ofsted and guided by the Early Years Foundation Stage framework on matters of policy and procedure, and by Gateshead Council on matters of funding. The Nursery is a member of the National Day Nurseries Association (NDNA).

## **Recruitment and Appointment of Directors**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as directors. Under the requirements of the Memorandum and Articles of Association, the directors are not subject to retirement by rotation. All members of the Board of Directors give their time voluntarily and receive no benefits from the charity.

The Board of Directors intends to reflect in its representation the needs of the nursery, and consequently three of the Directors are parents of children attending the nursery or the breakfast and after-school club facilities. Mrs D Davies, our Nursery Manager, as a Board Director, represents the nursery staff. The Board of Directors aims to maintain a good mix of skills and abilities and membership is not limited to parents of children attending the nursery. Currently, Directors have a wide and varied range of experience from childcare and teaching, administration, marketing, and accountancy.

## **Induction and Training of Directors**

Most directors are already familiar with the practical work of the nursery, as parents of children attending either the nursery or the breakfast or after-school club facilities. As a small organisation, there are no formal induction procedures for directors. However, new directors are encouraged to read the Memorandum and Articles of Association and the Nursery Operational Plan, which includes policy and procedure documents on:

- Safeguarding and Child Protection
- Admissions
- Complaints
- Behaviour Management
- Parental Involvement
- Recording of Children's Progress
- Health and Safety
- Staff Training
- Arrival and Departure Procedure
- Debt Recovery Procedure
- Data Protection

In addition, all Directors must undergo enhanced DBS and Ofsted clearance before taking up their roles. A summary of the roles and objectives of Charity Trustees and Board Directors is available for new directors to familiarise themselves with, and new appointees are directed to the Charity Commission website for further information.

## **Risk Management**

The Board of Directors currently reviews risk as a part of its regular board meetings throughout the year. The Board of Directors have identified external risks to income, as our nursery grant income alone does not cover our expenditure. The long-term security of the nursery premises depends in part on the relationship with our neighbouring school, St Agnes RC Primary School. Risks are mitigated in part by the Nursery working with the local Council to help secure grants and funding and by close cooperation with the neighbouring school and with the Local Education Authority. Internal control risks are minimised through Nursery Policies and Procedures. The financial risks to the nursery during the Covid 19 pandemic were minimised due to reserves being set aside from surpluses gained in previous years.

## **Aims, Objectives & Activities**

### **Aims**

In line with the Charities Act, the Nursery's aims demonstrate that for the charitable purposes of the advancement of education, St Agnes Day Nursery acts in the public benefit.

As stated in the Nursery's Memorandum of Association, the object of the nursery is to advance the education of children both of pre-school and school age by providing for the daily care, recreation and/or educational opportunities of children.

The Nursery's aims, listed below, are also set out in a printed and electronic information booklet, available to all parents and prospective users of Nursery services.

- We aim to provide a caring, safe and stimulating environment where children can learn through play at their own pace and be cared for in a relaxed and friendly atmosphere.
- We believe that early childhood education is an important stage of life itself, and not simply a preparation for school.
- We aim to enable all children to reach their full potential.
- We welcome, value and respect all children and their families.
- We recognise that parents are the first and most important educators of their children and aim to work in close co-operation with them at all times.
- As a registered provider of nursery education and childcare, we aim to meet the requirements of the DFE, OfSTED, the Early Years Foundation Stage (EYFS) , the SEND Code of Practice, and the Children's Act.
- We aim to provide an integrated childcare and education service that provides continuity of care for children and enables parents to take up employment, training or study.

### **Objectives**

To continue to provide inclusive high quality Nursery Education within the Early Years Foundation Stage, where children learn through play, within a broad, balanced, flexible curriculum, which caters for the individual needs of each child.

To continue to provide a wrap-around care service to pre-school and school-age children, thus enabling their parents and carers to go to work, knowing their children are well cared for by qualified, caring staff in a safe, secure and stimulating environment.

To increase the quality of provision within the nursery, by providing training opportunities for all practitioners to ensure continuous professional development, and to ensure all practitioners are working towards, or qualified to, at least Level 3.

To ensure the Nursery is managed by a Graduate, Early Years Professional, in line with the Government's aims.

To continue to provide opportunities within the community through offering training placements for young people studying for childcare qualifications in conjunction with local schools and colleges.

To secure sufficient grants and/or funding to supplement the income generated from nursery fees, in order to cover nursery expenditure and therefore safeguard the day-to-day operation of the nursery.

To continuously analyse and reflect on practice, following our excellent achievement of the NDNA's e-Quality Counts Award at Level 3, thus constantly improving provision within the Nursery.

## **Activities and Achievements**

The Nursery's charitable activities focus on the care and education of children of pre-school and school age and are undertaken to further our charitable purposes for the public benefit. In order to meet the above objectives, the Nursery undertook a range of activities.

St Agnes Day Nursery operates as a nursery providing education and childcare for children from the age of three years to school age, and offering out-of-hours childcare in the form of Breakfast Club, After School Club and Holiday Club for children aged from 3 to 11.

In February 2017, the Nursery's premises were inspected by Ofsted and received an 'Outstanding' rating and an excellent report. The Nursery extended this achievement by obtaining the NDNA's e-Quality Counts Award at the highest possible level (Level 3) in the same year. The Nursery continues to reflect on practice and undertakes frequent and regular audits of practice and policies in order to maintain the standards achieved and to continually improve.

The Nursery continues to provide education and care within the EYFS, providing a broad and balanced curriculum geared to the needs of each individual child. Every child is allocated a key-person, responsible for observing, assessing and recording their progress, and for planning activities to meet the child's interests and needs. A stimulating, enabling indoor and outdoor environment is provided to encourage learning through play. Funds from previous surpluses are invested in exciting and stimulating new resources and furniture to be used by the children. Surplus funds are also used to enhance the appearance and safety of the environment; for example by regular maintenance and painting and decoration of the interior of the Nursery to provide a fresh, clean, welcoming and hygienic environment.

We continue to work closely with professionals from the local authority to ensure that inclusive care and education is provided for children with special needs and disabilities. Nursery and holiday club places are provided for children referred by the local authority for socially deprived families, for children in need, or for children of parents requiring respite care.

The Nursery continues to provide a wrap-around care service for working parents, by means of breakfast club and after-school club for children from St Agnes RC Primary School. The nursery also operates a holiday club during the summer and Easter holidays and during shorter half term holidays, with the exception of the Christmas period. This service is normally available to all parents of all children aged between 3 and 11, from any school, and often accommodates children from schools further afield, in areas such as Greenside, Chopwell, Newcastle, Ponteland, Prudhoe and Blaydon. However, during the Covid 19 pandemic, attendance has temporarily been restricted to regular users from local schools only.

The Nursery Manager holds Early Years Professional Status together with a Post Graduate Certificate in Early Years Practice at Level 7, thus fulfilling the Government's aim to have an Early Years Professional in every full day care setting. The Nursery also employs another Qualified Teacher and two other graduate practitioners.

To supplement the main sources of funding, the nursery undertakes regular fundraising activities, such as raffles, tickets for Nativity performances, and a photographer. The Directors review fundraising events on a regular basis. During the Covid 19 pandemic, fundraising activities have been curtailed in line with Government guidance.

The Nursery usually makes use of volunteer helpers in the form of parent helpers and students on training placements from local schools, colleges and universities. Some volunteer helpers work as nursery assistants, following the Nursery's Early Years Foundation Stage (EYFS) planning, carrying out activities such as arts and crafts or board games, supporting children's play, preparing snacks, and clearing away after meals and activities. Their support is of significant value to the running of the nursery, by helping to ensure a larger ratio of staff to children and enabling the higher qualified staff to spend quality teaching time with small groups or individual children. Students and volunteer staff provide a fresh outlook and new ideas, as they come from diverse age groups and backgrounds. The benefits are two-fold as the students receive training while the Nursery provides them with placements to enable them to work towards vocational childcare and social care qualifications. During the Covid 19 pandemic, the nursery is unable to provide these placements as the number of adults entering the premises and working together has been restricted to regular 'bubbles.'

The nursery has grown from a playgroup 39 years ago, to a full time "wrap-around" care provider for a total number of 89 children, 5 days a week. In line with the growth and change in nature of the business, the Nursery's status was changed in 2008 from an Unincorporated Association to a Registered Charity and a Company Limited by Guarantee to protect the interests of the nursery and the Board of Directors.

The Nursery continues to work in conjunction with other professionals from the Gateshead Council Early Years team, such as Special Needs Advisory teachers who advise on inclusion; and Development Officers, who provide advice and guidance on continual improvements and on how the Nursery can maintain the standards specified by the EYFS. We also work in conjunction with head teachers from local schools such as St Agnes RC Primary School, and Emmaville Primary School, to ensure smooth transitions for pupils from Nursery to Primary school.

All Nursery staff regularly receive training in First Aid, Food Safety, and Safeguarding of children, in addition to continuous further professional development. Every member of staff is qualified in Paediatric First Aid and we aim to apply for 'Millie's Mark' in this regard when pandemic restrictions are lifted. All staff are encouraged and supported to work towards their Level 3 Qualifications and beyond.



## Financial Review

These financial statements are for a twelve month period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

### Principal Funding Sources

The Nursery's principal income is from Government Grants and fees from parents for Nursery sessions and Out of School wraparound care. Each year we receive a Nursery Education grant to cover the costs of funded childcare places, which are free of charge to parents taking up to 15 hours per week. A small supplementary charge for meals and specialist resources is made to parents accessing 30 hours of funding, as the Government's hourly funding rates are lower than our actual hourly costs. These supplementary fees were not charged during the pandemic as children attended mostly for shorter hours, and only the children of keyworkers attended during the full lockdown periods. We were fortunate enough to receive our full Nursery grant funding for all children, although only a limited number actually attended during the full lockdown periods, and mostly during 9am to 3pm.

For the year ending 31<sup>st</sup> March 2021, the nursery received £106,779 in grants to cover funded places for 30 children between 3 and 5 years old. This made up the bulk of the Nursery's income, together with fees totalling £18,611. Our out of school club income was substantially reduced due to closures and non-attendance, but this was partly rectified by an insurance claim payout of £10,374 for loss of earnings due to enforced closure due to the pandemic.

Since September 2018, the Nursery has offered the Government's thirty hours of funded sessions in a very flexible manner, allowing parents to access funded wraparound care for up to 10 hours per day. For some weeks of lockdown restrictions, the Nursery was open for keyworkers' children only. However, the Nursery grant funding continued to be paid at the anticipated booked pre-Covid attendance levels, despite a substantial reduction in actual attendance figures due to lockdown restrictions and parental choice to keep children safe at home. This provided the nursery with a sufficient amount of Grant Income to contribute to the nursery's sustainability during the Covid-19 pandemic and in the future. Because of the continuation of payment of the Nursery Grant, our access to furlough was limited and was linked to the percentage of wages used for out of school club income only. In May 2021 the Nursery received a grant of £10,000 from Gateshead Council for loss of earnings due to the pandemic. These funds are shown in the accounts as income for 2020/21 and recorded as 'Trade Debtors Receivable' because they pertain to the year most affected by the pandemic, i.e. the year ended 31<sup>st</sup> March 2021.

The use of 30 hour funded sessions for three and four year olds has meant that parents are seldom having to pay for nursery sessions. This additional fee income was further reduced by the effects of the pandemic, as parents worked from home and reduced their children's nursery attendance times. Although the Nursery has sustained a deficit of £8,579 this year, reserves maintained from previous years' surpluses are sufficient to maintain the nursery's sustainability. Bookings for wraparound care in 2021/2022 are high and we anticipate an increase to a more usual level.

Looking ahead, we anticipate remaining sustainable as Grant income for three and four year olds remains constant, and attendance at nursery and wraparound care is continuing to increase to a more usual level. The nursery has an operational plan in place to cover changes in Government guidance and retains substantial reserves to remain a going concern for the foreseeable future.

## **Approach to Reserves (Designated Funds)**

Some years ago, a Maintenance Fund was set up to cover the costs of annual repairs and maintenance of the Nursery premises. Around half of the total company reserves are allocated to this restricted Fund and are placed on deposit for the forthcoming year. The total amount is held as contingency for essential repairs and maintenance to the premises, and for the future operation of the Charity. Any surplus made during each year is either maintained in the nursery accounts for future contingencies such as repairs and refurbishment, or, some surplus funds are put back into the nursery for the good of the children attending. This year some of the reserves have been drawn upon to maintain the Nursery as a going concern and to assist with our sustainability. Any funds used were to maintain the continuity of the charity's business.

## **Responsibilities of the Directors**

Company law requires the Board of Directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Directors should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Board of Directors is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

## **Members of the Board of Directors**

Members of the Board of Directors, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant information of which the company's independent examiners are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's independent examiners are aware of that information.

## **Independent Examiners**

Connected Voice, Business Services Ltd (formally called Ellison Services), Higham House, Higham Place, Newcastle upon Tyne, NE1 8AF were appointed as the charitable company's independent examiners on 13<sup>th</sup> September 2010.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities – Statement of Recommended Practice (issued in March 2005).

Approved by the Board of Directors on 10.11.2021 and signed on its behalf by:

.....

Debbie Davies

Isabel Arce Garcia

## **ST.AGNES DAY NURSERY**

(A company limited by guarantee)

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

For the year ended 31 March 2021

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I report on the financial statements of St Agnes Day Nursery for the year ended 31 March 2021.

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

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

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

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

My examination was carried out in accordance with 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 the 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 material matters have come to my attention which gives me cause to believe that in, any material respect:

- 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 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.

Doug Maltman FMAAT  
Connected Voice Business Services Ltd  
Higham House  
Higham Place  
Newcastle upon Tyne  
NE1 8AF  
Date: 10.11.2021

**ST.AGNES DAY NURSERY**

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**

(INCLUDING SUMMARY INCOME &amp; EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b><u>Income from:</u></b>					
Donations and legacies	6	533	-	533	27
Charitable activities					
Grants and contracts	7	130,401	-	130,401	113,705
Other trading activities	8	28,985	-	28,985	76,346
Investments	9	552	-	552	211
<b>Total income</b>		<b>160,471</b>	<b>-</b>	<b>160,471</b>	<b>190,289</b>
<b><u>Expenditure on:</u></b>					
Raising funds	10	595	-	595	655
Charitable activities					
Operation of the charity	11	168,455	-	168,455	181,427
<b>Total expenditure</b>		<b>169,050</b>	<b>-</b>	<b>169,050</b>	<b>182,082</b>
<b>Net income/(expenditure) and net movement of funds</b>		<b>( 8,579 )</b>	<b>-</b>	<b>( 8,579 )</b>	<b>8,207</b>
<b><u>Reconciliation of funds</u></b>					
Total funds brought forward		115,535	85,420	200,955	192,748
<b>Total funds carried forward</b>		<b>106,956</b>	<b>85,420</b>	<b>192,376</b>	<b>200,955</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 14 to 21 form an integral part of these accounts.

**BALANCE SHEET**

As at 31 March 2021

	Notes	£	Total 2021 £	£	Total 2020 £
<b><u>Fixed assets</u></b>					
Tangible assets	18		2,739		6,139
<b><i>Total fixed assets</i></b>			<b>2,739</b>		<b>6,139</b>
<b><u>Current assets</u></b>					
Debtors	19	10,000		4,115	
Cash at bank and in hand	20	190,824		198,555	
<b><i>Total current assets</i></b>		<b>200,824</b>		<b>202,670</b>	
<b>Creditors:</b> amounts falling due within one year	21	( 11,187 )		( 7,854 )	
<b><i>Net current assets</i></b>			<b>189,637</b>		<b>194,816</b>
<b><i>Total net assets or liabilities</i></b>			<b>192,376</b>		<b>200,955</b>
<b><u>Funds of the charity</u></b>					
Unrestricted income funds			106,956		115,535
Restricted income funds			85,420		85,420
<b><i>Total funds</i></b>			<b>192,376</b>		<b>200,955</b>

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 14 to 21 form an integral part of these accounts.

These financial statements were approved by the Board on: 10.11.2021

and are signed on its behalf by:

Mrs C F McDermott  
Chair

# **ST.AGNES DAY NURSERY**

(A company limited by guarantee)

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

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### **1 Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### **2 Basis of accounting**

#### **2.1 Basis of preparation**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

St Agnes Day Nursery meets the definition of a public benefit entity under FRS 102.

#### **2.2 Preparation of the accounts on a going concern basis**

The charity reported total unrestricted funds at the year end of £106,956 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 8 months is secure and that on this basis the charity is a going concern.

Due to the COVID-19 pandemic, it has put pressure on all businesses in 2020. It should be noted that the trade debtors have been received and the creditors are being paid when the payments are falling due.

### **3 Income**

#### **3.1 Recognition of income**

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

#### **3.2 Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

#### **3.3 Grants and donations**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

## **ST.AGNES DAY NURSERY**

(A company limited by guarantee)

### **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

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#### **3.4 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **3.5 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

### **4 Expenditure and liabilities**

#### **4.1 Liability recognition**

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

#### **4.2 Charitable activities**

Expenditure on charitable activities includes the costs of work and other activities undertaken to further the purposes of the charity and their associated support costs.

#### **4.3 Governance and support costs**

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **4.4 Irrecoverable VAT**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### **4.5 Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

### **5 Assets**

#### **5.1 Tangible fixed assets for use by the charity**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Equipment	25% Straight line
Furniture	20% Straight line



**ST.AGNES DAY NURSERY**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

**Analysis of income**

	Unrestricted Funds £	Restricted Funds £	<b>Total 2021 £</b>	Total 2020 £
<b>6 Donations and legacies</b>				
Donations and gifts	533	-	<b>533</b>	27
	<u>533</u>	<u>-</u>	<u><b>533</b></u>	<u>27</u>
<b>7 Charitable activities</b>				
<u>Income from grants</u>				
Gateshead Metropolitan Borough Council	106,740	-	<b>106,740</b>	113,448
Department of Health - Milk funding	39	-	<b>39</b>	257
Gateshead MBC Covid-19 Grant	10,000	-	<b>10,000</b>	-
HMRC - Job Retention Scheme Grant	13,622	-	<b>13,622</b>	-
	<u>130,401</u>	<u>-</u>	<u><b>130,401</b></u>	<u>113,705</u>
<b>8 Other trading activities</b>				
Uniforms	539	-	<b>539</b>	429
Nursery	2,467	-	<b>2,467</b>	5,525
Holiday Club	1,989	-	<b>1,989</b>	11,141
Breakfast Club	5,341	-	<b>5,341</b>	23,368
After School Club	7,119	-	<b>7,119</b>	34,043
University Trainee	300	-	<b>300</b>	100
Nursery snack money	821	-	<b>821</b>	1,685
Insurance claim for loss of earnings	10,374	-	<b>10,374</b>	-
Other	35	-	<b>35</b>	55
	<u>28,985</u>	<u>-</u>	<u><b>28,985</b></u>	<u>76,346</u>
<b>9 Income from investments</b>				
Bank interest	552	-	<b>552</b>	211
	<u>552</u>	<u>-</u>	<u><b>552</b></u>	<u>211</u>

Income received was £160,471 (2020 £190,289) of which £nil was restricted (2020: £nil).

**ST.AGNES DAY NURSERY**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

**Analysis of expenditure on charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>10 Raising funds</b>				
Uniforms	595	-	<b>595</b>	643
Fundraising	-	-	-	12
	<u>595</u>	<u>-</u>	<u><b>595</b></u>	<u>655</u>
<b>11 Charitable activities</b>				
<u>Direct costs</u>				
Director's salary	27,596	-	<b>27,596</b>	27,534
Wages	110,128	-	<b>110,128</b>	112,428
Pension costs	5,701	-	<b>5,701</b>	5,320
Travel and subsistence	-	-	-	229
Equipment	1,848	-	<b>1,848</b>	4,138
Refreshments	1,214	-	<b>1,214</b>	2,852
Training	90	-	<b>90</b>	774
Advertising	-	-	-	352
Nursery trips	-	-	-	250
<u>Support costs</u>				
Administration	1,384	-	<b>1,384</b>	1,272
Subscriptions	2,220	-	<b>2,220</b>	2,455
Office consumables	2,584	-	<b>2,584</b>	2,759
Payroll fees	1,588	-	<b>1,588</b>	1,236
Premises expenses	7,597	-	<b>7,597</b>	12,226
Insurances	2,181	-	<b>2,181</b>	2,053
Professional Fees	-	-	-	1,025
Depreciation	3,400	-	<b>3,400</b>	3,600
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	924	-	<b>924</b>	924
	<u>168,455</u>	<u>-</u>	<u><b>168,455</b></u>	<u>181,427</u>

Expenditure on charitable activities was £169,050 (2020 £182,082) of which £nil was restricted (2020: £nil).

**12 Fees for examination of the accounts**

	2021 £	2020 £
Independent examiner's fees for reporting on the accounts	<b>924</b>	924
	<u><b>924</b></u>	<u>924</u>

## ST.AGNES DAY NURSERY

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

#### 13 Analysis of staff costs and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	132,630	135,092
Social security costs	5,094	4,850
Pension costs (defined contribution pension plan)	5,701	5,320
	<b>143,425</b>	<b>145,262</b>

No employee received remuneration above £60,000 (2020: nil)

The key management personnel of the charity, comprise the trustees, the charity manager and deputy manager. The total employee benefits of the key management personnel of the charity were £44,904.

#### 14 Staff numbers

The average monthly head count was 10 staff (2020: 14 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2021 Number	2020 Number
The parts of the charity in which the employee's work		
Charitable activities	3.5	6.5
Governance	1.5	1.5
	<b>5.0</b>	<b>8.0</b>

#### 15 Transactions with trustees

The trustees have been paid remunerations and received other benefits from an employment with their charity or a related entity.

In the period the charity has paid trustees remuneration and benefits.

Name	Remuneration £	Pension £	Other £	Total 2021 £	Total 2020 £
D J Davies	27,596	616	-	<b>28,212</b>	27,534

Remuneration for the duties of charity manager at St.Agnes Day Nursery.

#### Trustees' expenses

No trustee expenses have been incurred in the year.

#### Transaction(s) with related parties

There have been no related party transactions in the reporting period.

## ST.AGNES DAY NURSERY

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

#### 16 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £5,701 (2020: £5,320). There was £398 outstanding as at 31 March 2021 (2020: £102)

#### 17 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

#### 18 Tangible fixed assets

	Equipment £	Furniture £	Total £
<b>Cost</b>			
Balance brought forward	2,676	15,060	<b>17,736</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance carried forward</b>	<b>2,676</b>	<b>15,060</b>	<b>17,736</b>
<b>Depreciation</b>			
Basis	SL	SL	
Rate	25%	20%	
Balance brought forward	2,104	9,493	<b>11,597</b>
Depreciation charge for year	500	2,900	<b>3,400</b>
Disposals	-	-	-
<b>Balance carried forward</b>	<b>2,604</b>	<b>12,393</b>	<b>14,997</b>
<b>Net book value</b>			
<b>Brought forward</b>	<b>572</b>	<b>5,567</b>	<b>6,139</b>
<b>Carried forward</b>	<b>72</b>	<b>2,667</b>	<b>2,739</b>

#### 19 Debtors and prepayments (receivable within 1 year)

	2021 £	2020 £
Trade debtors	<b>10,000</b>	4,115
	<b>10,000</b>	4,115

**ST.AGNES DAY NURSERY**

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

**20 Cash at bank and in hand**

	<b>2021</b>	2020
	<b>£</b>	£
Short term deposits	<b>120,133</b>	120,133
Cash at bank	<b>70,491</b>	78,222
Cash in hand	<b>200</b>	200
	<b>190,824</b>	198,555

**21 Creditors and accruals (payable within 1 year)**

	<b>2021</b>	2020
	<b>£</b>	£
Staff holiday pay	<b>5,162</b>	5,646
Debtor refunds and advanced payments	<b>4,703</b>	-
Pension	<b>398</b>	402
Accruals		
Independent examination of accounts	<b>924</b>	1,806
	<b>11,187</b>	7,854

**22 Events after the end of the reporting period**

Due to the COVID-19 pandemic, it has put pressure on all businesses in 2020-21. It should be noted that the trade debtors will be received and the creditors are being paid when the payments are falling due.

No other significant events affecting the Company since the year end.

**23 Analysis of charitable funds****Analysis of movements in unrestricted funds**

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
<b>Unrestricted funds</b>					
General unrestricted fund	115,535	160,471	( 169,050 )	-	<b>106,956</b>
<b>Totals</b>	115,535	160,471	( 169,050 )	-	<b>106,956</b>

**Purpose of unrestricted funds**

General unrestricted fund                      The 'free reserves' of the charity

## ST.AGNES DAY NURSERY

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

#### Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
<b>Restricted funds</b>					
Building fund	85,420	-	-	-	<b>85,420</b>
<b>Totals</b>	<b>85,420</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,420</b>

#### Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Building fund                                      The building fund is set aside for maintenance, improvements and repairs to the premises.

#### 24 Capital commitments

As at 31 March 2021, the charity had no capital commitments (2020 -£nil)

#### 25 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2019 £
Tangible fixed assets	2,739	-	<b>2,739</b>	<b>6,139</b>
Cash at bank and in hand	105,404	85,420	<b>190,824</b>	<b>198,555</b>
Other net current assets/(liabilities)	( 1,187 )	-	<b>( 1,187 )</b>	<b>( 3,739 )</b>
	<b>106,956</b>	<b>85,420</b>	<b>192,376</b>	<b>200,955</b>