

Charity registration number 1130467

Company registration number 06875332 (England and Wales)

ALVERBRIDGE NURSERY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

ALVERBRIDGE NURSERY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Daniel Harvey	
	Mrs Amelia Somerset	
	Mrs Dawn Street	
	Mrs Rosie Walters	
	Mrs Sally-Anne MacPherson	(Appointed 23 January 2023)
	Mrs Lorna Ball	(Appointed 23 January 2023)
	Ms A Green	(Appointed 16 May 2024)
Charity number	1130467	
Company number	06875332	
Registered office	80 South Street Gosport Hampshire England PO12 1ES	
Independent examiner	Azets Audit Services Carnac Place Cams Hall Estate Fareham Hampshire United Kingdom PO16 8UY	

ALVERBRIDGE NURSERY

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ALVERBRIDGE NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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).

Objectives and activities

Objectives

The aims of the nursery are to enhance the development and education of children, primarily under the statutory school age, by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play, education and care facilities and training courses, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring opportunities for all children whatever their race, culture, religion, means or ability;
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs;
- Instigating, adhering to and furthering the aims and objects of the Early Years Alliance.

Powers

The nursery is permitted by its articles of association to engage in any lawful activity as shall further its charitable objects and may invest money not immediately required for its objects in such investments, securities or property as the trustees think fit.

Aims and strategies for attaining objectives

The over-riding policies pursued in the attainment of the nursery's objects are:

- to offer appropriate play, education and care facilities for children.
- to encourage the study of the needs of such children and their families and to promote public interest in recognition of such needs in local areas.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

In November 2019, the nursery was awarded its 4th consecutive OUTSTANDING OFSTED result since 2006. It continues to offer flexible hours of childcare; its opening hours are from 7.30 a.m. to 6 p.m. Monday to Friday for 51 weeks a year. The aim of this service is to support the local community.

The nursery moved to its new home in 80 South Street in November 2017, completely refurbishing the existing building and building an additional building on site to provide an outstanding provision for local children and families. The nursery rents its new home from the Council on a rolling 10-year lease which was signed in July 2017. The Council will not charge rent on the new build for 10 years.

The Nursery is managed by Dawn Street, supported by a new management team, with a new curriculum, Covid guidelines were removed during this year. The last 3 years have required constant adaptation and reaction to change, this year will be a much-needed year of consolidation.

The nursery again faces a large increase in the living wage in April 2023, a 9.7% increase. The committee will try to adjust salaries to reward, value and retain our staff, whilst being acutely aware of the challenges faced in a living wage industry; this will cost an additional £35k over 12 months.

ALVERBRIDGE NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2023**

The nursery also faces increases in waste, cleaning, food and rental costs. The government provides some increase in the hourly funding rate (4.4%), generating an additional £12k of income. The remaining shortfall for wages, rent, and other costs will need to come from the parents' hourly rate. The nursery carries out an annual market review to compare locally and we remain one of the few outstanding nurseries locally, as well as being one of the most reasonable ones to attend.

Unfortunately, due to the living wage increase compared to the funding increase, another local nursery goes out of business, meaning competition for places in September 2023 is higher than ever seen before. In conclusion, the committee decided that from September 2023, to increase our hourly rate in line with CPI from £4.90 to £5.34. As a charity, we only try to charge what we spend looking after the children and investing in our setting and staff; this rate remains very reasonable compared locally. We are also one of the few nurseries that offer 2 weeks fee-free holiday per year for our full-time children.

The nursery has developed Dawn's vision of The Curiosity Approach, this combines Alverbridge's outstanding nursery practice with a clutter-free, calm environment, which would stimulate children's thinking, curiosity and imagination.

The nursery continues to prioritise access for vulnerable 2 year-olds into the nursery. The nursery also continues to supply childcare directly to Hampshire County Council as an independent provider.

The Cygnet room accommodates up to 12 babies. The nursery increases its staff cover as necessary to maintain the outstanding level of care it offers to each child. The nursery continues to be in a position to provide childcare for special needs children which regularly demands a higher number of staff hours. There is no specific funding paid to support this activity this year, the nursery uses its own resources to provide high levels of individual support to children and families requiring additional assistance and care or liaison with outside agencies.

The nursery continues to work closely with Social Services to accommodate any identified vulnerable children into its setting, in exceptional circumstances providing unfunded free child care to ensure the needs of the children and family are met.

The nursery maintained its level 5 hygiene classification.

In addition to the financial package the nursery has also accommodated, over the last few years, many flexible working requests. This means that many of our staff have had their hours adjusted to give them a better work life balance. The nursery has active wellbeing support team which regularly organise treats and surprises for the staff to help with team morale. Staff were purchased neck fans when the temperature increased, and the nursery invested in permanently fitted ceiling fans.

The nursery continues to encourage staff development. This year, various staff have had access to training such as first aid training, food hygiene, ELSA supervision, Curiosity Approach, Safeguarding and DSL. Outstanding practice is supported and shared within Hampshire by our manager, Dawn Street, who holds the LFSP role (Leading Foundation Stage Practitioner), hosting open evenings and supporting other settings in situ. Dawn assists other Early Year Settings through sharing Alverbridge's good practices. In-house staff training continues to be given during term day closures. A staff meeting is held once a month in the evening; this covers the general day to day aspects of the nursery. The nursery took on a new apprentice in line with its vision to home grow practitioners. The nursery also offers childcare experience to local students and special needs young adults.

The nursery offers a pension scheme through NEST (National Employment Saving Trust) offering staff a contribution based on Qualifying Earnings.

The nursery introduced a cycle to work scheme in April 2015; this is repeated annually on request of its staff.

With Covid guidelines relaxing the nursery was delighted to reintroduce various family events, including open days, its Christmas show and a summer sports afternoon, increasing its involvement with its community and families. The nursery has retained parents dropping children off at the door as it proved to be one of the positive changes to the routine introduced during Covid. However, it has been noticed that the proportion of children with additional needs has increased since Covid to levels much higher than previously experienced, suggesting that there has been an impact on the children over the pandemic.

The nursery successfully fundraised for a new play house, receiving generous donations from the Benevity Fund, the Naval Childrens Charity and Gosport Road Runners.

ALVERBRIDGE NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

Review of financial position

The trustees consider that the state of affairs of the nursery is satisfactory and that, on a fund-by-fund basis, the charity's assets are available and adequate to fulfil its obligations.

Reserves policy

The nursery's policy on retention of reserves is to:

- utilise income received for restricted purposes as soon as reasonably possible after receipt.
- retain sufficient unrestricted funds to ensure that the nursery has the resources to withstand any unforeseeable financial setback, take advantage of an opportunity, or temporarily finance a restricted activity in advance of the receipt of the related grant income.

There is a small deficit in restricted funds this year of £43. This amount will be received in the 2024 financial year when unclaimed vouchers are processed.

Risk factors

The short term risk is that the nursery has only seen a rise of 9% in funding rate over the last 8 years prior to this years rise. There is a 90% take up by parents of the new funding in April 2024, resulting in most of our turnover now becoming funded rather than the 50/50 split we are used to. As they now control our turnover, if the government fail to increase the hourly rate at the same rate as living wage the nursery will go out of business as we are a living wage industry and salaries are 82% of our running costs. As a result, the trustees will exceptionally allow any extra profit to be added to our normal reserves this year, as this will provide a cushion of 2-5 years of pay rises (depending on living wage increase) to allow time to see how the new funding level is increased compared to living wage. It will mean that the nursery can continue to trade for this time regardless of if the government returns to the poor levels of funding increases we have historically experienced. If funding levels are not increased to allow for living wage in the short term, the impact on the nursery industry is likely to be dramatic, with most nurseries not having the reserves to handle this, this means the government should have time to adjust their policy prior to Alverbridge Nursery being at risk.

The Committee has reviewed the major risks to which it considers the Nursery is exposed and has ensured that adequate systems have been established to mitigate those risks.

ALVERBRIDGE NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

Future plans

In April 2023 the government announced new funding for parents. In March 2024 details were finally issued to us on how much the government would pay for the April and September 2024 additional funding for working parents of children over 2, and then over 9 months of age. No information is known about the details of the extension to 30 hours in September 2025 to all children over 9 months as the general elections which will happen before may affect the detail of the delivery.

The nursery will see an increase in parents asking for additional hours of childcare from April 2024, these are not necessarily linked to parents returning to work, with many parents simply choosing to leave their child in childcare longer. This leads to an increased demand for spaces both in the baby room and swan room as parents anticipate the increasing funding. Our vulnerable 2 year-old families will continue to receive the economic 2-year funding, they are now referred to by the government as disadvantaged children.

In anticipation of the new funding the admission policy was reviewed, it was decided that the main change required was to the admissions documentation, the only way to prioritise places is to request further information from the parents on if they meet our admissions criteria. The nursery will be oversubscribed, so over 50% of parents applying in the one week opening portal will be rejected. This is very tough for the nursery as we do not usually like to turn children away. When prioritising the children we check if they meet the admissions policy prioritisation criteria, and consider ratios which need to be maintained both in the term time and holiday season.

We still have a large proportion of our staff who are term time, we would ideally like to recruit only full time staff in future, however there is a recruitment crisis within the nursery sector which makes recruitment difficult and retention essential. As a result the need for term time children to match our staff ratios will also be a factor in the decision of which children to accept in future.

The new rates from the government were surprisingly high compared to previously, especially for the younger children which require higher staff ratios. This meant that the nursery will have an unexpected increase in turnover from April 2024 to August 2025. With living wage increase by 9.8% in April 2024, and most of the nursery's other costs increasing proportionately, the new turnover leaves margin to really reward and try to retain the staff we currently employ which we believe to be an outstanding team. This year's pay rise will add £50k onto the wages of the nursery team, it will be fully funded by the funding and there will be no increase to the parents paying for hours.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Constitution

The nursery is a company limited by guarantee and a charity registered under the Charities Act 2011. The company commenced activities on 1 September 2009 following the transfer of the activities to it from the unincorporated charity known as Alverbridge Pre-School (created in July 1997 by Mrs Shirley Faichen MBE).

The articles of association require that the nursery be managed by a management committee (the committee) the members of which are directors and managing trustees respectively within the meaning of the Companies Act 2006 and the Charities Act 2011.

ALVERBRIDGE NURSERY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Daniel Harvey	
Mrs Amelia Somerset	
Mrs Dawn Street	
Mrs Rosie Walters	
Mrs Natalie Burton	(Resigned 20 March 2023)
Mrs Sally-Anne MacPherson	(Appointed 23 January 2023)
Mrs Lorna Ball	(Appointed 23 January 2023)
S A Faichen	(Resigned 31 August 2021)
Mr. L O Perry	(Resigned 31 August 2021)
Dr. J K Perry	(Resigned 31 August 2021)
E Daly	(Resigned 23 July 2021)

Appointment of trustees

The trustees have been appointed on the basis of their knowledge of the educational and socio-economic needs of the inhabitants in the area of benefit. Trustees have been in receipt of initial induction.

How decisions are made

Since Covid, the committee only meet approximately every four months, but communicate by email as required by the operating needs of the nursery. Operating decisions are made by majority decision of a quorate committee. Constitutional matters including election of trustees are decided by a simple majority unless a larger majority is required under the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Mr Daniel Harvey
Trustee

29 May 2024

ALVERBRIDGE NURSERY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ALVERBRIDGE NURSERY

I report to the trustees on my examination of the financial statements of Alverbridge Nursery (the charity) for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



James Reilly ACCA

Azets Audit Services
Carnac Place
Cams Hall Estate
Fareham
Hampshire
PO16 8UY
United Kingdom

Dated: 29 May 2024

ALVERBRIDGE NURSERY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	275,864	5,855	281,719	277,358	3,649	281,007
Charitable activities	4	313,595	-	313,595	252,413	-	252,413
Other trading activities	5	4,864	-	4,864	904	-	904
Investments	6	2,963	-	2,963	944	-	944
Total income		597,286	5,855	603,141	531,619	3,649	535,268
Expenditure on:							
Raising funds	7	3,181	-	3,181	4,318	-	4,318
Charitable activities	8	602,051	6,048	608,099	554,570	3,499	558,069
Other	12	636	-	636	4,745	-	4,745
Total expenditure		605,868	6,048	611,916	563,633	3,499	567,132
Net expenditure for the year/							
Net movement in funds		(8,582)	(193)	(8,775)	(32,014)	150	(31,864)
Fund balances at 1 September 2022		292,802	150	292,952	324,816	-	324,816
Fund balances at 31 August 2023		284,220	(43)	284,177	292,802	150	292,952

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ALVERBRIDGE NURSERY

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		107,605		134,741
Current assets					
Stocks	15	-		69	
Debtors	16	11,700		5,959	
Cash at bank and in hand		191,784		183,206	
		<u>203,484</u>		<u>189,234</u>	
Creditors: amounts falling due within one year	17	<u>(26,912)</u>		<u>(31,023)</u>	
Net current assets			176,572		158,211
Total assets less current liabilities			<u>284,177</u>		<u>292,952</u>
Income funds					
Restricted funds			(43)		150
Unrestricted funds			284,220		292,802
			<u>284,177</u>		<u>292,952</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 May 2024

Mrs Amelia Somerset
Trustee

Company registration number 06875332

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Alverbridge Nursery is a private company limited by guarantee incorporated in England and Wales. The registered office is 80 South Street, Gosport, Hampshire, PO12 1ES, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, are 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.

1.5 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. All expenditure is accounted for on an accruals basis under the following headings.

Costs of raising funds comprises fundraising costs incurred in seeking donations and grants. Fundraising costs do not include the costs of disseminating information of support of the charitable activities.

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity.

Support costs are allocated to the principal activity of the charity, being the day-to-day running of the nursery. More detail on the analysis and basis of allocation is given in note 9 to the financial statements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Straight line over 10 years
Baby room equipment	25% on reducing balance
Playground equipment	Straight line over 3 years
Kitchen and office equipment	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2023*

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and legacies	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	2023	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022	2022
	£	£	£	£	£	£	£	£	£	£	£	£
Donations and gifts	-	-	-	-	-	-	500	-	-	-	500	500
Grants	275,864	5,855	5,855	281,719	281,719	281,719	276,858	3,649	3,649	3,649	280,507	280,507
	275,864	5,855	5,855	281,719	281,719	281,719	277,358	3,649	3,649	3,649	281,007	281,007
Grants receivable for core activities												
Government grants	274,386	5,855	5,855	280,241	280,241	280,241	275,795	3,649	3,649	3,649	279,444	279,444
Other grants	1,478	-	-	1,478	1,478	1,478	1,063	-	-	-	1,063	1,063
	275,864	5,855	5,855	281,719	281,719	281,719	276,858	3,649	3,649	3,649	280,507	280,507

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Charitable activities

	2023 £	2022 £
Fees receivable	313,595	252,378
Uniform income	-	35
	<u>313,595</u>	<u>252,413</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Fundraising events	4,864	904
	<u>4,864</u>	<u>904</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Bank interest receivable	2,963	944
	<u>2,963</u>	<u>944</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
<u>Fundraising and publicity</u>		
Other fundraising costs and staff wellbeing	3,181	3,105
	<u>3,181</u>	<u>3,105</u>
<u>Trading costs</u>		
Other trading activities	-	1,213
	<u>-</u>	<u>1,213</u>
	<u>3,181</u>	<u>4,318</u>

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

	Nursery 2023 £	Nursery 2022 £
Staff costs	477,446	441,103
Depreciation and impairment	30,551	32,646
Didactic equipment and toys	5,975	3,104
Food and nappies	33,972	28,750
Staff training	1,810	1,838
Local projects	2,131	2,227
Rent of rooms, water rates and electricity	24,734	19,404
Travelling	80	45
Printing, postage and stationery	711	741
Telephone	413	379
Repairs and maintenance	3,178	2,112
Cleaning and waste disposal	18,384	16,178
Insurance	2,255	1,562
Computer consumables	2,368	2,408
Bank charges	-	155
Bad debt movement	(2,358)	-
	<u>601,650</u>	<u>552,652</u>
Share of governance costs (see note 9)	6,449	5,417
	<u>608,099</u>	<u>558,069</u>
Analysis by fund		
Unrestricted funds	602,051	554,570
Restricted funds	6,048	3,499
	<u>608,099</u>	<u>558,069</u>

9 Support costs

	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £
Independent examination fees	-	5,232	5,232	-	4,980
Legal and professional	-	1,217	1,217	-	437
	<u>-</u>	<u>6,449</u>	<u>6,449</u>	<u>-</u>	<u>5,417</u>
Analysed between					
Charitable activities	-	6,449	6,449	-	5,417
	<u>-</u>	<u>6,449</u>	<u>6,449</u>	<u>-</u>	<u>5,417</u>

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Trustees

One of the trustees received remuneration from the charity during the year (2022 - one) in accordance with the governing document of the charity.

Dawn Street was paid total remuneration of £45,257 (2022 - £42,057) in her capacity as Manager (previously Co-Manager) of the Nursery.

None of the trustees were remunerated for their trustee duties.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	24	26
Employment costs	2023 £	2022 £
Wages and salaries	441,298	410,054
Social security costs	27,766	23,444
Other pension costs	8,382	7,605
	477,446	441,103

There were no employees whose annual remuneration was more than £60,000.

12 Other

	Unrestricted funds 2023	Unrestricted funds 2022
Net loss on disposal of tangible fixed assets	29	320
Sundry expenses	607	4,425
	636	4,745

13 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 objects.

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

14 Tangible fixed assets

	Leasehold improvements	Baby room equipment	Playground equipment	Kitchen and office equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2022	246,163	10,431	55,593	17,796	329,983
Additions	-	-	1,005	2,438	3,443
Disposals	-	(381)	-	-	(381)
At 31 August 2023	246,163	10,050	56,598	20,234	333,045
Depreciation and impairment					
At 1 September 2022	123,062	8,684	49,557	13,939	195,242
Depreciation charged in the year	24,616	430	3,931	1,573	30,550
Eliminated in respect of disposals	-	(352)	-	-	(352)
At 31 August 2023	147,678	8,762	53,488	15,512	225,440
Carrying amount					
At 31 August 2023	98,485	1,288	3,110	4,722	107,605
At 31 August 2022	123,101	1,746	6,037	3,857	134,741

15 Stocks

	2023 £	2022 £
Finished goods and goods for resale	-	69

16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	6,650	2,204
Other debtors	-	60
Prepayments and accrued income	5,050	3,695
	11,700	5,959

ALVERBRIDGE NURSERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	8,214	6,753
Trade creditors	2,255	7,292
Other creditors	11,211	11,998
Accruals and deferred income	5,232	4,980
	<u>26,912</u>	<u>31,023</u>

18 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Total Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 August 2023 are represented by:						
Tangible assets	107,605	-	107,605	134,741	-	134,741
Current assets/(liabilities)	176,572	-	176,572	158,061	150	158,211
	<u>284,177</u>	<u>-</u>	<u>284,177</u>	<u>292,802</u>	<u>150</u>	<u>292,952</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>55,293</u>	<u>51,531</u>

There were no other disclosable related party transactions during the year (2022 - none).