

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales · Charity number 1131001

Details

Other names HOH NURSERY AND KIDS CLUB

Status Registered

Legal form Charitable company

Company number [06389366](#)

Registered 2009-08-07

Register [View on the Charity Commission register](#)

Contact

Address The Hundred Of Hoo School
Main Road
Hoo
Rochester
Kent
ME3 9HH

Phone 01634252334

Website www.hundredofhooacademy.co.uk

Activities

Objects: TO ADVANCE EDUCATION BY THE PROVISION OF A FULL CHILD CARE SERVICE AND NURSERYFOR CHILDREN FROM THE AGE OF 0 TO 11

Activities: Pre School Nursery and Kids Club after school and school holidays.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Medway

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£875,695	£810,111	£269,313	21
2024-08-31	£728,234	£644,609	£203,729	20
2023-08-31	£581,002	£558,480	£120,104	23
2022-08-31	£586,697	£560,279	£97,582	27
2021-08-31	£542,850	£533,877	£71,164	27
2020-08-31	£451,948	£503,129	-	-

Trustees

Name	Role	Appointed
Emma Jane Dehaney		2020-12-08
Michael E Costello		2016-09-01
Pat Sanford		2020-12-08

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales - Charity number 1131001

Accounts

The Hundred of Hoo Nursery and Kids Club Limited

Trustees' report and financial statements

31 August 2025

Company Limited by Guarantee
Registration Number 06389366
(England and Wales)

Charity Registration Number: 1131001

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report on the financial statements	6

Financial Statements

Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Principal accounting policies	13
Notes to the financial statements	16

Reference and administrative information 31 August 2025

Trustees	Mr M Costello (Chair) Ms E J Dehaney Mrs P Sanford
Company Secretary	Ms F Reizopoulou
Registered office	The Hundred of Hoo Academy Main Road Hoo St Werburgh Rochester Kent ME3 9HH
Company registration number	06389366 (England and Wales)
Charity registered number	1131001
Auditors	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank Plc 148 High Street Chatham Kent ME4 4DB

Trustees' report 31 August 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the charitable company) for the year ended 31 August 2024. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 15 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company was incorporated on 3 October 2007 (Company Number 06389366). The charitable company is a company limited by guarantee and is governed by its Memorandum and Articles of Association. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The charitable company registered as a charity on 7 August 2009 (Charity Registration Number 1131001). The charitable company is a wholly owned subsidiary of Leigh Academies Trust.

Trustees

The Trustees who served during the year and up to the date of approval of the financial statements were as follows:

Michael Costello (Chair)
Emma Dehaney
Pat Sanford

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Remuneration of key management personnel

All Trustees give their time freely and receive no remuneration. The pay and remuneration of key management personnel is set by the Pay Committee. Key management personnel of the charity includes the Nursery Manager and the Deputy Nursery Manager.

Objectives and activities

The principal activity of the charitable company is the operation of a Nursery and Kids Club in Hoo St Werburgh, Rochester, for the purpose of the advancement of education. In setting objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements, performance and plans

The Hundred of Hoo Nursery and Kids' Club Limited continues to provide high-quality early education and strong community links.

Currently caring for 160 children from the local community, exceeding our registered capacity of 96, we leverage the resources of the Leigh Academies Trust to continually enhance our offerings.

Our unique location within The Hundred of Hoo Academy provides unparalleled opportunities. Children enjoy nature walks, shared meals in the school canteen, and library visits where they're read to by older students.

Ofsted Inspection

In March 2025, Ofsted rated the nursery as Good overall. The report highlighted strong staff-child relationships and excellent progress made by children.

Since then, we've further invested in our learning environment and resources, creating flexible spaces and enhancing outdoor areas to maximise play opportunities.

Staffing

Our experienced team, including the Manager, Deputy Manager, and early years practitioners, ensures consistent high-quality care and education. While the sector faces recruitment challenges, our partnership with the LAT recruitment team has enabled us to fill vacancies promptly.

Safeguarding

Safeguarding is paramount to the nursery. We have robust safeguarding policies and procedures in place to protect children. All staff undergo regular safeguarding training and are vigilant in identifying and reporting any concerns. They are supported by the Trust's safeguarding advisor.

Financial review

The attached financial statements show the current state of the finances, which the Trustees consider to be sound.

Reserves of £269,313 have been accumulated at 31 August 2025 (2024 - £203,729), which are all unrestricted funds.

Reserves policy

As described in the accounting policies, the Trustees have a policy that a fixed asset fund should be maintained to fund the future depreciation of fixed assets. This fund represents the net book value of fixed assets already purchased and so this fund is not available for spending. The Trustees have a policy to retain three months of running costs, c£203,000, in free reserves and at 31 August 2025 the level of unrestricted general funds being £264,566 was in line with this policy. Trustees will keep the policy under review if there should be a material change in financial circumstances.

Trustees' report 31 August 2025

Public Benefit

The Board of Trustees has taken account of the Charity Commission's guidance on public benefit in reviewing the charity's aims and objectives and planning future activities.

Fundraising

The charitable company does not actively solicit fundraising from the public. During the year there were no complaints in respect of fundraising.

Risk management

The charitable company has identified the following key risks and has put mitigation in place:

- ◆ a decrease in pupils on roll which would lead to a decrease in funding and fee income. This risk is mitigated by regular reviews and close collaboration with LAT finance ensure timely forecasting.
- ◆ recruitment of appropriately qualified staff to meet the needs of the pupils of the nursery, especially the younger age group. This risk is mitigated by the nursery having full access to The LAT Talent Team who supports our recruitment efforts to secure qualified staff, especially for younger age groups.

By addressing these key areas, we are committed to providing an exceptional early education experience for every child.

Trustees' responsibilities statement

The Trustees (who are also directors of The Hundred of Hoo Nursery and Kids Club Limited for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Trustees' report 31 August 2025

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ◆ the Trustee has taken all the steps that he ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 16/12/25 and signed on their behalf by:



Trustee - M Costello

Independent auditor's report 31 August 2025

Independent auditor's report to the members of The Hundred of Hoo Nursery and Kids Club Limited

We have audited the financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 4 and 5, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

Independent auditor's report 31 August 2025

- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ review of the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 18 December 2025



Statement of financial activities
(incorporating income and expenditure account) Year to 31 August 2025

	Notes	Un- restricted funds 2025 £	Restricted funds 2025 £	2025 Total funds £	Un- restricted funds 2024 £	Restricted funds 2024 £	2024 Total funds £
Income from:							
Charitable activities	1	873,078	2,617	875,695	710,921	17,313	728,234
Total income		<u>873,078</u>	<u>2,617</u>	<u>875,695</u>	<u>710,921</u>	<u>17,313</u>	<u>728,234</u>
Expenditure on:							
Charitable activities	2	807,494	2,617	810,111	627,296	17,313	644,609
Total expenditure		<u>807,494</u>	<u>2,617</u>	<u>810,111</u>	<u>627,296</u>	<u>17,313</u>	<u>644,609</u>
Net income and net movement in funds		65,584	—	65,584	83,625	—	83,625
Reconciliation of funds							
Total funds brought forward at 1 September 2024		203,729	—	203,729	120,104	—	120,104
Total funds carried forward at 31 August 2025		<u>269,313</u>	<u>—</u>	<u>269,313</u>	<u>203,729</u>	<u>—</u>	<u>203,729</u>

The notes on pages 16 to 20 form part of these financial statements

Balance sheet 31 August 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible fixed assets	5		4,747		7,120
Current assets					
Debtors	6	2,259		22,081	
Cash at bank and in hand		424,109		261,922	
		426,368		284,003	
Liabilities					
Creditors: amounts falling due within one year	7	(161,802)		(87,394)	
Net current assets			264,566		196,609
Total assets less current liabilities			269,313		203,729
Net assets			269,313		203,729
Funds and reserves:					
Restricted funds	8		—		—
Designated funds			4,747		7,120
Unrestricted funds	8		264,566		196,609
Total funds			269,313		203,729

The financial statements were approved and authorised for issue by the Trustees on 16/12/25 and signed on their behalf, by:



Trustee - M Costello

The notes on pages 16 to 20 form part of these financial statements.

Company number: 06389366

Statement of cash flows Year to 31 August 2025

		2025 £	2024 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	162,187	44,270
Change in cash and cash equivalents in the year		162,187	44,270
Cash and cash equivalents at 1 September 2024	B	261,922	217,652
Cash and cash equivalents at 31 August 2025	B	424,109	261,922

A. Reconciliation of net movement in funds to net cash flow from operating activities

		2025 £	2024 £
Net income for the year (as per statement of financial activities)		65,584	83,625
Adjustment for:			
Depreciation charges		2,373	2,692
Decrease (increase) in debtors		19,822	(16,562)
Increase (decrease) in creditors		74,408	(25,485)
Net cash provided by operating activities		162,187	44,270

B. Analysis of cash and cash equivalents

		2025 £	2024 £
Cash at bank and in hand		424,109	261,922
Total		424,109	261,922

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These accounts have been prepared for the year to 31 August 2025 with comparative figures provided in respect to the year to 31 August 2024. The accounts are presented in sterling and are rounded to the nearest pound.

The Hundred of Hoo Nursery and Kids Club Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating future income and expenditure flows and the charity's financial position; and
- ◆ estimating the economic useful life of fixed assets.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or condition that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Charitable activities are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvement to premises	Over the term of the lease
Furniture fixtures and fittings	15% - 20% straight line basis
Other equipment	20% straight line basis
Computer equipment	33% straight line basis

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charitable company only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the pension fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Lease commitments

The charitable company has entered into lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

1. Income from charitable activities

	Un-restricted funds 2025 £	Restricted funds 2025 £	2025 Total funds £	Un-restricted funds 2024 £	Restricted funds 2024 £	2024 Total funds £
Fees receivable	288,705	—	288,705	352,283	—	352,283
Nurse vouchers	584,373	—	584,373	358,638	—	358,639
Donations	—	—	—	—	15,003	15,003
DAF funding	—	2,617	2,667	—	2,310	2,310
	873,078	2,617	875,695	710,921	17,313	728,234

2. Analysis of expenditure on charitable activities

	Un-restricted funds 2025 £	Restricted funds 2025 £	2025 Total funds £	Un-restricted funds 2024 £	Restricted funds 2024 £	2024 Total funds £
Charitable activities	807,494	2,617	810,111	627,296	17,313	644,609

	2025 Total £	2024 Total £
Wages and salaries (note 4)	576,834	486,409
LAT central services charges	23,003	18,414
Toys, books, magazines and materials	—	1,114
Food and drinks	54,944	49,237
Advertising	—	1,536
Hygiene, cleaning and waste disposal	5,265	3,766
Uniforms and protective clothing	680	417
Subscriptions and software	3,611	4,546
Training	1,303	750
Insurance	—	1,168
Repairs and renewals	67,138	19,362
Telephone	769	659
Stationery, printing, photocopying and postage	34,999	19,759
Sundry expenses	—	—
Gifts for staff and clients	1,417	54
Accounting and professional fees	7,408	6,952
Bank charges	367	274
Rent	30,000	27,500
Depreciation	2,373	2,692
Total	810,111	644,609

3. Net income

This is stated after charging:

	2025 Total £	2024 Total £
Depreciation of tangible fixed assets	2,373	2,692
Audit fees	4,548	4,212

4. Staff costs

Staff costs were as follows:

	2025 Total £	2024 Total £
Wages and salaries	518,705	444,326
Social security costs	47,956	33,059
Other pension costs	10,173	9,024
	576,834	486,409

The average number of persons employed by the charitable company during the year was 26 (2024 – 24).

Average headcount expressed as a full time equivalent was 21 (2024 – 20).

No employee received remuneration amounting to more than £60,000 in either year.

During the financial year the remuneration and benefits received by the charity's key management personnel amounted to £90,363 (2024 – £76,659). Key management personnel included the Nursery Manager and Deputy Nursery Manager.

During the year, no Trustees received any remuneration (2024 – none).

During the year, no Trustees received any reimbursement of expenses (2024 – none).

5. Tangible fixed assets

	Improvements to premises £	Furniture, fixtures & fittings £	Computer and other equipment £	Total funds £
Cost				
At 1 September 2024 and 31 August 2025	17,461	33,209	31,320	81,990
Depreciation				
At 1 September 2024	17,461	26,089	31,320	74,870
Charge in year	—	2,373	—	2,373
At 31 August 2025	17,461	28,462	31,320	77,243
Net book value				
At 31 August 2025	—	4,747	—	4,747
At 31 August 2024	—	7,120	—	7,120

6. Debtors

	2025 Total £	2024 Total £
Due within one year		
Trade Debtors	739	—
Other debtors	1,520	22,081
	2,259	22,081

7. Creditors: Amounts falling due within one year

	2025 Total £	2024 Total £
Trade creditors	1,840	885
Other taxation and social security	9,293	7,464
Other creditors	2,567	2,601
Amount due to parent undertaking (note 13)	44,619	18,000
Accruals and deferred income	103,483	58,444
	161,802	87,394

Included within accruals and deferred income above is the following deferred income balance relating to funding and fees received in August 2024 relating to 2024/25.

	2025 Total £	2024 Total £
Deferred income		
Deferred income at 1 September 2024	49,498	27,138
Resources deferred during the year	86,040	84,913
Amounts released in year	(46,023)	(62,553)
Deferred income at 31 August 2025	89,515	49,498

8. Funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Balance at 31 August 2025 £
2025				
Unrestricted funds:				
<i>Designated funds</i>				
Fixed asset fund	7,120	—	(2,373)	4,747
<i>General funds</i>				
General funds	196,609	873,078	(805,121)	264,566
	203,729	873,078	(807,494)	269,313
Restricted funds				
Other donations	—	2,617	(2,617)	—
	—	2,617	(2,617)	—
Total funds	203,729	875,695	(810,111)	269,313

Notes to the financial statements 31 August 2025

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
2024				
<i>Unrestricted funds:</i>				
<i>Designated funds</i>				
Fixed asset fund	9,812	—	(2,692)	7,120
<i>General funds</i>				
General funds	110,292	710,921	(624,604)	196,609
	120,104	710,921	(627,296)	203,729
<i>Restricted funds</i>				
DAF	—	2,310	(2,310)	—
Other donations	—	15,003	(15,003)	—
	—	17,313	(17,313)	—
Total funds	120,104	728,234	(644,609)	203,729

9. Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
2025			
Tangible fixed assets	4,747	—	4,747
Current assets	426,368	—	426,368
Creditors due within one year	(161,802)	—	(161,802)
	269,313	—	269,313
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
2024			
Tangible fixed assets	7,120	—	7,120
Current assets	284,003	—	284,003
Creditors due within one year	(87,394)	—	(87,394)
	203,729	—	203,729

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £10,173 (2024 - £9,024). At the balance sheet date £2,567 was payable to the fund (2024 - £1,906).

11. Operating lease commitments

At 31 August 2025 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

	2025 £	2024 £
Equipment		
Amounts payable:		
within 1 year	2,520	2,520
within 2-5 years	5,040	7,560

12. Related party transactions

During the year ended 31 August 2025, the following amounts were paid to Leigh Academies Trust, the ultimate parent undertaking:

- ♦ Rent: £30,000 (2024: £27,500)
- ♦ Reimbursed purchases: £41,677 (2024: £94,022)

At 31 August 2025, £16,511 (2024: £18,000) was owed to Leigh Academies Trust.

13. Ultimate parent undertaking

The parent undertaking is Leigh Academies Trust by virtue of assuming legal ownership of the Nursery from 1 January 2019 following a merger with the Nursery's previous parent company. Leigh Academies Trust, is incorporated in England and Wales as a company limited by guarantee (Company Registration Number 02336587), its registered office is Carnation Road, Strood, Rochester, Kent ME2 2SX.

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales - Charity number 1131001

Accounts

The Hundred of Hoo Nursery and Kids Club Limited

Trustees' report and financial statements

31 August 2024

Company Limited by Guarantee
Registration Number 06389366
(England and Wales)

Charity Registration Number: 1131001

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report on the financial statements	6

Financial Statements

Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Principal accounting policies	14
Notes to the financial statements	17

Reference and administrative information 31 August 2024

Trustees	Mr M Costello (Chair) Ms E J Dehaney Mrs P Sanford
Company Secretary	Mr N Willis
Registered office	The Hundred of Hoo Academy Main Road Hoo St Werburgh Rochester Kent ME3 9HH
Company registration number	06389366 (England and Wales)
Charity registered number	1131001
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank Plc 148 High Street Chatham Kent ME4 4DB

Trustees' report 31 August 2024

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the charitable company) for the year ended 31 August 2024. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company was incorporated on 3 October 2007 (Company Number 06389366). The charitable company is a company limited by guarantee and is governed by its Memorandum and Articles of Association. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The charitable company registered as a charity on 7 August 2009 (Charity Registration Number 1131001). The charitable company is a wholly owned subsidiary of Leigh Academies Trust.

Trustees

The Trustees who served during the year and up to the date of approval of the financial statements were as follows:

Michael Costello (Chair)
Emma Dehaney
Pat Sanford

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Remuneration of key management personnel

All Trustees give their time freely and receive no remuneration. The pay and remuneration of key management personnel is set by the Pay Committee. Key management personnel of the charity includes the Nursery Manager and the Deputy Nursery Manager.

Objectives and activities

The principal activity of the charitable company is the operation of a Nursery and Kids Club in Hoo St Werburgh, Rochester, for the purpose of the advancement of education. In setting objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements, performance and plans

The Hundred of Hoo Nursery and Kids' Club Limited continues to provide high-quality early education and strong community links.

Currently caring for 160 children from the local community, exceeding our registered capacity of 96, we leverage the resources of the Leigh Academies Trust to continually enhance our offerings.

Our unique location within The Hundred of Hoo Academy provides unparalleled opportunities. Children enjoy nature walks, shared meals in the school canteen, and library visits where they're read to by older students.

Ofsted Inspection

In July 2019, Ofsted rated the nursery as **Good** overall, with an **Outstanding** rating for personal development, behaviour, and welfare. The report highlighted strong staff-child relationships and excellent progress made by children.

Since then, we've further invested in our learning environment and resources, creating flexible spaces and enhancing outdoor areas to maximise play opportunities. We are confident that our next inspection will result in an **Outstanding** rating.

Staffing

Our experienced team, including the Manager, Deputy Manager, and early years practitioners, ensures consistent high-quality care and education. While the sector faces recruitment challenges, our partnership with the LAT recruitment team has enabled us to fill vacancies promptly.

Safeguarding

Safeguarding is paramount to the nursery. We have robust safeguarding policies and procedures in place to protect children. All staff undergo regular safeguarding training and are vigilant in identifying and reporting any concerns.

Financial review

The attached financial statements show the current state of the finances, which the Trustees consider to be sound.

Reserves of £206,729 have been accumulated at 31 August 2024, which are all unrestricted funds.

Reserves policy

As described in the accounting policies, the Trustees have a policy that a fixed asset fund should be maintained to fund the future depreciation of fixed assets. This fund represents the net book value of fixed assets already purchased and so this fund is not available for spending. The Trustees have a policy to retain three months of running costs, c£155,000, in free reserves and at 31 August 2024 the level of unrestricted general funds being £206,000 was in line with this policy. Trustees will keep the policy under review if there should be a material change in financial circumstances.

Trustees' report 31 August 2024

Public Benefit

The Board of Trustees has taken account of the Charity Commission's guidance on public benefit in reviewing the charity's aims and objectives and planning future activities.

Fundraising

The charitable company does not actively solicit fundraising from the public. During the year there were no complaints in respect of fundraising.

Risk management

The charitable company has identified the following key risks and has put mitigation in place:

- ◆ a decrease in pupils on roll which would lead to a decrease in funding and fee income. This risk is mitigated by regular reviews and close collaboration with LAT finance ensure timely forecasting.
- ◆ recruitment of appropriately qualified staff to meet the needs of the pupils of the nursery, especially the younger age group. This risk is mitigated by the nursery having full access to The LAT Talent Team who supports our recruitment efforts to secure qualified staff, especially for younger age groups.

By addressing these key areas, we are committed to providing an exceptional early education experience for every child.

Trustees' responsibilities statement

The Trustees (who are also directors of The Hundred of Hoo Nursery and Kids Club Limited for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Trustees' responsibilities statement (continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ◆ the Trustee has taken all the steps that he ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 17 December 2024 and signed on their behalf by:



Trustee
Ms E J Dehaney

Independent auditor's report 31 August 2024

Independent auditor's report to the members of The Hundred of Hoo Nursery and Kids Club Limited

We have audited the financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Independent auditor's report 31 August 2024

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 4 and 5, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Independent auditor's report 31 August 2024

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ review of the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report 31 August 2024

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 18 December 2024

Statement of financial activities
(incorporating income and expenditure account) Year to 31 August 2024

	No tes	Un- restricted funds 2024 £	Restricted funds 2024 £	2024 Total funds £	Un- restricted funds 2023 £	Restricted funds 2023 £	2023 Total funds £
Income from:							
Charitable activities	1	710,921	17,313	728,234	580,466	536	581,002
Total income		710,921	17,313	728,234	580,466	536	581,002
Expenditure on:							
Charitable activities	2	624,296	17,313	644,609	557,944	536	558,480
Total expenditure		624,296	17,313	644,609	557,944	536	558,480
Net income and net movement in funds		83,625	—	83,625	22,522	—	22,522
Reconciliation of funds							
Total funds brought forward at 1 September 2023		120,104	—	120,104	97,582	—	97,582
Total funds carried forward at 31 August 2024		203,729	—	203,729	120,104	—	120,104

The notes on pages 17 to 21 form part of these financial statements

Balance sheet 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible fixed assets	5		7,120		9,812
Current assets					
Debtors	6	22,081		5,519	
Cash at bank and in hand		<u>261,922</u>		<u>217,652</u>	
		284,003		223,171	
Liabilities					
Creditors: amounts falling due within one year	7	<u>(87,394)</u>		<u>(112,879)</u>	
Net current assets			<u>196,609</u>		<u>110,292</u>
Total assets less current liabilities			<u>203,729</u>		<u>120,104</u>
Net assets			<u>203,729</u>		<u>120,104</u>
Funds and reserves:					
Restricted funds	8		—		—
Designated funds			7,120		9,812
Unrestricted funds	8		<u>196,609</u>		<u>110,292</u>
Total funds			<u>203,729</u>		<u>120,104</u>

The financial statements were approved and authorised for issue by the Trustees on 17 December 2024 and signed on their behalf, by:



Trustee

Ms E J Dehaney

The notes on pages 17 to 21 form part of these financial statements.

Company number: 06389366

Statement of cash flows Year to 31 August 2024

		2024 £	2023 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	44,270	42,298
Change in cash and cash equivalents in the year		44,270	42,298
Cash and cash equivalents at 1 September 2023	B	217,652	175,354
Cash and cash equivalents at 31 August 2024	B	261,922	217,652

A. Reconciliation of net movement in funds to net cash flow from operating activities

		2024 £	2023 £
Net income for the year (as per statement of financial activities)		83,625	22,522
Adjustment for:			
Depreciation charges		2,692	4,314
(Increase) decrease in debtors		(16,562)	158
(Decrease) increase in creditors		(25,485)	15,304
Net cash provided by operating activities		44,270	42,298

B. Analysis of cash and cash equivalents

		2024 £	2023 £
Cash at bank and in hand		261,922	217,652
Total		261,922	217,652

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These accounts have been prepared for the year to 31 August 2024 with comparative figures provided in respect to the year to 31 August 2023. The accounts are presented in sterling and are rounded to the nearest pound.

The Hundred of Hoo Nursery and Kids Club Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating future income and expenditure flows and the charity's financial position; and
- ◆ estimating the economic useful life of fixed assets.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or condition that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Charitable activities are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvement to premises	Over the term of the lease
Furniture fixtures and fittings	15% - 20% straight line basis
Other equipment	20% straight line basis
Computer equipment	33% straight line basis

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charitable company only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the pension fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Lease commitments

The charitable company has entered into lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

1. Income from charitable activities

	Un-restricted funds 2024 £	Restricted funds 2024 £	2024 Total funds £	Un-restricted funds 2023 £	Restricted funds 2023 £	2023 Total funds £
Fees receivable	352,283	—	352,283	333,727	—	333,727
Nurse vouchers	358,638	—	246,149	246,149	—	246,149
Donations	—	15,003	15,003	590	—	590
DAF funding	—	2,310	2,310	—	536	536
	710,921	17,313	728,234	580,466	536	581,002

2. Analysis of expenditure on charitable activities

	Un-restricted funds 2024 £	Restricted funds 2024 £	2024 Total funds £	Un-restricted funds 2023 £	Restricted funds 2023 £	2023 Total funds £
Charitable activities	627,296	17,313	644,609	557,944	536	558,480

	2024 Total £	2023 Total £
Wages and salaries (note 4)	486,409	439,613
LAT central services charges	18,414	
Toys, books, magazines and materials	1,114	1,433
Food and drinks	49,237	44,326
Advertising	1,536	1,122
Hygiene, cleaning and waste disposal	3,766	11,455
Uniforms and protective clothing	417	286
Subscriptions and software	4,546	5,282
Training	750	390
Insurance	1,168	1,882
Equipment hire	17,932	10,662
Repairs and renewals	19,362	1,567
Telephone	659	651
Stationery, printing, photocopying and postage	1,827	2,049
Sundry expenses	—	350
Gifts for staff and clients	54	291
Accounting and professional fees	6,952	7,340
Bank charges	274	467
Rent	27,500	25,000
Depreciation	2,692	4,314
Total	644,609	558,480

3. Net income

This is stated after charging:

	2024 Total £	2023 Total £
Depreciation of tangible fixed assets	2,692	4,314
Audit fees	4,212	4,380

Notes to the financial statements 31 August 2024

4. Staff costs

Staff costs were as follows:

	2024 Total £	2023 Total £
Wages and salaries	444,326	405,687
Social security costs	33,059	26,670
Other pension costs	9,024	7,256
	486,409	439,613

The average number of persons employed by the charitable company during the year was 24 (2023 – 23).

Average headcount expressed as a full time equivalent was 20 (2023 – 18).

No employee received remuneration amounting to more than £60,000 in either year.

During the financial year the remuneration and benefits received by the charity's key management personnel amounted to £76,659 (2023 – £76,284). Key management personnel included the Nursery Manager and Deputy Nursery Manager.

During the year, no Trustees received any remuneration (2023 – none).

During the year, no Trustees received any reimbursement of expenses (2023 – none).

5. Tangible fixed assets

	Improvements to premises £	Furniture, fixtures & fittings £	Computer and other equipment £	Total funds £
Cost				
At 1 September 2023	17,461	33,209	31,320	81,990
Additions	—	—	—	—
At 31 August 2024	17,461	33,209	31,320	81,990
Depreciation				
At 1 September 2023	17,461	23,397	31,320	72,178
Charge in year	—	2,692	—	2,692
At 31 August 2024	17,461	26,089	31,320	74,870
Net book value				
At 31 August 2024	—	7,120	—	7,120
At 31 August 2023	—	9,812	—	9,812

6. Debtors

	2024 Total £	2023 Total £
Due within one year		
Other debtors	22,081	3,312
Prepayment and accrued income	—	2,207
	22,081	5,519

7. Creditors: Amounts falling due within one year

	2024 Total £	2023 Total £
Trade creditors	885	8,873
Other taxation and social security	7,464	6,705
Other creditors	2,601	2,210
Amount due to parent undertaking (note 13)	18,000	52,216
Accruals and deferred income	58,444	42,875
	87,394	112,879

Included within accruals and deferred income above is the following deferred income balance relating to funding and fees received in August 2024 relating to 2024/25.

	2024 Total £	2023 Total £
Deferred income		
Deferred income at 1 September 2023	27,138	19,303
Resources deferred during the year	84,913	62,083
Amounts released in year	(62,553)	(54,248)
Deferred income at 31 August 2024	49,498	27,138

8. Funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2024 £
2024					
Unrestricted funds:					
<i>Designated funds</i>					
Fixed asset fund	9,812	—	(2,692)	—	7,120
<i>General funds</i>					
General funds	110,292	710,921	(624,604)	—	196,609
	120,104	710,921	(627,296)	—	203,729
Restricted funds					
DAF	—	2,310	(2,310)	—	—
Other donations	—	15,003	(15,003)	—	—
	—	17,313	(17,313)	—	—
Total funds	120,104	728,234	(644,609)	—	203,729

Notes to the financial statements 31 August 2024

8. Funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2023 £
2023					
<i>Unrestricted funds:</i>					
<i>Designated funds</i>					
<i>Fixed asset fund</i>	14,126	—	(4,314)	—	9,812
<i>General funds</i>					
<i>General funds</i>	84,456	580,466	(553,630)	—	110,292
	97,582	580,466	(557,944)	—	120,104
<i>Restricted funds</i>					
<i>DAF</i>	—	536	(536)	—	—
	—	536	(536)	—	—
<i>Total funds</i>	97,582	581,002	(558,480)	—	120,104

9. Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
2024			
Tangible fixed assets	7,120	—	7,120
Current assets	284,003	—	284,003
Creditors due within one year	(87,394)	—	(87,394)
	203,729	—	203,729
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
2023			
Tangible fixed assets	9,812	—	9,812
Current assets	223,171	—	223,171
Creditors due within one year	(112,879)	—	(112,879)
	120,104	—	120,104

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £9,024 (2023 - £7,256). At the balance sheet date £1,906 was payable to the fund (2023 - £1,590).

11. Operating lease commitments

At 31 August 2024 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Equipment		
Amounts payable:		
within 1 year	2,520	2,520
within 2-5 years	7,560	8,820

12. Related party transactions

During the year ended 31 August 2024, the following amounts were paid to Leigh Academies Trust, the ultimate parent undertaking:

- ♦ Rent: £27,500 (2023: £25,000)
- ♦ Reimbursed purchases: £94,022 (2023: £23,707)

At 31 August 2024, £18,000 (2023: £52,216) was owed to Leigh Academies Trust.

13. Ultimate parent undertaking

The parent undertaking is Leigh Academies Trust by virtue of assuming legal ownership of the Nursery from 1 January 2019 following a merger with the Nursery's previous parent company. Leigh Academies Trust, is incorporated in England and Wales as a company limited by guarantee (Company Registration Number 02336587), its registered office is Carnation Road, Strood, Rochester, Kent ME2 2SX.

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales - Charity number 1131001

Accounts

The Hundred of Hoo Nursery and Kids Club Limited

Trustees' report and financial statements

31 August 2023

Company Limited by Guarantee
Registration Number 06389366
(England and Wales)

Charity Registration Number: 1131001

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report on the financial statements	6

Financial Statements

Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Principal accounting policies	14
Notes to the financial statements	17

Reference and administrative information 31 August 2023

Trustees	Mr M Costello (Chair) Ms E J Dehaney Mrs P Sanford
Company Secretary	Mr N Willis
Registered office	The Hundred of Hoo Academy Main Road Hoo St Werburgh Rochester Kent ME3 9HH
Company registration number	06389366 (England and Wales)
Charity registered number	1131001
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank Plc 148 High Street Chatham Kent ME4 4DB

Trustees' report 31 August 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the charitable company) for the year ended 31 August 2023. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company was incorporated on 3 October 2007 (Company Number 06389366). The charitable company is a company limited by guarantee and is governed by its Memorandum and Articles of Association. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The charitable company registered as a charity on 7 August 2009 (Charity Registration Number 1131001).

Trustees

The Trustees who served during the period were as follows:

Michael Costello (Chair)
Emma Dehaney
Pat Sanford

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Remuneration of key management personnel

All Trustees give their time freely and receive no remuneration. The pay and remuneration of key management personnel is set by the Pay Committee. Key management personnel of the charity includes the Nursery Manager and the Deputy Nursery Manager.

Objectives and activities

The principal activity of the charitable company is the operation of a Nursery and Kids Club in Hoo St Werburgh, Rochester, for the purpose of the advancement of education. In setting objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements, performance and plans

The nursery continues to have strong links with its local community offering high quality early education.

The Hundred of Hoo Nursery and Kids Club Limited is registered to care for 96 children a day and we currently offer placements to 160 from the local community. The nursery continues to strengthen its offer to children and their families by accessing a range of services Leigh Academies Trust is able to offer.

The children and nursery are privileged to be on a secure site as part of The Hundred of Hoo Academy. This allows us the freedom to explore by taking part in nature walks, having our meals in the school canteen, and visiting the school library where secondary school aged children read stories to the children.

In July 2019, the nursery received an inspection by Ofsted. The overall quality and standards of the early provision was identified as Good, but the nursery was rated as Outstanding for the quality of personal development, behaviour and welfare. The report identified that children of all ages make good progress and gain good skills to support their future learning. The staff were described as inspirational role models, who establish outstanding relationships with the children and their families. The nursery has continued to invest in the learning environment and resources with the support of the Trust. Consequently, enhancements have been made within the building to create more flexible spaces and the outdoor learning areas have been enhanced to improve opportunities for effective play. We believe the nursery is likely to be judged Outstanding on its next inspection.

The nursery team of Manager, Deputy Manager and early years practitioners remains strong and turnover of staff has remained low. There have been recent recruitment challenges in line with the wider sector, but the nursery has benefited from working with the LAT recruitment team to fill all vacancies. This ensures that every child receives consistently high-quality care and education.

Financial review

The attached financial statements show the current state of the finances, which the Trustees consider to be sound.

Reserves of £120,104 have been accumulated at 31 August 2023, which are all unrestricted funds.

Reserves policy

As described in the accounting policies, the Trustees have a policy that a fixed asset fund should be maintained to fund the future depreciation of fixed assets. This fund represents the net book value of fixed assets already purchased and so this fund is not available for spending. The Trustees have a policy to retain three months of running costs in free reserves and at 31 August 2023 the level of unrestricted general funds was approximately two months of running costs. Trustees will aim to further build up reserves from operational surpluses and will keep the policy under review if there should be a material change in financial circumstances.

Public Benefit

The Board of Trustees has taken account of the Charity Commission's guidance on public benefit in reviewing the charity's aims and objectives and planning future activities.

Fundraising

The charitable company does not actively solicit fundraising from the public. During the year there were no complaints in respect of fundraising.

Risk management

The charitable company has identified the following key risks and has put mitigation in place:

- ◆ a decrease in pupils on roll which would lead to a decrease in funding and fee income. This risk is mitigated by frequent reviews of pupils on roll at regular intervals. There is also a very close working relationship with finance personnel to ensure frequent forecasting takes place.
- ◆ recruitment of appropriately qualified staff to meet the needs of the pupils of the nursery, especially the younger age group. This risk is mitigated by the nursery having full access to the LAT Talent Team who are able to support and advise on all of the nursery's recruitment needs.

Trustees' responsibilities statement

The Trustees (who are also directors of The Hundred of Hoo Nursery and Kids Club Limited for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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.

Trustees' responsibilities statement (continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ◆ the Trustee has taken all the steps that he ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 4.12.2023 and signed on their behalf by:



Trustee

Michael Costello

04 December 2023

Independent auditor's report 31 August 2023

Independent auditor's report to the members of The Hundred of Hoo Nursery and Kids Club Limited

We have audited the financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report 31 August 2023

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Independent auditor's report 31 August 2023

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ review of the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report 31 August 2023

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 14 December 2023

Statement of financial activities
(incorporating income and expenditure account) Year to 31 August 2023

	Notes	Un- restricted funds 2023 £	Restricted funds 2023 £	2023 Total funds £	Un- restricted funds 2022 £	Restricted funds 2022 £	2022 Total funds £
Income from:							
Charitable activities	1	580,466	536	581,002	585,906	791	586,697
Total income		580,466	536	581,002	585,906	791	586,697
Expenditure on:							
Charitable activities	2	557,944	536	558,480	559,488	791	560,279
Total expenditure		557,944	536	558,480	559,488	791	560,279
Net income and net movement in funds		22,522	—	22,522	26,418	—	26,418
Reconciliation of funds							
Total funds brought forward at 1 September 2022		97,582	—	97,582	71,164	—	71,164
Total funds carried forward at 31 August 2023		120,104	—	120,104	97,582	—	97,582

The notes on pages 17 to 21 form part of these financial statements

Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	5		9,812		14,126
Current assets					
Debtors	6	5,519		5,677	
Cash at bank and in hand		<u>217,652</u>		<u>175,354</u>	
		223,171		181,031	
Liabilities					
Creditors: amounts falling due within one year	7	<u>(112,879)</u>		<u>(97,575)</u>	
Net current assets			<u>110,292</u>		<u>83,456</u>
Total assets less current liabilities			<u>120,104</u>		<u>97,582</u>
Net assets			<u>120,104</u>		<u>97,582</u>
Funds and reserves:					
Restricted funds	8		—		—
Unrestricted funds	8		<u>120,104</u>		<u>97,582</u>
Total funds			<u>120,104</u>		<u>97,582</u>

The financial statements were approved and authorised for issue by the Trustees on 4/12/2023 and signed on their behalf, by:



Trustee, Michael Costello

The notes on pages 17 to 21 form part of these financial statements.

04 December 2023

Company number 06389366

Statement of cash flows Year to 31 August 2023

		2023 £	2022 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	42,298	43,115
Cash flows from investing activities			
Purchase of tangible fixed assets		—	(11,868)
Net cash used in investing activities		—	(11,868)
Change in cash and cash equivalents in the year		42,298	31,247
Cash and cash equivalents at 1 September 2022	B	175,354	144,107
Cash and cash equivalents at 31 August 2023	B	217,652	175,354

A. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per statement of financial activities)	22,522	26,418
Adjustment for:		
Depreciation charges	4,314	11,385
Decrease in debtors	158	3,322
Increase in creditors	15,304	1,990
Net cash provided by operating activities	42,298	43,115

B. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	217,652	175,354
Total	217,652	175,354

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These accounts have been prepared for the year to 31 August 2023 with comparative figures provided in respect to the year to 31 August 2022. The accounts are presented in sterling and are rounded to the nearest pound.

The Hundred of Hoo Nursery and Kids Club Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating future income and expenditure flows and the charity's financial position; and
- ◆ estimating the economic useful life of fixed assets.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Lease commitments

The charitable company has entered into lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or condition that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Charitable activities are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvement to premises	Over the term of the lease
Furniture fixtures and fittings	15% straight line basis
Other equipment	20% straight line basis
Computer equipment	33% straight line basis

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charitable company only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the pension fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Lease commitments

The charitable company has entered into lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

1. Income from charitable activities

	Un-restricted funds 2023 £	Restricted funds 2023 £	2023 Total funds £	Un-restricted funds 2022 £	Restricted funds 2022 £	2022 Total funds £
Fees receivable	333,727	—	333,727	289,080	—	289,080
Nurse vouchers	246,149	—	246,149	296,826	—	296,826
EYPP funding	—	—	—	—	791	791
Donations	590	—	590	—	—	—
DAF funding	—	536	536	—	—	—
	580,466	536	581,002	585,906	791	586,697

2. Analysis of expenditure on charitable activities

	Un-restricted funds 2023 £	Restricted funds 2023 £	2023 Total funds £	Un-restricted funds 2022 £	Restricted funds 2022 £	2022 Total funds £
Charitable activities	557,944	536	558,480	559,488	791	560,279

	2023 Total £	2022 Total £
Wages and salaries (note 4)	439,613	434,919
Toys, books, magazines and materials	1,433	1,724
Food and drinks	44,326	42,618
Advertising	1,122	1,520
Hygiene, cleaning and waste disposal	11,455	11,061
Uniforms and protective clothing	286	651
Subscriptions and software	5,282	4,106
Training	390	1,040
Insurance	1,882	1,921
Equipment hire	10,662	16,489
Repairs and renewals	1,567	2,109
Telephone	651	638
Stationery, printing, photocopying and postage	2,049	1,220
Sundry expenses	350	40
Gifts for staff and clients	291	42
Accounting and professional fees	7,340	5,749
Bank charges	467	547
Rent	25,000	22,500
Depreciation	4,314	11,385
Total	558,480	560,279

3. Net income

This is stated after charging:

	2023 Total £	2022 Total £
Depreciation of tangible fixed assets	4,314	11,385
Audit fees	4,380	3,000

4. Staff costs

Staff costs were as follows:

	2023 Total £	2022 Total £
Wages and salaries	405,687	395,007
Social security costs	26,670	32,521
Other pension costs	7,256	7,391
	439,613	434,919

The average number of persons employed by the charitable company during the year was 23 (2022 – 27).

Average headcount expressed as a full time equivalent was 18 (2022 – 22).

No employee received remuneration amounting to more than £60,000 in either year.

During the financial year the remuneration and benefits received by the charity's key management personnel amounted to £76,284 (2022 – £71,872). Key management personnel included the Nursery Manager and Deputy Nursery Manager.

During the year, no Trustees received any remuneration (2022 – none).

During the year, no Trustees received any reimbursement of expenses (2022 – none).

5. Tangible fixed assets

	Improvements to premises £	Furniture, fixtures & fittings £	Computer and other equipment £	Total funds £
Cost				
At 1 September 2022	17,461	33,209	31,320	81,990
Additions	—	—	—	—
At 31 August 2023	17,461	33,209	31,320	81,990
Depreciation				
At 1 September 2022	17,461	19,717	30,686	67,864
Charge in year	—	3,680	634	4,314
At 31 August 2023	17,461	23,397	31,320	72,178
Net book value				
At 31 August 2023	—	9,812	—	9,812
At 31 August 2022	—	13,492	634	14,126

6. Debtors

	2023 Total £	2022 Total £
Due within one year		
Other debtors	3,312	3,324
Prepayment and accrued income	2,207	2,353
	5,519	5,677

7. Creditors: Amounts falling due within one year

	2023 Total £	2022 Total £
Trade creditors	8,873	10,181
Other taxation and social security	6,705	4,908
Other creditors	2,210	1,301
Amount due to parent undertaking (note 13)	52,216	44,211
Accruals and deferred income	42,875	36,974
	112,879	97,575

Included within accruals and deferred income above is the following deferred income balance relating to funding and fees received in August 2023 relating to 2023/24.

	2023 Total £	2022 Total £
Deferred income		
Deferred income at 1 September 2022	19,303	25,501
Resources deferred during the year	62,083	45,820
Amounts released in year	(54,248)	(52,018)
Deferred income at 31 August 2023	27,138	19,303

8. Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2023 £
2023					
Unrestricted funds:					
Designated funds					
Fixed asset fund	14,126	—	(4,314)	—	9,812
General funds					
General fund	84,456	580,466	(553,630)	—	110,292
	<u>97,582</u>	<u>580,466</u>	<u>(557,944)</u>	<u>—</u>	120,104
Restricted funds					
DAF	—	536	(536)	—	—
	<u>—</u>	<u>536</u>	<u>(536)</u>	<u>—</u>	—
Total funds	<u>97,582</u>	<u>581,002</u>	<u>(558,480)</u>	<u>—</u>	120,104

8. Funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2022 £
2022					
<i>Unrestricted funds:</i>					
<i>Designated funds</i>					
<i>Fixed asset fund</i>	13,643	—	(11,385)	11,868	14,126
<i>General funds</i>					
<i>General fund</i>	57,521	585,906	(548,103)	(11,868)	83,456
	<u>71,164</u>	<u>585,906</u>	<u>(559,488)</u>	<u>—</u>	<u>97,852</u>
<i>Restricted funds</i>					
<i>EYPP</i>	—	791	(791)	(791)	—
	<u>—</u>	<u>791</u>	<u>(791)</u>	<u>(791)</u>	<u>—</u>
<i>Total funds</i>	<u>71,164</u>	<u>586,697</u>	<u>(560,279)</u>	<u>(560,279)</u>	<u>97,852</u>

9. Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
2023			
Tangible fixed assets	9,812	—	9,812
Current assets	223,171	—	223,171
Creditors due within one year	(112,879)	—	(112,879)
	<u>120,104</u>	<u>—</u>	<u>120,104</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
2022			
<i>Tangible fixed assets</i>	14,126	—	14,126
<i>Current assets</i>	181,031	—	181,031
<i>Creditors due within one year</i>	(97,575)	—	(97,575)
	<u>97,582</u>	<u>—</u>	<u>97,582</u>

10. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £7,256 (2022 - £7,391). At the balance sheet date £1,590 was payable to the fund (2022 - £1,301).

11. Operating lease commitments

At 31 August 2023 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Equipment		
Amounts payable:		
within 1 year	2,520	1,701
within 2-5 years	8,820	—

12. Related party transactions

During the year ended 31 August 2023, the following amounts were paid to Leigh Academies Trust, the ultimate parent undertaking:

- ♦ Rent: £25,000 (2022: £22,500)
- ♦ Reimbursed purchases: £23,707 (2022: £5,284)

At 31 August 2023, £52,216 (2022: £44,211) was owed to Leigh Academies Trust.

13. Ultimate parent undertaking

The parent undertaking is Leigh Academies Trust by virtue of assuming legal ownership of the Nursery from 1 January 2019 following a merger with the Nursery's previous parent company. Leigh Academies Trust, is incorporated in England and Wales as a company limited by guarantee (Company Registration Number 02336587), its registered office is Carnation Road, Strood, Rochester, Kent ME2 2SX.

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales - Charity number 1131001

Accounts

**The Hundred of Hoo
Nursery and Kids Club
Limited**

**Trustees' report and financial
statements**
31 August 2022

Company Limited by Guarantee
Registration Number 06389366
(England and Wales)

Charity Registration Number: 1131001

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report on the financial statements	6

Financial Statements

Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Principal accounting policies	134
Notes to the financial statements	17

Reference and administrative information 31 August 2022

Trustees	Mr M Costello (Chair) Ms E J Dehaney Mrs P Sanford
Company Secretary	Mr N Willis
Registered office	The Hundred of Hoo Academy Main Road Hoo St Werburgh Rochester Kent ME3 9HH
Company registration number	06389366 (England and Wales)
Charity registered number	1131001
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank Plc 148 High Street Chatham Kent ME4 4DB

Trustees' report 31 August 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the charitable company) for the year ended 31 August 2022. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company was incorporated on 3 October 2007 (Company Number 06389366). The charitable company is a company limited by guarantee and is governed by its Memorandum and Articles of Association. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The charitable company registered as a charity on 7 August 2009 (Charity Registration Number 1131001).

Trustees

The Trustees who served during the period were as follows:

Trustees

Michael Costello (Chair)
Emma Elwin
Pat Sanford

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Remuneration of key management personnel

All Trustees give their time freely and receive no remuneration. The pay and remuneration of key management personnel is set by the Pay Committee. Key management personnel of the charity includes the Nursery Manager and the Deputy Nursery Manager.

Objectives and activities

The principal activity of the charitable company is the operation of a Nursery and Kids Club in Hoo St Werburgh, Rochester, for the purpose of the advancement of education. In setting objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements, performance and plans

The nursery continues to have strong links with its local community offering high quality early education.

The Hundred of Hoo Nursery and Kids Club Limited is registered to care for 96 children a day and we currently offer placements to 175 from the local community. The nursery continues to strengthen its offer to children and their families by accessing a range of services Leigh Academies Trust is able to offer.

The children and nursery are privileged to be on a secure site as part of The Hundred of Hoo Academy. This allows us the freedom to explore by taking part in nature walks, having our meals in the school canteen, and visiting the school library where secondary school aged children read us stories.

In July 2019, the nursery received an inspection by Ofsted. The overall quality and standards of the early provision was identified as Good, but the nursery was rated as Outstanding for the quality of personal development, behaviour and welfare. The report identified that children of all ages make good progress and gain good skills to support their future learning. The staff were described as inspirational role models, who establish outstanding relationships with the children and their families.

The nursery has continued to invest in the learning environment and resources with the support of the Trust. Consequently, enhancements have been made within the building to create more flexible spaces and the outdoor learning areas have been enhanced to improve opportunities for effective play.

The nursery team of Manager, Deputy Manager and early years practitioners remains strong and turnover of staff has remained low. Where new or additional team members have been required, high quality candidates have been supplied with the assistance of the LAT recruitment team. This ensures that every child receives consistently high-quality care and education.

Impact of Covid-19 on the charity

Hoo Nursery and Kids club remained opened for the majority of 2020-21, and did not proceed to a full closure due to the Covid-19 pandemic. The nursery did proceed with furloughing of staff that were responsible for under 2-year-old children within the nursery, as the uptake was significantly low.

Since the pandemic staff are continuously taking observations of the children to identify any gaps in learning or in children's well-being. If any areas are identified then clear next steps are implemented to support closing these gaps and supporting children to gain the best possible outcomes.

Trustees' report 31 August 2022

Financial review

The attached financial statements show the current state of the finances, which the Trustees consider to be sound.

Reserves of £97,582 have been accumulated at 31 August 2022, which are all unrestricted funds.

Reserves policy

As described in the accounting policies, the Trustees have a policy that a fixed asset fund should be maintained to fund the future depreciation of fixed assets. This fund represents the net book value of fixed assets already purchased and so this fund is not available for spending. The Trustees have a policy to retain three months of running costs in free reserves and at 31 August 2022 the level of unrestricted general funds was approximately two months of running costs. Trustees will aim to further build up reserves from operational surpluses and will keep the policy under review if there should be a material change in financial circumstances.

Public Benefit

The Board of Trustees has taken account of the Charity Commission's guidance on public benefit in reviewing the charity's aims and objectives and planning future activities.

Fundraising

The charitable company does not actively solicit fundraising from the public. During the year there were no complaints in respect of fundraising.

Risk management

The charitable company has identified the following key risks and has put mitigation in place:

- ♦ a decrease in pupils on roll which would lead to a decrease in funding and fee income. This risk is mitigated by frequent reviews of pupils on roll at regular intervals. There is also a very close working relationship with finance personnel to ensure frequent forecasting takes place.
- ♦ recruitment of appropriately qualified staff to meet the needs of the pupils of the nursery, especially the younger age group. This risk is mitigated by the nursery having full access to the LAT Talent Team who are able to support and advise on all of the nursery's recruitment needs.

Trustees' report 31 August 2022

Trustees' responsibilities statement

The Trustees (who are also directors of The Hundred of Hoo Nursery and Kids Club Limited for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 are sufficient to show and explain the charitable company's transactions and 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.

Each of the Trustees confirms that:

- ♦ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ♦ the Trustee has taken all the steps that he ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 25.11.22 and signed on their behalf by:



Trustee Michael Costello

Independent auditor's report 31 August 2022

Independent auditor's report to the members of The Hundred of Hoo Nursery and Kids Club Limited

We have audited the financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ♦ give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its income and expenditure for the year then ended;
- ♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ♦ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report 31 August 2022

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ♦ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ♦ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ♦ the financial statements are not in agreement with the accounting records and returns; or
- ♦ certain disclosures of Trustees' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ♦ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Independent auditor's report 31 August 2022

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ♦ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ♦ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ♦ performed analytical procedures to identify any unusual or unexpected relationships;
- ♦ tested journal entries to identify unusual transactions; and
- ♦ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ♦ review of the minutes of meetings of those charged with governance; and
- ♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

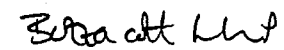
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report 31 August 2022

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 December 2022

Statement of financial activities
(incorporating income and expenditure account) Year to 31 August 2022

	Notes	Un- restricted funds 2022 £	Restricted funds 2022 £	2022 Total funds £	Unrestricted funds 2021 £	Restricted funds 2021 £	2021 Total funds £
Income from:							
Charitable activities	1	585,906	791	586,697	541,722	1,128	542,850
Total income		585,906	791	586,697	541,722	1,128	542,850
Expenditure on:							
Charitable activities	2	559,488	791	560,279	532,749	1,128	533,877
Total expenditure		559,488	791	560,279	532,749	1,128	533,877
Net income and net movement in funds		26,418	—	26,418	8,973	—	8,973
Reconciliation of funds							
Total funds brought forward at 1 September 2021		71,164	—	71,164	62,191	—	62,191
Total funds carried forward 31 August 2022		97,582	—	97,582	71,164	—	71,164

The notes on pages 17 to 21 form part of these financial statements

Balance sheet 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	5		14,126		13,643
Current assets					
Debtors	6	5,677		8,999	
Cash at bank and in hand		175,354		144,107	
		181,031		153,106	
Liabilities					
Creditors: amounts falling due within one year	7	(97,575)		(95,585)	
Net current assets			83,456		57,521
Total assets less current liabilities			97,582		71,164
Net assets			97,582		71,164
Funds and reserves:					
Restricted funds	8		—		—
Unrestricted funds	8		97,582		71,164
Total funds			97,582		71,164

The financial statements were approved and authorised for issue by the Trustees on 25.11.2022 and signed on their behalf, by:



Trustee

Michael Costello

The notes on pages 17 to 21 form part of these financial statements.

Statement of cash flows Year to 31 August 2022

		2022 £	2021 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	43,115	46,490
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,868)	—
Net cash used in investing activities		(11,868)	—
Change in cash and cash equivalents in the year		31,247	46,490
Cash and cash equivalents at 1 September 2021	B	144,107	97,617
Cash and cash equivalents at 31 August 2022	B	175,354	144,107

A. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per statement of financial activities)	26,418	8,973
Adjustment for:		
Depreciation charges	11,385	11,954
Decrease (increase) in debtors	3,322	(2,045)
Increase in creditors	1,990	27,608
Net cash provided by operating activities	43,115	46,490

B. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	175,354	144,107
Total	175,354	144,107

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies 31 August 2022

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hundred of Hoo Nursery and Kids Club Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ♦ estimating future income and expenditure flows and the charity's financial position; and
- ♦ estimating the economic useful life of fixed assets.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or condition that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Charitable activities are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Principal accounting policies 31 August 2022

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvement to premises	Over the term of the lease
Furniture fixtures and fittings	15% straight line basis
Other equipment	20% straight line basis
Computer equipment	33% straight line basis

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Principal accounting policies 31 August 2022

Financial instruments

The charitable company only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the pension fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Lease commitments

The charitable company has entered into lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

Notes to the financial statements 31 August 2022

1. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	2022 Total funds £	Unrestricted funds 2021 £	Restricted funds 2021 £	2021 Total funds £
Fees receivable	289,080	—	289,080	277,197	—	277,197
Nursey Vouchers	296,826	—	296,826	264,525	—	264,525
EYPP funding	—	791	791	—	1,128	1,128
	<u>585,906</u>	<u>791</u>	<u>586,697</u>	<u>541,722</u>	<u>1,128</u>	<u>542,850</u>

2. Analysis of expenditure on charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	2022 Total funds £	Unrestricted funds 2021 £	Restricted funds 2021 £	2021 Total funds £
Charitable activities	559,488	791	560,279	532,749	1,128	533,877

	2022 Total £	2021 Total £
Wages and salaries (note 4)	434,919	438,307
Food and drinks	42,618	35,420
Rent	22,500	20,000
Depreciation	11,385	11,954
Accounting and professional fees	5,749	5,842
Equipment hire	16,489	4,949
Hygiene, cleaning and waste disposal	11,061	4,761
Subscriptions and software	4,106	3,890
Insurance	1,921	1,985
Toys, books, magazines and materials	1,724	1,533
Repairs and renewals	2,109	1,482
Stationery, printing, photocopying and postage	1,220	1,199
Advertising	1,520	903
Telephone	638	677
Bank charges	547	537
Uniforms and protective clothing	651	294
Training	1,040	90
Sundry expenses	40	50
Gifts for staff and clients	42	4
Total	<u>560,279</u>	<u>533,877</u>

3. Net income

This is stated after charging:

	2022 Total £	2021 Total £
Depreciation of tangible fixed assets	11,385	11,954
Audit fees	3,000	2,900

Notes to the financial statements 31 August 2022

4. Staff costs

Staff costs were as follows:

	2022 Total £	2021 Total £
Wages and salaries	395,007	401,698
Social security costs	32,521	30,067
Other pension costs	7,391	6,542
	<u>434,919</u>	<u>438,307</u>

The average number of persons employed by the charitable company during the year was 27 (2021 – 27).

Average headcount expressed as a full time equivalent was 22 (2021 – 22).

No employee received remuneration amounting to more than £60,000 in either year.

During the financial year the remuneration and benefits received by the charity's key management personnel amounted to £71,872 (2021 – £68,484). Key management personnel included the Nursery Manager and Deputy Nursery Manager.

During the year, no Trustees received any remuneration (2021 – none).

During the year, no Trustees received any reimbursement of expenses (2021 – none).

5. Tangible fixed assets

	Improvements to premises £	Furniture, fixtures & fittings £	Computer and other equipment £	Total funds £
Cost				
At 1 September 2021	17,461	21,341	31,320	70,122
Additions	—	11,868	—	11,868
At 31 August 2022	<u>17,461</u>	<u>33,209</u>	<u>31,320</u>	<u>81,990</u>
Depreciation				
At 1 September 2021	17,461	17,311	21,707	56,479
Charge in year	—	2,406	8,979	11,385
At 31 August 2022	<u>17,461</u>	<u>19,717</u>	<u>30,686</u>	<u>67,864</u>
Net book value				
At 31 August 2022	<u>—</u>	<u>13,492</u>	<u>634</u>	<u>14,126</u>
At 31 August 2021	<u>—</u>	<u>4,030</u>	<u>9,613</u>	<u>13,643</u>

6. Debtors

	2022 Total £	2021 Total £
Due within one year		
Other debtors	3,324	6,278
Prepayment and accrued income	<u>2,353</u>	<u>2,721</u>
	<u>5,677</u>	<u>8,999</u>

Notes to the financial statements 31 August 2022

7. Creditors: Amounts falling due within one year

	2022 Total £	2021 Total £
Trade creditors	10,181	1,373
Other taxation and social security	4,908	5,132
Other creditors	1,301	1,488
Amount due to parent undertaking (note 13)	44,211	56,433
Accruals and deferred income	36,974	31,159
	97,575	95,585

Included within accruals and deferred income above is the following deferred income balance relating to funding and fees received in August 2022 relating to 2022/23.

	2022 Total £	2021 Total £
Deferred Income		
Deferred income at 1 September 2021	25,501	23,805
Resources deferred during the year	45,820	25,501
Amounts released in year	(52,018)	(23,805)
Deferred income at 31 August 2022	19,303	25,501

8. Funds

2022	Balance at 1 September 2021 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2022 £
Unrestricted funds:					
<i>Designated funds</i>					
Fixed asset fund	13,643	—	(11,385)	11,868	14,126
<i>General funds</i>					
General fund	57,521	585,906	(548,103)	(11,868)	83,456
	71,164	585,906	(559,488)	—	97,582
Restricted funds					
EYPP	—	791	(791)	—	—
	—	791	(791)	—	—
Total funds	71,164	586,697	(560,279)	—	97,582

Notes to the financial statements 31 August 2022

8. Funds (continued)

2021	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds:				
<i>Designated funds</i>				
Fixed asset fund	25,597	—	(11,954)	13,643
<i>General funds</i>				
General fund	36,594	541,722	(520,795)	57,521
	62,191	541,722	(532,749)	71,164
Restricted funds				
EYPP	—	1,128	(1,128)	—
	—	1,128	(1,128)	—
Total funds	62,191	542,850	(533,877)	71,164

9. Analysis of net assets between funds

2022	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2022 £
Tangible fixed assets	14,126	—	14,126
Current assets	181,031	—	181,031
Creditors due within one year	(97,575)	—	(97,575)
	97,582	—	97,582
2021	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	13,643	—	13,643
Current assets	153,106	—	153,106
Creditors due within one year	(95,585)	—	(95,585)
	71,164	—	71,164

10. Pension commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £7,391 (2021 - £6,542). At the balance sheet date £1,301 was payable to the fund (2021 - £1,266).

Notes to the financial statements 31 August 2022

11. Operating lease commitments

At 31 August 2022 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

Equipment	2022 £	2021 £
Amounts payable:		
within 1 year	1,701	2,916
within 2-5 years	—	851

12. Related party transactions

During the year ended 31 August 2022, the following amounts were paid to Leigh Academies Trust, the ultimate parent undertaking:

- ♦ Rent: £22,500 (2021: £20,000)
- ♦ Reimbursed purchases: £5,284 (2021: £27,200)

At 31 August 2022, £44,211 (2021: £56,433) was owed to Leigh Academies Trust.

13. Ultimate parent undertaking

The parent undertaking is Leigh Academies Trust by virtue of assuming legal ownership of the Nursery from 1 January 2019 following a merger with the Nursery's previous parent company. Leigh Academies Trust, is incorporated in England and Wales as a company limited by guarantee (Company Registration Number 02336587), its registered office is Carnation Road, Strood, Rochester, Kent ME2 2SX.

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales - Charity number 1131001

Accounts

The Hundred of Hoo Nursery and Kids Club Limited

Trustees' report and financial statements

31 August 2021

Company Limited by Guarantee
Registration Number 06389366
(England and Wales)

Charity Registration Number: 1131001

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report on the financial statements	6

Financial Statements

Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Principal accounting policies	13
Notes to the financial statements	17

Reference and administrative information 31 August 2021

Trustees Mr M Costello (Chair)
Ms E J Elwin
Mrs P Sanford

Company Secretary Mr N Willis

Registered office The Hundred of Hoo Academy
Main Road
Hoo St Werburgh
Rochester
Kent
ME3 9HH

Company registration number 06389366 (England and Wales)

Charity registered number 1131001

Auditors Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers NatWest Bank Plc
148 High Street
Chatham
Kent
ME4 4DB

Trustees' report 31 August 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the charitable company) for the year ended 31 August 2021. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 16 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company was incorporated on 3 October 2007 (Company Number 06389366). The charitable company is a company limited by guarantee and is governed by its Memorandum and Articles of Association. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The charitable company registered as a charity on 7 August 2009 (Charity Registration Number 1131001).

Trustees

The Trustees who served during the period were as follows:

Trustees	Appointed/Resigned
Deborah Biggenden	Resigned 8 December 2020
Michael Costello (Chair)	
Susan Crocker	Resigned 15 July 2021
Emma Elwin	Appointed 8 December 2020
Pat Sanford	Appointed 8 December 2020
Neil Willis	Resigned 15 July 2021

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Remuneration of key management personnel

All Trustees give their time freely and receive no remuneration. The pay and remuneration of key management personnel is set by the Pay Committee. Key management personnel of the charity includes the Nursery Manager and the Deputy Nursery Manager.

Objectives and activities

The principal activity of the charitable company is the operation of a Nursery and Kids Club in Hoo St Werburgh, Rochester, for the purpose of the advancement of education. In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements, performance and plans

The nursery continues to have strong links with its local community offering early education to around 175 children aged up to 11 years of age from the local community. The nursery continues to strengthen its offer to children and their families by accessing a range of service Leigh Academies Trust (LAT) is able to offer.

In July 2019, the nursery received an inspection by Ofsted. The overall quality and standards of the early provision was identified as Good, but the nursery was rated as Outstanding for the quality of personal development, behaviour and welfare. The report identified that children of all ages make good progress and gain good skills to support their future learning. The staff were described as inspirational role models, who establish outstanding relationships with the children and their families.

The nursery has continued to invest in the learning environment and resources with the support of the Trust. Consequently, enhancements have been made within the building to create more flexible spaces and the outdoor learning areas have been enhanced to improve opportunities for effective play.

The nursery team of Manager, Deputy Manager and early years practitioners remains strong and turnover of staff has remained low. Where new or additional team members have been required, high quality candidates have been supplied with the assistance of the LAT recruitment team. This ensures that every child receives consistently high quality care and quality of education. This year the nursery is working alongside the Trust's early years advisor to enhance the quality of education even further by setting out the knowledge and skills across each room provision, ensuring that experiences over time build consistently towards expected end points.

Impact of Covid-19 on the charity

The Hundred of Hoo Nursery and Kids club remained opened for the majority of 2020/21, and did not proceed to a full closure due to the Covid-19 pandemic. The nursery furloughed staff who were responsible for children under 2 years old within the nursery, as the uptake was significantly low.

On fully reopening, young children have been observed to have a deficit in the usual language acquisition they would have as a result of not having the usual experiences and exposure to the world around them as a result of lockdown. Nursery leaders have responded by ensuring that the curriculum consistently gives opportunities for children to listen, hear and speak, alongside opportunities to experience new vocabulary so that they can develop vocabulary and language well, closing any gaps that exist.

Trustees' report 31 August 2021

Financial review

The attached financial statements show the current state of the finances, which the Trustees consider to be sound.

Reserves of £71,164 have been accumulated at 31 August 2021, which are all unrestricted funds.

Reserves policy

As described in the accounting policies, the Trustees have a policy that a fixed asset fund should be maintained to fund the future depreciation of fixed assets. This fund represents the net book value of fixed assets already purchased and so this fund is not available for spending. Beyond this, the policy on reserves is that restricted funds should not fall below zero. The level of restricted reserves tends to be modest. The Trustees have a policy to retain three months of running costs in reserves and at 31 August 2021 the level of unrestricted funds was approximately two months of running costs. Trustees will keep the policy under review if there should be a material change in financial circumstances.

Public Benefit

The Board of Trustees has taken account of the Charity Commission's guidance on public benefit in reviewing the charity's aims and objectives and planning future activities.

Fundraising

The charitable company does not actively solicit fundraising from the public. During the year there were no complaints in respect of fundraising.

Risk management

The charitable company has identified the following key risks and has put mitigation in place:

- ◆ a decrease in pupils on roll which would lead to a decrease in funding and fee income. This risk is mitigated by frequent review of pupils on roll at frequent intervals. There is also a very close working relationship with finance personnel to ensure frequent forecasting takes place.
- ◆ recruitment of appropriately qualified staff to meet the needs of the pupils of the nursery, especially the younger age group. This risk is mitigated by the nursery having full access to the LAT Talent Team who are able to support and advise on all of the nursery's recruitment needs.

Trustees' report 31 August 2021

Trustees' responsibilities statement

The Trustees (who are also directors of The Hundred of Hoo Nursery and Kids Club Limited for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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 are sufficient to show and explain the charitable company's transactions and 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ◆ the Trustee has taken all the steps that he ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 29-11-2021 and signed on their behalf by:



Trustee

Independent auditor's report 31 August 2021

Independent auditor's report to the members of The Hundred of Hoo Nursery and Kids Club Limited

We have audited the financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report 31 August 2021

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ♦ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ♦ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ♦ performed analytical procedures to identify any unusual or unexpected relationships;
- ♦ tested journal entries to identify unusual transactions; and
- ♦ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ♦ review of the minutes of meetings of those charged with governance; and
- ♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report 31 August 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 20 December 2021

Statement of financial activities
(incorporating income and expenditure account) Year to 31 August 2021

	Notes	Un- restricted funds 2021 £	Restricted funds 2021 £	2021 Total funds £	Unrestricted funds 2020 £	Restricted funds 2020 £	2020 Total funds £
Income from:							
Charitable activities	1	541,722	1,128	542,850	448,453	3,495	451,948
Total income		<u>541,722</u>	<u>1,128</u>	<u>542,850</u>	<u>448,453</u>	<u>3,495</u>	<u>451,948</u>
Expenditure on:							
Charitable activities	2	532,749	1,128	533,877	499,634	3,495	503,129
Total expenditure		<u>532,749</u>	<u>1,128</u>	<u>533,877</u>	<u>499,634</u>	<u>3,495</u>	<u>503,129</u>
Net income (expenditure) and net movement in funds		8,973	—	8,973	(51,181)	—	(51,181)
Reconciliation of funds							
Total funds brought forward at 1 September 2020		62,191	—	62,191	113,372	—	113,372
Total funds carried forward 31 August 2021		<u>71,164</u>	<u>—</u>	<u>71,164</u>	<u>62,191</u>	<u>—</u>	<u>62,191</u>

The notes on pages 17 to 21 form part of these financial statements

Balance sheet 31 August 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets	5		13,643		25,597
Current assets					
Debtors	6	8,999		6,954	
Cash at bank and in hand		144,107		97,617	
		<u>153,106</u>		<u>104,571</u>	
Liabilities					
Creditors: amounts falling due within one year	7	(95,585)		(67,977)	
Net current assets			<u>57,521</u>		<u>36,594</u>
Total assets less current liabilities			<u>71,164</u>		<u>62,191</u>
Net assets			<u>71,164</u>		<u>62,191</u>
Funds and reserves:					
Restricted funds	8	—		—	
Unrestricted funds	8	71,164		62,191	
Total funds			<u>71,164</u>		<u>62,191</u>

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf, by:

 29/11/21

Trustee

The notes on pages 17 to 21 form part of these financial statements.

Statement of cash flows Year to 31 August 2021

		2021 £	2020 £
Net cash flows from operating activities			
Net cash provided by (used in) operating activities	A	46,490	(26,347)
Cash flows from investing activities:			
Purchase of tangible fixed assets		—	(27,998)
Net cash used in investing activities		—	(27,998)
Change in cash and cash equivalents in the year		46,490	(54,345)
Cash and cash equivalents at 1 September 2020	B	97,617	151,962
Cash and cash equivalents at 31 August 2021	B	144,107	97,617

A. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure) income for the year (as per statement of financial activities)	8,973	(51,181)
Adjustment for:		
Depreciation charges	11,954	11,529
(Increase) in debtors	(2,045)	(285)
Increase in creditors	27,608	13,590
Net cash provided by (used in) operating activities	46,490	(26,347)

B. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	144,107	97,617
Total	144,107	97,617

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hundred of Hoo Nursery and Kids Club Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating future income and expenditure flows and the charity's financial position; and
- ◆ estimating the economic useful life of fixed assets.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or condition that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. In making this assessment the Trustees have considered the ongoing impact of Covid-19.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Charitable activities are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvement to premises	Over the term of the lease
Furniture fixtures and fittings	15% straight line basis
Other equipment	20% straight line basis
Computer equipment	33% straight line basis

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charitable company only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the pension fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Lease commitments

The charitable company has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

1. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	2021 Total funds £	Unrestricted funds 2020 £	Restricted funds 2020 £	2020 Total funds £
Fees receivable	277,197	—	277,197	191,380	—	191,380
Nurse Vouchers	264,525	—	264,525	257,073	—	257,073
EYPP funding	—	1,128	1,128	—	1,895	1,895
DAF funding	—	—	—	—	1,600	1,600
	541,722	1,128	542,850	448,453	3,495	451,948

2. Analysis of expenditure on charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	2021 Total funds £	Unrestricted funds 2020 £	Restricted funds 2020 £	2020 Total funds £
Charitable activities	532,749	1,128	533,877	499,634	3,495	503,129

	2021 Total £	2020 Total £
Wages and salaries	438,307	409,561
Food and drinks	35,420	20,013
Rent	20,000	20,000
Depreciation	11,954	11,529
Accounting and professional fees	5,842	7,459
Equipment hire	4,949	6,151
Hygiene, cleaning and waste disposal	4,761	2,501
Subscriptions and software	3,890	3,273
Insurance	1,985	1,886
Toys, books, magazines and materials	1,533	217
Repairs and renewals	1,482	16,425
Stationery, printing, photocopying and postage	1,199	1,750
Advertising	903	1,072
Telephone	677	551
Bank charges	537	526
Uniforms and protective clothing	294	100
Training	90	—
Sundry expenses	50	49
Gifts for staff and clients	4	66
Total	533,877	503,129

3. Net income (expenditure)

This is stated after charging:

	2021 Total £	2020 Total £
Depreciation of tangible fixed assets	11,954	11,529
Audit fees	2,900	2,800

4. Staff costs

Staff costs were as follows:

	2021 Total £	2020 Total £
Wages and salaries	401,698	385,027
Social security costs	30,067	19,077
Other pension costs	6,542	5,457
	438,307	409,561

The average number of persons employed by the charitable company during the year was 27 (2020: 29).

Average headcount expressed as a full time equivalent was 22 (2020 – 24).

No employee received remuneration amounting to more than £60,000 in either year.

During the financial year the remuneration and benefits received by the charity's key management personnel amounted to £68,484 (2020 – £70,015). Key management personnel included the Nursery Manager and Deputy Nursery Manager.

During the year, no Trustees received any remuneration (2020 – none).

During the year, no Trustees received any reimbursement of expenses (2020 – none).

5. Tangible fixed assets

	Improvements to premises £	Furniture, fixtures & fittings £	Computer and other equipment £	Total funds £
Cost				
At 1 September 2020	17,461	21,341	31,320	70,122
Additions	—	—	—	—
At 31 August 2021	17,461	21,341	31,320	70,122
Depreciation				
At 1 September 2020	17,461	14,545	12,519	44,525
Charge in year	—	2,766	9,188	11,954
At 31 August 2021	17,461	17,311	21,707	56,479
Net book value				
At 31 August 2021	—	4,030	9,613	13,643
At 31 August 2020	—	6,796	18,801	25,597

6. Debtors

	2021 Total £	2020 Total £
Due within one year		
Other debtors	6,278	4,073
Prepayment and accrued income	2,721	2,881
	8,999	6,954

7. Creditors: Amounts falling due within one year

	2021 Total £	2020 Total £
Trade creditors	1,373	1,865
Other taxation and social security	5,132	4,685
Other creditors	1,488	1,791
Amount due to parent undertaking (note 13)	56,433	32,709
Accruals and deferred income	31,159	26,927
	95,585	67,977

Included within accruals and deferred income above is the following deferred income balance relating to funding received in August relating to 2021/22 and fees received in advance in August for 2021/22.

	2021 Total £	2020 Total £
Deferred income		
Deferred income at 1 September 2020	23,805	15,948
Resources deferred during the year	25,501	23,805
Amounts released from previous year	(23,805)	(15,948)
Deferred income at 31 August 2021	25,501	23,805

8. Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
2021				
Unrestricted funds:				
<i>Designated funds</i>				
Fixed asset fund	25,597	—	(11,954)	13,643
<i>General funds</i>				
General fund	36,594	541,722	(520,795)	57,521
	62,191	541,722	(532,749)	71,164
Restricted funds				
EYPP	—	1,128	(1,128)	—
	—	1,128	(1,128)	—
Total funds	62,191	542,850	(533,877)	71,164

8. Funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2020 £
2020					
Unrestricted funds:					
Designated funds					
Fixed asset fund	9,129	—	(11,529)	27,997	25,597
General funds					
General fund	104,243	448,453	(488,105)	(27,997)	36,594
	<u>113,372</u>	<u>448,453</u>	<u>(499,634)</u>	<u>—</u>	<u>62,191</u>
Restricted funds					
EYPP	—	1,895	(1,895)	—	—
DAF	—	1,600	(1,600)	—	—
	<u>—</u>	<u>3,495</u>	<u>(3,495)</u>	<u>—</u>	<u>—</u>
Total funds	<u>113,372</u>	<u>451,948</u>	<u>(503,129)</u>	<u>—</u>	<u>62,191</u>

9. Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
2021			
Tangible fixed assets	13,643	—	13,643
Current assets	153,106	—	153,106
Creditors due within one year	(95,585)	—	(95,585)
	<u>71,164</u>	<u>—</u>	<u>71,164</u>
	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
2020			
Tangible fixed assets	25,597	—	25,597
Current assets	104,571	—	104,571
Creditors due within one year	(67,977)	—	(67,977)
	<u>62,191</u>	<u>—</u>	<u>62,191</u>

10. Pension commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £6,542 (2020 - £5,457). At the balance sheet date £1,266 was payable to the fund (2020 - £1,176).

11. Operating lease commitments

At 31 August 2021 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Equipment		
Amounts payable:		
within 1 year	2,916	2,964
within 2-5 years	851	3,705

12. Related party transactions

During the year following amounts were paid to Leigh Academies Trust, the ultimate parent undertaking:

- ♦ Rent: £20,000 (2020: £20,000)
- ♦ Reimbursed purchases: £27,200 (2020: £10,371)

At 31 August 2021, £56,433 (2020: £32,709) was owed to Leigh Academies Trust.

13. Ultimate parent undertaking

The parent undertaking is Leigh Academies Trust by virtue of assuming legal ownership of the Nursery from 1 January 2019 following a merger with the Nursery's previous parent company. Leigh Academies Trust, is incorporated in England and Wales as a company limited by guarantee (Company Registration Number 02336587), its registered office is Carnation Road, Strood, Rochester, Kent ME2 2SX.

THE HUNDRED OF HOO NURSERY AND KIDS CLUB LIMITED

England & Wales - Charity number 1131001

Accounts

The Hundred of Hoo Nursery and Kids Club Limited

Trustees' report and financial statements

31 August 2020

Company Limited by Guarantee
Registration Number 06389366
(England and Wales)

Charity number: 1131001

Contents

Reports

Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report on the financial statements	6

Financial Statements

Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Principal accounting policies	12
Notes to the financial statements	15

Reference and administrative information 31 August 2020

Trustees	Ms D Biggenden Ms S Crocker Mr M Costello Mr N Willis
Company Secretary	Ms F Reizopoulou
Registered office	The Hundred of Hoo Academy Main Road Hoo St Werburgh Rochester Kent ME3 9HH
Company registration number	06389366 (England and Wales)
Charity registered number	1131001
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank Plc 148 High Street Chatham Kent ME4 4DB

Trustees' report 31 August 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the charitable company) for the year ended 31 August 2020. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as a directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

The charitable company was incorporated on 3 October 2007 (Company Number 06389366). The charitable company is a Company Limited by Guarantee and is governed by its Memorandum & Articles of Association. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The charitable company registered as a charity on 7 August 2009 (Charity Registration Number 1131001).

Trustees

The Trustees who served during the period were as follows:

Trustees	Appointed/Resigned
Deborah Biggenden	Appointed 20 September 2019
Michael Costello	Appointed 10 December 2019
Susan Crocker	
Karen Major	Resigned 20 September 2019
Neil Willis	

Method of appointment or election of Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum & Articles of Association.

Remuneration of key management personnel

All Trustees give their time freely and receive no remuneration. The pay and remuneration of key management personnel is set by the Pay Committee.

Objectives and activities

The principal activity of the charitable company is the operation of a Nursery and Kids Club in Hoo St Werburgh, Rochester, for the purpose of the advancement of education. In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements, performance and plans

The nursery continues to have strong links with its local community, offering early education to around 175 children aged up to 11 years of age from the local community.

Since joining Leigh Academies Trust ("The Trust") in January 2019, at the same time as the adjacent Hundred of Hoo Academy, the nursery has strengthened its offer to children and their families by accessing a range of services the Trust is able to offer.

In July 2019, the nursery received an inspection by Ofsted. The overall quality and standards of the early provision was identified as Good, but the nursery was rated as Outstanding for the quality of personal development, behaviour and welfare. The report identified that children of all ages make good progress and gain good skills to support their future learning. The staff were described as inspirational role models, who establish outstanding relationships with the children and their families.

The nursery has continued to invest in the learning environment and resources with the support of the Trust. Consequently, enhancements have been made within the building to create more flexible spaces and the outdoor learning areas have been enhanced to improve opportunities for effective play.

It was recognised that there needed to be improvements in IT resources for both learning and administration. Delivery of new, more effective systems has both improved the efficiency of systems and the range of ways in which the children are able to learn.

The nursery team of Manager, Deputy Manager and early years practitioners remains strong and turnover of staff has remained low. Where new or additional team members have been required, high quality candidates have been supplied with the assistance of the LAT recruitment team. This ensures that every child receives consistently high quality care and education.

Impact of Covid-19 on the charity

As a result of the closure of the Hundred of Hoo Nursery and Kids Club during the Covid-19 pandemic, the charitable company did not receive fees from some parents. The majority of funding, which comes from government, continued. After accounting for cost savings resulting from the closure, a net loss of approximately £40,000 was incurred. No applications were made to the government's Job Retention Scheme.

Financial review

The attached financial statements show the current state of the finances, which the Trustees consider to be sound.

Reserves of £62,191 have been accumulated at 31 August 2020, which are all unrestricted funds.

Reserves policy

As described in the accounting policies, the Trustees have a policy that a fixed asset fund should be maintained to fund the future depreciation of fixed assets. This fund represents the net book value of fixed assets already purchased and so this fund is not available for spending. Beyond this, the policy on reserves is that restricted general funds should not fall below zero. The level of such reserves tends to be modest as the charity is run on a not for profit basis. Trustees will keep the policy under review if there should be a material change in financial circumstances.

Public Benefit

The Board of Trustees has taken account of the Charity Commission's guidance on public benefit in reviewing Borne's aims and objectives and planning future activities.

Fundraising

The charitable company does not actively solicit fundraising from the public. During the year there were no complaints in respect of fundraising.

Risk management

The charitable company has identified the following key risks and has put mitigation in place:

- ◆ a decrease in pupils on roll which would lead to a decrease in funding and fee income; and
- ◆ recruitment of appropriately qualified staff to meet the needs of the pupils of the nursery, especially the younger age group.

Trustees' responsibilities statement

The Trustees (who are also directors of The Hundred of Hoo Nursery and Kids Club Limited for the purposes of company law) are responsible for preparing the Trustees' 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 period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 judgments and accounting 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;

Trustees' responsibilities statement (continued)

- ◆ 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 are sufficient to show and explain the charitable company's transactions and 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.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 8 December 2020 and signed on their behalf by:



N Willis

Trustee

Independent auditor's report to the members of The Hundred of Hoo Nursery and Kids Club Limited

Opinion

We have audited the financial statements of The Hundred of Hoo Nursery and Kids Club Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the 31 August 2020 when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report 31 August 2020

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report 31 August 2020

Responsibilities of Trustees (continued)

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 12 January 2021

Statement of financial activities
(incorporating income and expenditure account) Year to 31 August 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	2020 Total funds £	Unrestricted funds 2019 £	Restricted funds 2019 £	2019 Total funds £
Income from:							
Charitable activities	1	448,453	3,495	451,948	539,198	4,352	543,550
Total income		448,453	3,495	451,948	539,198	4,352	543,550
Expenditure on:							
Charitable activities	2	499,634	3,495	503,129	522,527	5,861	528,388
Total expenditure		499,634	3,495	503,129	522,527	5,861	528,388
Net (expenditure) income and net movement in funds		(51,181)	—	(51,181)	16,671	(1,509)	15,162
Reconciliation of funds							
Total funds brought forward at 1 September 2019		113,372	—	113,372	96,701	1,509	98,210
Total funds carried forward 31 August 2020		62,191	—	62,191	113,372	—	113,372

The notes on pages 15 to 19 form part of these financial statements

Balance sheet 31 August 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible fixed assets	5		25,597		9,129
Current assets					
Debtors	6	6,954		6,668	
Cash at bank and in hand		97,617		151,962	
		104,571		158,630	
Liabilities					
Creditors: amounts falling due within one year	7	(67,977)		(54,387)	
Net current assets			36,594		104,243
Total assets less current liabilities			62,191		113,372
Net assets			62,191		113,372
Funds and reserves:					
Restricted funds	8		—		—
Unrestricted funds	8		62,191		113,372
Total funds			62,191		113,372

The financial statements were approved and authorised for issue by the Trustees on 8 December 2020 and signed on their behalf, by:



N Willis

Trustee

The notes on pages 15 to 19 form part of these financial statements.

Statement of cash flows Year to 31 August 2020

		2020 £	2019 £
Net cash inflows from operating activities			
Net cash (used in) provided by operating activities	A	(26,347)	45,158
Cash flows from investing activities:			
Purchase of tangible fixed assets		(27,998)	(1,501)
Net cash used in investing activities		(27,998)	(1,501)
Change in cash and cash equivalents in the year		(54,345)	43,657
Cash and cash equivalents at 1 September 2019	B	151,962	108,305
Cash and cash equivalents at 31 August 2020	B	97,617	151,962

A. Reconciliation of net movement in funds to net cash flow from operating activities

		2020 £	2019 £
Net (expenditure) income for the year (as per statement of financial activities)		(51,181)	15,162
Adjustment for:			
Depreciation charges		11,529	3,481
(Increase) decrease in debtors		(285)	14,376
Increase in creditors		13,590	12,139
Net cash (used in) provided by operating activities		(26,347)	45,158

B. Analysis of cash and cash equivalents

		2020 £	2019 £
Cash at bank and in hand		97,617	151,962
Total		97,617	151,962

Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hundred of Hoo Nursery and Kids Club Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- ◆ estimating the impact of the Covid-19 pandemic on future income and expenditure flows and the charity's financial position; and
- ◆ estimating the economic useful life of fixed assets.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or condition that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. In making this assessment the Trustees have considered the ongoing impact of Covid-19.

Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charitable company.

Charitable activities are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvement to premises	Over the term of the lease
Furniture fixtures and fittings	15% straight line basis
Other equipment	25% straight line basis
Computer equipment	25% straight line basis

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges

Financial instruments

The charitable company only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the pension fund in respect of the year.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Lease commitments

The charitable company has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the charitable company has acquired the risks and rewards associated with the ownership of the underlying assets.

1. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	2020 Total funds £	Unrestricted funds 2019 £	Restricted funds 2019 £	2019 Total funds £
Fees receivable	191,380	—	191,380	287,015	—	287,015
Nursey Vouchers	257,073	—	257,073	251,501	—	251,501
EYPP funding	—	1,895	1,895	—	4,352	4,352
MTSA funding	—	—	—	682	—	682
DAF funding	—	1,600	1,600	—	—	—
	448,453	3,495	451,948	539,198	4,352	543,550

2. Analysis of expenditure on charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	2020 Total funds £	Unrestricted funds 2019 £	Restricted funds 2019 £	2019 Total funds £
Charitable activities	499,634	3,495	503,129	522,527	5,861	528,388

	2020 Total £	2019 Total £
Toys, books, magazines and materials	217	8,492
Food and drinks	20,013	34,274
Kitchen expenses	—	220
Advertising	1,072	1,152
Hygiene, cleaning and waste disposal	2,501	2,709
Uniforms and protective clothing	100	727
Subscriptions and software	3,273	2,882
Training	—	570
Insurance	1,886	1,871
Equipment hire	6,151	4,039
Repairs and renewals	16,425	3,713
Telephone	551	685
Stationery, printing, photocopying and postage	1,750	865
Sundry expenses	49	4
Gifts for staff and clients	66	1,184
Accounting and professional fees	7,459	8,689
Bank charges	526	488
Rent	20,000	20,251
Repayment of funds	—	40,000
EYPP offset expenditure	—	2,608
Wages and salaries	409,561	389,484
Depreciation	11,529	3,481
Total	503,129	528,388

3. Net (expenditure) income

This is stated after charging:

	2020 Total £	2019 Total £
Depreciation of tangible fixed assets	11,529	3,481
Audit fees	2,800	2,750

4. Staff costs

Staff costs were as follows:

	2020 Total £	2019 Total £
Wages and salaries	385,027	378,733
Social security costs	19,077	6,414
Other pension costs	5,457	4,337
	409,561	389,484

The average number of persons employed by the charitable company during the year was 29 (2019: 29).

Average headcount expressed as a full time equivalent was 24 (2019 – 23).

No employee received remuneration amounting to more than £60,000 in either year.

During the financial year the remuneration and benefits received by the Charity's Key Management Personnel amounted to £70,015(2019 – £67,953).

During the year, no Trustees received any remuneration (2019 – £nil).

During the year, no Trustees received any reimbursement of expenses (2019 – £nil).

5. Tangible fixed assets

	Improvements to premises £	Furniture, fixtures & fittings £	Computer and other equipment £	Total funds £
Cost				
At 1 September 2019	17,461	20,281	4,382	42,124
Additions	—	1,060	26,938	27,998
At 31 August 2020	<u>17,461</u>	<u>21,341</u>	<u>31,320</u>	<u>70,122</u>
Depreciation				
At 1 September 2019	17,461	11,780	3,755	32,996
Charge in year	—	2,765	8,764	11,529
At 31 August 2020	<u>17,461</u>	<u>14,545</u>	<u>12,519</u>	<u>44,525</u>
Net book value				
At 31 August 2020	—	6,796	18,801	25,597
At 31 August 2019	—	8,501	627	9,128

6. Debtors

	2020 Total £	2019 Total £
Due within one year		
Trade debtors	—	4,873
Other debtors	4,073	—
Prepayment and accrued income	2,881	1,795
	<u>6,954</u>	<u>6,668</u>

7. Creditors: Amounts falling due within one year

	2020 Total £	2019 Total £
Trade creditors	1,865	12,222
Other taxation and social security	4,685	2,140
Other creditors	1,791	647
Amount due to parent (note 13)	32,709	—
Accruals and deferred income	26,927	39,378
	<u>67,977</u>	<u>54,387</u>
	2020 Total £	2019 Total £
Deferred income		
Deferred income at 1 September 2019	15,948	30,643
Resources deferred during the year	23,805	15,948
Amounts released from previous year	(15,948)	(30,643)
Deferred income at 31 August 2020	<u>23,805</u>	<u>15,948</u>

8. Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2020 £
2020					
Unrestricted funds:					
Designated funds					
Fixed asset fund	9,129	—	(11,529)	27,997	25,597
General funds					
General fund	104,243	448,453	(488,105)	(27,997)	36,594
	<u>113,372</u>	<u>448,453</u>	<u>(499,634)</u>	<u>—</u>	62,191
Restricted funds					
EYPP	—	1,895	(1,895)	—	—
DAF	—	1,600	(1,600)	—	—
	<u>—</u>	<u>3,495</u>	<u>(3,495)</u>	<u>—</u>	—
Total funds	113,372	451,948	(503,129)	—	62,191

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
2019				
Unrestricted funds:				
Designated funds				
Fixed asset fund	11,109	1,501	(3,481)	9,129
General funds				
General fund	85,592	537,697	(519,046)	104,243
	<u>96,701</u>	<u>539,198</u>	<u>(522,527)</u>	<u>113,372</u>
Restricted funds				
EYPP	1,150	4,352	(5,502)	—
DAF	359	—	(359)	—
	<u>1,509</u>	<u>4,352</u>	<u>(5,861)</u>	<u>—</u>
Total funds	98,210	543,550	(528,388)	113,372

9. Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
2020			
Tangible fixed assets	25,597	—	25,597
Current assets	104,571	—	104,571
Creditors due within one year	(67,977)	—	(67,977)
	<u>62,191</u>	<u>—</u>	62,191

9. Analysis of net assets between funds (continued)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
2019			
Tangible fixed assets	9,129	—	9,129
Current assets	158,630	—	158,630
Creditors due within one year	(54,387)	—	(54,387)
	<u>113,372</u>	<u>—</u>	<u>113,372</u>

10. Pension commitments

The charitable company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £5,457 (2019 - £4,337). At the balance sheet date £1,176 was payable to the fund (2019 - £1,022).

11. Operating lease commitments

At 31 August 2020 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

Equipment	2020 £	2019 £
Amounts payable:		
within 1 year	2,964	22,964
within 2-5 years	3,705	6,669

12. Related party transactions

During the year following amounts were paid to Leigh Academies Trust, the ultimate parent undertaking:

- ♦ Rent: £20,000 (2019: £20,251)
- ♦ Reimbursed purchases: £10,371 (2019: £812)

At 31 August 2020, £32,709 (2019: £3,809) was owed to Leigh Academies Trust.

13. Ultimate parent undertaking

The parent undertaking is Leigh Academies Trust by virtue of assuming legal ownership of the Nursery from 1 January 2019 following a merger with the Nursery's previous parent company.