

FIVEWAYS PLAYCENTRE
(A Company Limited by Guarantee)
Company Number: 6985726

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Charity Registration No: 1131820
Company Number: 6985726

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

FIVEWAYS PLAYCENTRE
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YEAR ENDED 31 AUGUST 2021

INDEX TO FINANCIAL STATEMENTS

Page No.

1	Index
2 - 6	Trustees' Report
7	Statement of Financial Activities
8	Balance Sheet
9 - 12	Notes to the Financial Statements
13	Report of the Independent Examiner

FIVEWAYS PLAYCENTRE
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TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

LEGAL AND ADMINISTRATIVE DETAILS

Governing Document

The organisation is a company limited by guarantee (number 6985726), as defined by the Companies Act 2006, incorporated on 8 August 2009 and registered as a charity (number 1131820) on 24 September 2009.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association.

The members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

Address of Charity: Florence Road
Brighton
East Sussex
BN1 6DJ

Trustees (who are directors for Company law purposes): Joy Hathaway
Sean O'Brien (Resigned 23 July 2021)
Cassie Hissey (Appointed 24 July 21, Resigned 30 December 2021)
Julie Stobart (Resigned 29 June 2021)
Vanessa Lawrence (Resigned 23 March 2021)

Playcentre Manager: Lucy Reading

Bankers: Royal Bank of Scotland plc
Brighton and Hove Branch
PO Box 300
Brighton
East Sussex
BN1 9TE

Independent Examiner: Alexandra Ardizzone
9 Cresford Road
London
SW6 2AH

The charitable company was set up to continue the work of a charity, Fiveways Pre-school Playgroup, charity number 305178, founded in 1971, which ceased its activities in August 2009. The reserves from that charity formed the opening balances in this charitable company in 2009.

FIVEWAYS PLAYCENTRE
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TRUSTEES' REPORT - continued

GOVERNANCE AND MANAGEMENT

The Trustees are responsible for the governance of the charity but are not involved in the management. A management committee, open to all parents and typically comprising 5-10 active members, meets monthly and delegates the day-to-day running of the Playcentre to the Playcentre Manager.

Trustees are recruited from former members of the Management Committee (e.g. whose children have moved on to full-time Primary Education), but who continue to share in the aims of the Playgroup, and /or from former members of Staff (who can also represent employee interests).

Trustees stand for election at the AGM held each October.

Trustees are therefore already familiar with the workings of Playgroup for 1-3 years, and any additional education needed is based upon Charity Commission material.

PUBLIC BENEFIT

In shaping our objectives and planning our activities for the year, the Trustees have considered the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the following paragraphs, specifically on the "Aims and Objectives" and "Achievements and Performance" for the year, relate in detail the benefit that the charity provides to the public.

AIMS AND ACTIVITIES

Aims of Charity

To advance the education of children below compulsory school age by providing safe and satisfying group play.

Encouraging other charitable activities through which children may benefit.

Activities

The Playcentre is open for childcare sessions Monday to Friday following the East Sussex Schools Academic year, i.e. closing for end of term and half term holidays.

The Playcentre offers a choice of all day and sessional care and offers an After School club until 5.30pm.

The Playcentre offers a holiday play scheme for some of the time that local schools are closed typically 3 days at Easter and 2-3 weeks at the start of the Summer break.

The Playcentre offers a Breakfast Club to take in children at 8am and safely conduct them to school at 8.30am.

The Playcentre offers a "Play and Stay" session on Monday, Wednesday & Friday mornings for Parents to accompany their babies & toddlers in an informal setting.

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TRUSTEES' REPORT - continued

ACHIEVEMENTS PERFORMANCE

Objectives

To continue to provide value-for-money affordable childcare.

Performance

Fiveways Playcentre continues to be an extremely popular choice in the area, mainly driven by word of mouth and siblings of previous attendees. The setting continues to provide high quality and affordable childcare and our children benefit from the extensive childcare experience and longevity of our staff.

We have continued to provide affordable childcare and are one of the few nurseries in the area that has been able to enable parents to access 15 hours of childcare without any additional costs. To achieve this, we fundraise extensively to cover the funding gap between the amount we receive from Government and the actual costs of delivering childcare.

Fundraising performance

Throughout the year staff hold several fundraising events, these include a fireworks display, Christmas and Summer Fairs and an Open House. These events are well attended by our families and are not only important for raising funds but also for creating a sense of community amongst our parents.

We do not pay professional fundraisers. Fundraising costs are typically for the hire of Equipment at Fundraising functions.

Investment Income

We only have Income from a Royal Bank of Scotland Interest Earning Current Account.

Factors affecting performance

This year the Coronavirus pandemic affected the Playcentre's performance due to national lockdowns being imposed and school closures being in affect for part of the school year.

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TRUSTEES' REPORT - continued

FINANCIAL REVIEW

Reserves Policy

Unless Donations are designated for specific activities, all funds are held Unrestricted for General purposes.

Funding sources

43% of Income comes from the Parents of Children in the form of Fees.

42% comes from the local Authority Nursery Voucher scheme.

RISK MANAGEMENT

The Trustees have reviewed the major risks to which the Playgroup is exposed and are confident that controls are in place to mitigate against those risks.

RESERVES

All funds are held as unrestricted. In practice it is always the policy to aim to accrue a surplus during the rest of the trading year to meet the Holiday Pay (circa £30,000) incurred during the month of August when there is no Fee Income.

BUILDING

Service costs such as Building Insurance, Business Rates, Gas, Electricity and Water have been partly offset by being able to re-charge 20% of such costs to the Preston Park Children's Centre located within the new building.

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TRUSTEES' REPORT - continued

TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006, and regulations under Section 130 of the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 5 May 2022 and signed on their behalf by

Joy Hathaway - Trustee

FIVEWAYS PLAYCENTRE
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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

INCOME AND EXPENDITURE

	Notes	Unrestricted 2021 Total £	Unrestricted 2020 Total
INCOMING RESOURCES			
Incoming resources from Generated Funds:			
Donations	2	-	959
Fundraising		159	2,368
Bank interest	3	8	72
Lettings Received		350	2,054
Children's Centre Service Fees		-	-
HMRC JRS Grant		61,288	74,368
Incoming resources from Charitable Activities:			
Brighton and Hove Vouchers		171,590	179,003
Fees Received	4	<u>176,771</u>	<u>178,667</u>
TOTAL INCOMING RESOURCES		<u>410,166</u>	<u>437,491</u>
RESOURCES EXPENDED			
Cost of Generating Funds:			
Fundraising		177	178
Charitable Activities	5	<u>408,225</u>	<u>379,697</u>
TOTAL RESOURCES EXPENDED		<u>408,402</u>	<u>379,875</u>
NET (OUTGOING)/INCOMING RESOURCES		1,764	57,616
Fund Balances brought forward at 1 September 2020		<u>141,983</u>	<u>84,367</u>
Fund Balances carried forward at 31 August 2021		<u>143,747</u>	<u>141,983</u>

There are no other gains or losses in either year.

The net (outgoing)/incoming resources for the financial year arose from continuing operations.

The notes set out on pages 9 to 12 form part of these financial statements

FIVEWAYS PLAYCENTRE
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Company Number: 6985726

BALANCE SHEET AS AT
31 AUGUST 2021

	Notes	2021	2020
		£	£
FIXED ASSETS			
Leasehold Property	7	70,000	75,000
Computer Equipment		585	-
CURRENT ASSETS			
Debtors	8	-	-
Cash at bank and in hand		<u>79,635</u>	<u>74,349</u>
		<u>79,635</u>	<u>74,349</u>
LIABILITIES: amounts falling due within one year			
Creditors	9	<u>6,473</u>	<u>7,366</u>
EXCESS OF CURRENT LIABILITIES OVER ASSETS		<u>73,162</u>	<u>66,983</u>
NET ASSETS		<u>143,747</u>	<u>141,983</u>
FUNDS-			
Unrestricted		143,747	141,983
Restricted		<u>-</u>	<u>-</u>
	13	<u>143,747</u>	<u>141,983</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 August 2020. The members have not required the company to obtain an audit of its financial statements for the period ended 31 August 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 5 May 2022 and signed on their behalf by -

Joy Hathaway - Trustee

The notes set out on pages 9 to 12 form part of these financial statements

FIVEWAYS PLAYCENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

(a) Basis of accounting

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Fund accounting

The charity has various types of funds for which it is responsible, and which require separate disclosure:

Unrestricted funds - Funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds - Funds which are expendable as directed by the donor.

(c) Incoming resources

Incoming resources are accounted for as soon as probable entitlement is established as follows:

Donations, legacies and fundraising - on a receivable basis when capable of financial measurement and as soon as the charity is notified of its legal entitlement and the amount due is quantifiable with reasonable certainty.

Interest income - on a receivable basis.

(d) Resources expended

Resources expended are accounted for on an accruals basis and include attributable VAT which cannot be recovered.

i) Costs in furtherance of charitable objectives comprise all expenditure directly relating to the objectives of the charity.

ii) Administrative expenditure comprises overheads not directly attributable to direct charitable expenditure. These relate to the management of the Trust's funds, organisational administration and compliance with statutory requirements.

(e) Fixed Assets

The charity paid, in August 2010, £125,000 for a 25 year lease on the building from which it operates.

This cost will be depreciated over the 25 years of the lease on a straight line basis.

The cost of computer equipment will be depreciated on a straight line basis at 25% per annum.

(f) Cash Flow Statement

The charity has taken advantage of the exemption from the requirement to provide a cash flow statement on the grounds their size does not meet the minimum thresholds as set out in the Charities Statement of Recommended Practice.

(g) Pensions

The charity is scheduled to commence Auto-Enrolment in a Workplace Pension Scheme with NEST (National Employment Savings Trust) effective October 2015

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NOTES TO THE FINANCIAL STATEMENTS - continued

2. DONATIONS

	2021	2020
	£	£
Co-op Community Fund	-	-
Usborne Books	-	-
Miscellaneous	=	<u>959</u>
	=	<u>959</u>

3. INTEREST RECEIVED

Royal Bank of Scotland	<u>8</u>	<u>72</u>
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4. FEES RECEIVED

Playgroup and After Schools Club	176,771	178,667
Registration	<u>-</u>	<u>-</u>
	<u>176,771</u>	<u>178,667</u>

5. DIRECT CHARITABLE EXPENDITURE

Salaries	320,260	310,676
Employers' National Insurance	14,239	13,906
Pension	3,085	3,248
Food & Milk	4,262	5,212
Utilities & Services	17,374	12,869
Insurance	2,953	2,711
Education & Training	1,180	254
Play Equipment & Materials	4,581	5,996
Building Repair & Maintenance	27,155	7,094
Other Equipment & Materials	3,495	5,814
Office Administration	4,145	6,617
Independent Examination	300	300
Depreciation	<u>5,196</u>	<u>5,000</u>
	<u>408,225</u>	<u>379,697</u>

6. EMPLOYEES

The average number of Employees in the year:	<u>33</u>	<u>31</u>
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No employee received remuneration in excess of £60,000.

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NOTES TO THE FINANCIAL STATEMENTS - continued

7. FIXED ASSETS

	Leasehold Property £	Computer Equipment £
COST		
As at 31 August 2020 and 31 August 2021	<u>125,000</u>	<u>781</u>
DEPRECIATION		
As at 31 August 2020	50,000	-
Charge for the year	<u>5,000</u>	<u>196</u>
As at 31 August 2021	<u>55,000</u>	<u>196</u>
NET BOOK VALUE		
As at 31 August 2021	<u>70,000</u>	<u>585</u>
As at 31 August 2020	<u>75,000</u>	-

8. DEBTORS

	2021 £	2020 £
Fees	-	-
Other debtor	=	=
	<u>-</u>	<u>-</u>

9. CREDITORS Amounts falling due within one year

	2021 £	2020 £
Fees	1,260	4,690
Other Creditors	<u>5,213</u>	<u>2,676</u>
	<u>6,473</u>	<u>7,366</u>

10. RELATED PARTY TRANSACTIONS

No Trustee received any remuneration during the year.

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NOTES TO THE FINANCIAL STATEMENTS - continued

11. TAXATION

The Charity is considered to pass the tests set out in Paragraph I Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total
	2021	2021	2021
	£	£	£
Tangible Fixed Assets	70,585		70,585
Net Current Assets /(Liabilities)	<u>73,162</u>		<u>73,162</u>
	<u>143,747</u>		<u>143,747</u>

13. MOVEMENT IN FUNDS

	31 August 2020 £	Incoming £	Outgoing £	31 August 2021 £
Unrestricted Funds				
General	<u>141,983</u>	<u>410,166</u>	<u>(408,402)</u>	<u>143,747</u>
Total Unrestricted	<u>141,983</u>	<u>410,166</u>	<u>(408,402)</u>	<u>143,747</u>
Total Funds	<u>141,983</u>	<u>410,166</u>	<u>(408,402)</u>	<u>143,747</u>

There are no Restricted funds in either 2021 or 2020.

14. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation during the time that they are members or within 12 months afterwards.