

GOSFORTH NURSERY

England & Wales · Charity number 1133546

Details

Status Registered

Legal form Charitable company

Company number [06952333](#)

Registered 2010-01-18

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

Contact

Address Gosforth Nursery
Gosforth
Seascale
CA20 1AZ

Phone 01946725800

Email Manager@gosforthenursery.co.uk

Website www.gosforthenursery.co.uk

Activities

Objects: TO ENHANCE THE DEVELOPMENT AND EDUCATION OF CHILDREN PRIMARILY UNDER STATUTORY SCHOOL AGE BY ENCOURAGING PARENTS TO UNDERSTAND AND PROVIDE FOR THE NEEDS OF THEIR CHILDREN THROUGH COMMUNITY GROUPS AND BY;-1. OFFERING APPROPRIATE PLAY, EDUCATION AND CARE FACILITIES AND TRAINING COURSES, TOGETHER WITH THE RIGHT OF PARENTS TO TAKE RESPONSIBILITY FOR AND TO BECOME INVOLVED IN THE ACTIVITIES OF SUCH GROUPS, ENSURING THAT SUCH GROUPS OFFER OPPORTUNITIES FOR ALL CHILDREN WHATEVER THEIR RACE, CULTURE, RELIGION, MEANS OR ABILITY;2 ENCOURAGING THE STUDY OF THE NEEDS OF SUCH CHILDREN AND THEIR FAMILIES AND PROMOTING PUBLIC INTEREST IN AND RECOGNITION OF SUCH NEEDS;3 INSTIGATING AND ADHERING TO AND FURTHERING THE AIMS AND OBJECTS OF THE PRE-SCHOOL LEARNING ALLIANCE.

Activities: OUR SETTING IS SITUATED IN THE RURAL VILLAGE OF GOSFORTH IN CUMBRIA. THE NURSERY PROVIDES FULL DAY CARE FOR CHILDREN FROM 4 MONTHS OF AGE, OUT OF SCHOOL SERVICES AND HOLIDAY CLUBS FOR CHILDREN UP TO 11 YEARS OF AGE.

Classification

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

Geography

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

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£325,639	£353,467	-	-
2023-08-31	£381,185	£360,864	-	-
2022-08-31	£273,294	£304,044	-	-
2021-08-31	£189,850	£239,435	-	-
2020-08-31	£226,302	£238,326	-	-

Trustees

Name	Role	Appointed
Godwin Oji		2023-01-31
Laura Jane Risager Wilson Ponting		2021-02-17
Pepita Mary Isabel Ellis		2022-02-28

GOSFORTH NURSERY

England & Wales - Charity number 1133546

Accounts

Gosforth Nursery Ltd
(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 August 2024

Charity number: 1133546

Company number: 06952333

robinson+co (Gosforth) Limited

Chartered Accountants

GOSFORTH

Gosforth Nursery Ltd
(A company limited by guarantee)

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Gosforth Nursery Ltd
(A company limited by guarantee)

Legal and administrative information

Charity number 1133546

Company registration number 06952333

Business address
Gosforth Nursery Ltd
Gosforth C of E School
Wasdale Road
GOSFORTH
CA20 1AZ

Registered office
The Old Forge
Beck Place
GOSFORTH
CA20 1AT

Trustees
D N Brooks
T A Morris
L J Risager Wilson Ponting
P M I Ellis
G Oji
E C V Bates

Appointed 23 October 2023
Resigned 01 August 2024

Accountants
robinson+co (Gosforth) Limited
The Old Forge
Beck Place
GOSFORTH
CA20 1AT

Bankers
HSBC Bank plc
3 Pow Street
WORKINGTON
CA14 3AT

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2024

The trustees present their report and the financial statements for the year ended 31 August 2024. The trustees, who are also directors of Gosforth Nursery Ltd for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

Gosforth Nursery Limited is constituted as a company limited by guarantee and is a registered charity. The charitable company is governed by its Memorandum and Articles of Association dated 3 July 2009.

Day to day management

The Nursery is managed by Mrs Gillian Jackson.

Trustees

The aim is to maintain a trustee board with a range of skills which will be useful to the organisation. New trustees are taken through an induction procedure.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Nursery Manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. The pay of the charity's senior staff is reviewed annually and assessed to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and activities

The Charitable Objects are:

To enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through communitiy groups and by:-

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

We aim to:-

1. Provide high quality care and education for children primarily below statutory school age;
2. Work in partnership with parents to help children learn and develop;
3. Add to the life and well being of our local community; and
4. Offer children and their parents a service which promotes equality and values diversity.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2024

Achievements and performance

In spite of another challenging year which saw a significant increase in the national minimum wage and higher than average running costs, the nursery was able to continue to deliver the high level of service to which parents using our facility have become accustomed.

The nursery staff, together with the management, have continued to work with the assiduous spirit which they have become known for over the lifetime of the nursery. There were not any significant changes within the team. This continuity benefits the children within our setting as well as the staff. The low levels of attrition at Gosforth Nursery are testament to the strong sense of 'team'.

In April the staff received a pay rise which, although above the national average, wasn't proportional to previous years. The percentage was reflective of the Nursery's finances at that moment in time.

Since April changes have been introduced which have helped boost the nurseries overall financial performance. These include a block booking system which allowed a more efficient & streamlined approach to staffing.

April also saw an increase in fees and charges. This was required to ensure we continued to cover the inevitable rise and costs encountered in the day to day running of the nursery.

These changes resulted in an overall financial gain from April until the period ending August 2024.

Achievements and performance (continued)

Financial review

At the balance sheet date the charity held £163,323 (2023: £177,527) on unrestricted funds and £190,726 (2023: £204,350) on restricted funds, a satisfactory position.

Reserves

Gosforth Nursery Management Committee seeks to hold 3 months operating costs in reserves as part of their contingency planning process. At the date of this report this reserve fund was complete and stood at £50,000.

Risk management

The trustees have assessed the major strategic, business and operational risks to which the organisation is exposed. They are satisfied that systems are in place to mitigate the exposure to these risks.

Plans for future periods

The future of the nursery is looking promising. In line with the planned retirement of the long-standing head of the nursery, a change of management arrangements has been proposed. Gosforth School and Gosforth Nursery are considering merging the two setting. Both parties are working together to determine how best to deliver a service which remains efficient, offers financial stability and continues to deliver high quality education as well as being a great place to work. The Nursery Trustees, School Governors and staff are all entirely committed to ensuring a high quality of service provision for many years to come.

The Nursery Trustees are working to ensure a smooth transition to the proposed new management arrangements and will continue to keep staff, parents and carers engaged throughout.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2024

Statement of trustees' responsibilities

The trustees (who are also directors of Gosforth Nursery Ltd for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board



G Oji
Director

9th May 2025

Gosforth Nursery Ltd
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Gosforth Nursery Ltd.

I report on the accounts of Gosforth Nursery Ltd for the year ended 31 August 2024 set out on pages 6 to 20.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J. Spires

.....
Mr J Spires FCA DChA

Independent examiner

robinson+co (Gosforth) Limited
The Old Forge
Beck Place
Gosforth, Seascale
CA20 1AT

9th May 2025

Gosforth Nursery Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Income					
Income from charitable activities	2	226,691	94,375	321,066	373,264
Income from other trading activities:					
Activities for generating funds	3	3,790	-	3,790	7,543
Investment income	4	783	-	783	378
Total income		<u>231,264</u>	<u>94,375</u>	<u>325,639</u>	<u>381,185</u>
Expenditure					
Charitable activities	5	245,468	107,999	353,467	360,864
Total expenditure		<u>245,468</u>	<u>107,999</u>	<u>353,467</u>	<u>360,864</u>
Net income/(expenditure) for the year		(14,204)	(13,624)	(27,828)	20,321
Total funds brought forward		177,527	204,350	381,877	361,556
Total funds carried forward		<u>163,323</u>	<u>190,726</u>	<u>354,049</u>	<u>381,877</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet
as at 31 August 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	12		298,471		317,674
Current assets					
Cash at bank and in hand		63,629		73,567	
		<u>63,629</u>		<u>73,567</u>	
Creditors: amounts falling due within one year	13	(8,051)		(9,364)	
Net current assets			<u>55,578</u>		<u>64,203</u>
Net assets			<u>354,049</u>		<u>381,877</u>
Funds	15				
Restricted income funds			190,726		204,350
Unrestricted income funds			163,323		177,527
Total funds			<u>354,049</u>		<u>381,877</u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet (continued)

Trustees statements required by the Companies Act 2006
for the year ended 31 August 2024

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 August 2024.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on

9/5/25.

and signed on its behalf by



G Oji
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Cash flow statement

for the year ended 31 August 2024

	Notes	2024 £	2023 £
Net cash used by operating activities	19	(5,768)	46,744
Cash flows from investing activities			
Interest and dividends		783	378
Purchase of tangible fixed assets		(4,953)	(15,541)
Net cash provided by investing activities		<u>(4,170)</u>	<u>(15,163)</u>
Change in cash and cash equivalents in the year		(9,938)	31,581
Cash and cash equivalents brought forward		73,567	41,986
Cash and cash equivalents carried forward		<u><u>63,629</u></u>	<u><u>73,567</u></u>

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2024

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company constitutes a public benefit entity as defined by FRS 102.

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

The presentational currency is UK Sterling pounds (£).

1.2. Income

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and governance costs.

Gosforth Nursery Ltd
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Notes to financial statements
for the year ended 31 August 2024

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Leasehold properties - Straight line over the life of the lease
- Fixtures, fittings and equipment - 25% straight line

1.5. Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2024

1.7. Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Government grants	-	-	-	53,328
Fees from parents	226,691	-	226,691	198,117
Early years entitlements	-	94,375	94,375	121,819
	<u>226,691</u>	<u>94,375</u>	<u>321,066</u>	<u>373,264</u>

In 2023 of the income from charitable activities, £121,819 was attributable to restricted income funds, with the balance of £251,445 being unrestricted.

3. Activities for generating funds

	Unrestricted funds £	2024 Total £	2023 Total £
Fundraising events	679	679	4,498
Income from solar panels	3,111	3,111	3,045
	<u>3,790</u>	<u>3,790</u>	<u>7,543</u>

In 2023 all of the income from activities for generating funds was attributable to unrestricted income funds.

Gosforth Nursery Ltd
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Notes to financial statements
for the year ended 31 August 2024

4. Investment income

	Unrestricted funds £	2024 Total £	2023 Total £
Bank interest receivable	783	783	378
	783	783	378
	783	783	378

In 2023 all of the investment income was attributable to unrestricted income funds.

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
Operation of nursery	245,468	107,999	353,467	360,864
	245,468	107,999	353,467	360,864
	245,468	107,999	353,467	360,864

In 2023 of the costs of charitable activities, £135,443 was attributable to restricted funds, with the balance of £225,421 being unrestricted.

6. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2024 Total £	2023 Total £
Operation of nursery	349,009	4,458	353,467	360,864
	349,009	4,458	353,467	360,864
	349,009	4,458	353,467	360,864

Gosforth Nursery Ltd
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Notes to financial statements
for the year ended 31 August 2024

7. Analysis of support costs

	Operation of nursery £	2024 Total £	2023 Total £
Accountancy charges	1,212	1,212	1,110
Legal and professional fees	1,796	1,796	1,081
Bank charges	(12)	(12)	106
Sundry expenses	1,462	1,462	1,035
	4,458	4,458	3,332
	4,458	4,458	3,332

8. Net (outgoing)/incoming resources for the year

	2024 £	2023 £
Net (outgoing)/incoming resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	24,156	22,124
	24,156	22,124
	24,156	22,124

Gosforth Nursery Ltd
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Notes to financial statements
for the year ended 31 August 2024

9. Employees

Employment costs	2024	2023
	£	£
Wages and salaries	262,003	272,403
Social security costs	14,687	12,786
Pension costs	5,059	4,595
	<u>281,749</u>	<u>289,784</u>

No employee received emoluments of more than £60,000 (2023 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year was as follows:

	2024	2023
	Number	Number
Staff	<u>16</u>	<u>18</u>

During the year no expenses were paid to trustees (2023 - £nil).

The key management personnel of the charity is comprised of the Board of Trustees and Nursery Manager. The total employment benefits of the key management personnel were £48,817 (2023: £45,206).

10. Pension costs

The company operates a defined contribution pension scheme in respect of the NEST pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2024	2023
	£	£
Pension charge	<u>5,059</u>	<u>4,595</u>

Contributions amounting to £2,071 (2023: £2,000) were outstanding at the year end and are included within other creditors.

11. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Gosforth Nursery Ltd
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Notes to financial statements
for the year ended 31 August 2024

12. Tangible fixed assets	Short leasehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 September 2023	497,685	11,076	508,761
Additions	-	4,953	4,953
At 31 August 2024	<u>497,685</u>	<u>16,029</u>	<u>513,714</u>
Depreciation			
At 1 September 2023	183,769	7,318	191,087
Charge for the year	20,870	3,286	24,156
At 31 August 2024	<u>204,639</u>	<u>10,604</u>	<u>215,243</u>
Net book values			
At 31 August 2024	<u>293,046</u>	<u>5,425</u>	<u>298,471</u>
At 31 August 2023	<u>313,916</u>	<u>3,758</u>	<u>317,674</u>

Cost of short leasehold property consists of expenditure incurred constructing the purpose-built nursery (£434,647), the Pine Lodge (£6,690), a shed (£7,500), and property improvements (£14,116), together with the construction of an outdoor area (£34,732). The nursery is leased from Cumbria County Council.

13. Creditors: amounts falling due within one year	2024 £	2023 £
Other taxes and social security	4,516	4,940
Other creditors	2,071	3,176
Accruals and deferred income	1,464	1,248
	<u>8,051</u>	<u>9,364</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2024

14. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2024	2023
	£	£
Financial liabilities measured at amortised cost		
Other creditors	2,071	3,176
Accruals	1,464	1,248
	<u>3,535</u>	<u>4,424</u>

15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2024 as represented by:			
Tangible fixed assets	107,745	190,726	298,471
Current assets	63,629	-	63,629
Current liabilities	(8,051)	-	(8,051)
	<u>163,323</u>	<u>190,726</u>	<u>354,049</u>
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2023 as represented by:			
Tangible fixed assets	113,324	204,350	317,674
Current assets	73,567	-	73,567
Current liabilities	(9,364)	-	(9,364)
	<u>177,527</u>	<u>204,350</u>	<u>381,877</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2024

16. Analysis of movements in unrestricted funds - current year

	At 1 September 2023 £	Incoming resources £	Outgoing resources £	At 31 August 2024 £
General funds	<u>177,527</u>	<u>231,264</u>	<u>(245,468)</u>	<u>163,323</u>

Analysis of movements in unrestricted funds - previous year

	At 1 September 2022 £	Incoming resources £	Outgoing resources £	At 31 August 2023 £
General funds	<u>143,582</u>	<u>259,366</u>	<u>(225,421)</u>	<u>177,527</u>

Purposes of unrestricted funds

The charity's unrestricted funds can be used with the approval of the board of trustees to fund any expenditure which falls within the charity's general aims and objectives.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2024

17. Analysis of movements in restricted funds - current year

	At 1 September 2023 £	Incoming resources £	Outgoing resources £	At 31 August 2024 £
Building grants and donations	204,350	-	(13,624)	190,726
Other restricted funds	-	94,375	(94,375)	-
	<u>204,350</u>	<u>94,375</u>	<u>(107,999)</u>	<u>190,726</u>

Analysis of movements in restricted funds - previous year

	At 1 September 2022 £	Incoming resources £	Outgoing resources £	At 31 August 2023 £
Building grants and donations	217,974	-	(13,624)	204,350
Other restricted funds	-	121,819	(121,819)	-
	<u>217,974</u>	<u>121,819</u>	<u>(135,443)</u>	<u>204,350</u>

Purposes of restricted funds

Building grants and donations - these funds arise from grants and donations given for the building of a purpose-built nursery. The balance at the year end is represented entirely by building improvements made from the restricted fund, less accumulated depreciation thereon, with a net book value of £190,726.

Other restricted funds include grants and donations where the funder or donor has specified the purpose for which the funds must be used. All such funding was fully spent at the balance sheet date.

18. Financial commitments

At 31 August 2024 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2024 £	2023 £
Expiry date:		
In over five years	<u>358</u>	<u>351</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2024

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

	2024	2023
	£	£
Net movement in funds	(27,828)	20,321
Add back depreciation charge	24,156	22,124
Deduct interest income shown in investing activities	(783)	(378)
(Decrease)/increase in creditors	(1,313)	4,677
Net cash used by operating activities	<u>(5,768)</u>	<u>46,744</u>

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	73,567	(9,938)	63,629
Net funds	<u>73,567</u>	<u>(9,938)</u>	<u>63,629</u>

21. Company limited by guarantee

Gosforth Nursery Ltd is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

GOSFORTH NURSERY

England & Wales - Charity number 1133546

Accounts

Gosforth Nursery Ltd
(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 August 2023

Charity number: 1133546

Company number: 06952333

robinson+co (Gosforth) Limited

Chartered Accountants

GOSFORTH

Gosforth Nursery Ltd
(A company limited by guarantee)

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Gosforth Nursery Ltd
(A company limited by guarantee)

Legal and administrative information

Charity number	1133546	
Company registration number	06952333	
Business address	Gosforth Nursery Ltd Gosforth C of E School Wasdale Road GOSFORTH CA20 1AZ	
Registered office	The Old Forge Beck Place GOSFORTH CA20 1AT	
Trustees	D N Brooks T A Morris L J Risager Wilson Ponting C K Pyke P M I Ellis G Oji E C V Bates	Resigned 01 February 2023 Appointed 31 January 2023 Appointed 23 October 2023
Accountants	robinson+co (Gosforth) Limited The Old Forge Beck Place GOSFORTH CA20 1AT	
Bankers	HSBC Bank plc 3 Pow Street WORKINGTON CA14 3AT	

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2023

The trustees present their report and the financial statements for the year ended 31 August 2023. The trustees, who are also directors of Gosforth Nursery Ltd for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

Gosforth Nursery Limited is constituted as a company limited by guarantee and is a registered charity. The charitable company is governed by its Memorandum and Articles of Association dated 3 July 2009.

Day to day management

The Nursery is managed by Mrs Gillian Jackson.

Trustees

The aim is to maintain a trustee board with a range of skills which will be useful to the organisation. New trustees are taken through an induction procedure.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Nursery Manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. The pay of the charity's senior staff is reviewed annually and assessed to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and activities

The Charitable Objects are:

To enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:-

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

We aim to:-

1. Provide high quality care and education for children primarily below statutory school age;
2. Work in partnership with parents to help children learn and develop;
3. Add to the life and well being of our local community; and
4. Offer children and their parents a service which promotes equality and values diversity.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2023

Achievements and performance

Despite the continued outside influence and increase in the costs of delivery, the service we provide remains consistently high. While the year-end figures report a profit, we are focussed on more improvements for the next financial year, in which we are targeting an increased profit, after which we will strive for an improved margin in the following financial year to improve and bolster the setting's finances.

Whilst we (and the sector) continue to work through staffing and recruitment challenges, the nursery remained generally stable, with a resilient core team of staff. There were no significant changes in the staff management team.

Staff were given a pay rise in April, which was proportionate with the unprecedented increase in National Minimum Wage rises.

Having started improvements to our outdoor space towards the end of the previous financial year, they were completed early in this year. This resulted in an additional building being installed within the grounds, which has significantly enhanced the outdoor teaching space we have with our children.

Achievements and performance (continued)

Financial review

At the balance sheet date the charity held £177,527 (2022: £143,582) on unrestricted funds and £204,350 (2022: £217,974) on restricted funds, a satisfactory position.

Reserves

Gosforth Nursery Management Committee seeks to hold 3 months operating costs in reserves as part of their contingency planning process. At the date of this report this reserve fund was complete and stood at £50,000.

Risk management

The trustees have assessed the major strategic, business and operational risks to which the organisation is exposed. They are satisfied that systems are in place to mitigate the exposure to these risks.

Plans for future periods

The year ahead is likely to be challenging. As a charity we must attempt to fulfil our role in the community by minimising the impact on the parents who rely on us. Whilst a non-profit making organisation, we will not be able to curb the impact of external factors throughout 2023/24.

Further change is anticipated in the near future with the planned retirement of our long-standing nursery manager. As the backbone of our setting, we will need to work closely with her and the team to ensure a successful handover and transition.

As we look ahead we are also seeking to improve our relationship with the neighbouring primary school to ensure we can pool our knowledge and manage common interests.

An additional member will join the committee as we move into this financial year to supplement committee following the planned departure of a previous committee member.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2023

Statement of trustees' responsibilities

The trustees (who are also directors of Gosforth Nursery Ltd for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board



D N Brooks
Director

24th May 2024

Gosforth Nursery Ltd
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Gosforth Nursery Ltd.

I report on the accounts of Gosforth Nursery Ltd for the year ended 31 August 2023 set out on pages 6 to 20.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or

- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Jason Spiers

.....
Mr J Spiers FCA DChA

Independent examiner

robinson+co (Gosforth) Limited
The Old Forge
Beck Place
Gosforth, Seascale
CA20 1AT

24th May 2024

Gosforth Nursery Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Income					
Income from charitable activities	2	251,445	121,819	373,264	267,217
Income from other trading activities:					
Activities for generating funds	3	7,543	-	7,543	6,057
Investment income	4	378	-	378	20
Total income		<u>259,366</u>	<u>121,819</u>	<u>381,185</u>	<u>273,294</u>
Expenditure					
Charitable activities	5	225,421	135,443	360,864	304,044
Total expenditure		<u>225,421</u>	<u>135,443</u>	<u>360,864</u>	<u>304,044</u>
Net income/(expenditure) for the year		33,945	(13,624)	20,321	(30,750)
Total funds brought forward		<u>143,582</u>	<u>217,974</u>	<u>361,556</u>	<u>392,306</u>
Total funds carried forward		<u>177,527</u>	<u>204,350</u>	<u>381,877</u>	<u>361,556</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet
as at 31 August 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	12		317,674		324,257
Current assets					
Cash at bank and in hand		73,567		41,986	
		<u>73,567</u>		<u>41,986</u>	
Creditors: amounts falling due within one year	13	(9,364)		(4,687)	
Net current assets			<u>64,203</u>		<u>37,299</u>
Net assets			<u>381,877</u>		<u>361,556</u>
Funds	15				
Restricted income funds			204,350		217,974
Unrestricted income funds			<u>177,527</u>		<u>143,582</u>
Total funds			<u>381,877</u>		<u>361,556</u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet (continued)

Trustees statements required by the Companies Act 2006
for the year ended 31 August 2023

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 August 2023.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on *24th May 2024* and signed on its behalf by



D N Brooks
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Cash flow statement

for the year ended 31 August 2023

	Notes	2023 £	2022 £
Net cash used by operating activities	19	46,744	(12,527)
Cash flows from investing activities			
Interest and dividends		378	20
Purchase of tangible fixed assets		(15,541)	36,236
Net cash provided by investing activities		(15,163)	(36,216)
Change in cash and cash equivalents in the year		31,581	(48,743)
Cash and cash equivalents brought forward		41,986	90,729
Cash and cash equivalents carried forward		73,567	41,986

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company constitutes a public benefit entity as defined by FRS 102.

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

The presentational currency is UK Sterling pounds (£).

1.2. Income

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and governance costs.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line

1.5. Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

1.7. Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Government grants	53,328	-	53,328	4,285
Fees from parents	198,117	-	198,117	190,266
Early years entitlements	-	121,819	121,819	72,666
	<u>251,445</u>	<u>121,819</u>	<u>373,264</u>	<u>267,217</u>

In 2022 of the income from charitable activities, £72,666 was attributable to restricted income funds, with the balance of £194,551 being unrestricted.

3. Activities for generating funds

	Unrestricted funds £	2023 Total £	2022 Total £
Fundraising events	4,498	4,498	3,572
Income from solar panels	3,045	3,045	2,485
	<u>7,543</u>	<u>7,543</u>	<u>6,057</u>

In 2022 all of the income from activities for generating funds was attributable to unrestricted income funds.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

4. Investment income

	Unrestricted funds £	2023 Total £	2022 Total £
Bank interest receivable	378	378	20
	<u>378</u>	<u>378</u>	<u>20</u>

In 2022 all of the investment income was attributable to unrestricted income funds.

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
Operation of nursery	225,421	135,443	360,864	304,044
	<u>225,421</u>	<u>135,443</u>	<u>360,864</u>	<u>304,044</u>

In 2022 of the costs of charitable activities, £86,290 was attributable to restricted funds, with the balance of £217,754 being unrestricted.

6. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2023 Total £	2022 Total £
Operation of nursery	357,532	3,332	360,864	304,044
	<u>357,532</u>	<u>3,332</u>	<u>360,864</u>	<u>304,044</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

7. Analysis of support costs

	Operation of nursery £	2023 Total £	2022 Total £
Accountancy charges	1,110	1,110	996
Legal and professional fees	1,081	1,081	870
Bank charges	106	106	103
Sundry expenses	1,035	1,035	810
	<u>3,332</u>	<u>3,332</u>	<u>2,779</u>

8. Net incoming/(outgoing) resources for the year

	2023 £	2022 £
Net incoming/(outgoing) resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>22,124</u>	<u>21,047</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

9. Employees

Employment costs	2023	2022
	£	£
Wages and salaries	272,403	229,806
Social security costs	12,786	8,400
Pension costs	4,595	3,386
	<u>289,784</u>	<u>241,592</u>

No employee received emoluments of more than £60,000 (2022 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year was as follows:

	2023	2022
	Number	Number
Staff	<u>18</u>	<u>19</u>

During the year no expenses were paid to trustees (2022 - £nil).

The key management personnel of the charity is comprised of the Board of Trustees and Nursery Manager. The total employment benefits of the key management personnel were £45,206 (2022: £42,884).

10. Pension costs

The company operates a defined contribution pension scheme in respect of the NEST pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2023	2022
	£	£
Pension charge	<u>4,595</u>	<u>3,386</u>

Contributions amounting to £2,000 (2022: £1,465) were outstanding at the year end and are included within other creditors.

11. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

12. Tangible fixed assets	Short leasehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 September 2022	484,819	8,401	493,220
Additions	12,866	2,675	15,541
At 31 August 2023	<u>497,685</u>	<u>11,076</u>	<u>508,761</u>
Depreciation			
At 1 September 2022	162,899	6,064	168,963
Charge for the year	20,870	1,254	22,124
At 31 August 2023	<u>183,769</u>	<u>7,318</u>	<u>191,087</u>
Net book values			
At 31 August 2023	<u>313,916</u>	<u>3,758</u>	<u>317,674</u>
At 31 August 2022	<u>321,920</u>	<u>2,337</u>	<u>324,257</u>

Cost of short leasehold property consists of expenditure incurred constructing the purpose-built nursery (£434,647), the Pine Lodge (£6,690), a shed (£7,500), and property improvements (£14,116), together with the construction of an outdoor area of £34,732. The nursery is leased from Cumbria County Council.

13. Creditors: amounts falling due within one year	2023 £	2022 £
Other taxes and social security	4,940	1,374
Other creditors	3,176	1,465
Accruals and deferred income	1,248	1,848
	<u>9,364</u>	<u>4,687</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

14. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial liabilities measured at amortised cost		
Other creditors	3,176	1,465
Accruals	1,248	1,848
	4,424	3,313
	4,424	3,313

15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2023 as represented by:			
Tangible fixed assets	113,324	204,350	317,674
Current assets	73,567	-	73,567
Current liabilities	(9,364)	-	(9,364)
	177,527	204,350	381,877
	177,527	204,350	381,877

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2022 as represented by:			
Tangible fixed assets	106,283	217,974	324,257
Current assets	41,986	-	41,986
Current liabilities	(4,687)	-	(4,687)
	143,582	217,974	361,556
	143,582	217,974	361,556

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

16. Analysis of movements in unrestricted funds - current year

	At 1 September 2022 £	Incoming resources £	Outgoing resources £	At 31 August 2023 £
General funds	<u>143,582</u>	<u>259,366</u>	<u>(225,421)</u>	<u>177,527</u>

Analysis of movements in unrestricted funds - previous year

	At 1 September 2021 £	Incoming resources £	Outgoing resources £	At 31 August 2022 £
General funds	<u>160,708</u>	<u>200,628</u>	<u>(217,754)</u>	<u>143,582</u>

Purposes of unrestricted funds

The charity's unrestricted funds can be used with the approval of the board of trustees to fund any expenditure which falls within the charity's general aims and objectives.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

17. Analysis of movements in restricted funds - current year

	At 1 September 2022 £	Incoming resources £	Outgoing resources £	At 31 August 2023 £
Building grants and donations	217,974	-	(13,624)	204,350
Other restricted funds	-	121,819	(121,819)	-
	<u>217,974</u>	<u>121,819</u>	<u>(135,443)</u>	<u>204,350</u>

Analysis of movements in restricted funds - previous year

	At 1 September 2021 £	Incoming resources £	Outgoing resources £	At 31 August 2022 £
Building grants and donations	231,598	-	(13,624)	217,974
Other restricted funds	-	72,666	(72,666)	-
	<u>231,598</u>	<u>72,666</u>	<u>(86,290)</u>	<u>217,974</u>

Purposes of restricted funds

Building grants and donations - these funds arise from grants and donations given for the building of a purpose-built nursery. The balance at the year end is represented entirely by building improvements made from the restricted fund, less accumulated depreciation thereon, with a net book value of £204,350.

Other restricted funds include grants and donations where the funder or donor has specified the purpose for which the funds must be used. All such funding was fully spent at the balance sheet date.

18. Financial commitments

At 31 August 2023 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2023 £	2022 £
Expiry date:		
In over five years	<u>351</u>	<u>344</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2023

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

	2023	2022
	£	£
Net movement in funds	20,321	(30,750)
Add back depreciation charge	22,124	21,047
Deduct interest income shown in investing activities	(378)	(20)
(Decrease)/increase in creditors	4,677	(2,804)
Net cash used by operating activities	<u>46,744</u>	<u>(12,527)</u>

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	41,986	31,581	73,567
Net funds	<u>41,986</u>	<u>31,581</u>	<u>73,567</u>

21. Company limited by guarantee

Gosforth Nursery Ltd is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

GOSFORTH NURSERY

England & Wales - Charity number 1133546

Accounts

Gosforth Nursery Ltd
(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 August 2022

Charity number: 1133546

Company number: 06952333

robinson+co (Gosforth) Limited

Chartered Accountants

GOSFORTH

Gosforth Nursery Ltd
(A company limited by guarantee)

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Gosforth Nursery Ltd
(A company limited by guarantee)

Legal and administrative information

Charity number 1133546

Company registration number 06952333

Business address Gosforth Nursery Ltd
Gosforth C of E School
Wasdale Road
GOSFORTH
CA20 1AZ

Registered office The Old Forge
Beck Place
GOSFORTH
CA20 1AT

Trustees D N Brooks
T A Morris
L J Risager Wilson Ponting
C K Pyke
P M I Ellis

Appointed 28 February 2022

Accountants robinson+co (Gosforth) Limited
The Old Forge
Beck Place
GOSFORTH
CA20 1AT

Bankers HSBC Bank plc
3 Pow Street
WORKINGTON
CA14 3AT

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2022

The trustees present their report and the financial statements for the year ended 31 August 2022. The trustees, who are also directors of Gosforth Nursery Ltd for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

Gosforth Nursery Limited is constituted as a company limited by guarantee and is a registered charity. The charitable company is governed by its Memorandum and Articles of Association dated 3 July 2009.

Day to day management

The Nursery is managed by Mrs Gillian Jackson.

Trustees

The aim is to maintain a trustee board with a range of skills which will be useful to the organisation. New trustees are taken through an induction procedure.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Nursery Manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. The pay of the charity's senior staff is reviewed annually and assessed to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and activities

The Charitable Objects are:

To enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through communitiy groups and by:-

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

We aim to:-

1. Provide high quality care and education for children primarily below statutory school age;
2. Work in partnership with parents to help children learn and develop;
3. Add to the life and well being of our local community; and
4. Offer children and their parents a service which promotes equality and values diversity.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

We were able to welcome back all families and children following the easement of all Covid-19 restrictions which allowed parents to return to their more 'normal' working practices and brought back a more regular income.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2022

Achievements and performance (continued)

New international issues, including the war in Ukraine, impacted the cost of operation, most particularly with the increase in energy costs. In addition, the rate of inflation had started to rise outside of normal and reasonable expectation towards the end of the financial year.

Despite external factors driving up the cost of utilities and consumables the nursery remains financially stable. While the end of year figures appears to be poor, this correlates directly to the timing of in and outgoing funds, in particular for monies spent before grants were received.

Whilst there were some staffing difficulties, the nursery was able to secure a replacement for the cook who retired and employ a young apprentice who proved to be an asset to the nursery. The deputy manager stepped down from her role and a senior member of staff was appointed into this position.

Staff were given a pay rise in June to help with their increasing costs of living.

As a charity we were able to access funding through Copeland GDF Partnership, bringing £49114 for an additional outdoor classroom and new play equipment for the outdoor spaces, including resources for a small unused piece of land that we secured from Gosforth School.

Additional funding came from a grant from Drigg Charity to provide 1:1 support for a child with additional needs, and a successful fundraising event was held to celebrate the Queen's diamond jubilee.

Financial review

At the balance sheet date the charity held £143,582 (2021: £160,708) on unrestricted funds and £217,974 (2021: £231,598) on restricted funds, a satisfactory position.

Reserves

Gosforth Nursery Management Committee seeks to hold 3 months operating costs in reserves as part of their contingency planning process. At the date of this report this reserve fund was complete and stood at £50,000.

Risk management

The trustees have assessed the major strategic, business and operational risks to which the organisation is exposed. They are satisfied that systems are in place to mitigate the exposure to these risks.

Plans for future periods

The year ahead is likely to be challenging. As a charity we must attempt to fulfil our role in the community by minimising the impact on the parents who rely on us. Whilst a non-profit making organisation, we will not be able to curb the impact of external factors throughout 2022/23. In particular, the directors/trustees will need to review charge rates to parents and staff salaries. They are committed to giving staff a salary that recognises their hard work and loyalty to the nursery but need to ensure the successful management of the rising costs of operation.

A further member will be required to join the management committee when the secretary ends her term of office in the coming year.

A full review of attendance patterns will be required as the numbers of children fluctuate in the next academic periods.

The directors/trustees need to give consideration to future staffing as the manager makes plans for retirement in the summer of 2025. There is unlikely to be a successor within the current staff team.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2022

Statement of trustees' responsibilities

The trustees (who are also directors of Gosforth Nursery Ltd for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board

D N Brooks
Director

Gosforth Nursery Ltd
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Gosforth Nursery Ltd.

I report on the accounts of Gosforth Nursery Ltd for the year ended 31 August 2022 set out on pages 6 to 20.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or

- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Mr J Spires FCA DChA

Independent examiner

robinson+co (Gosforth) Limited
The Old Forge
Beck Place
Gosforth, Seascale
CA20 1AT

Gosforth Nursery Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Income					
Income from charitable activities	2	194,551	72,666	267,217	182,395
Income from other trading activities:					
Activities for generating funds	3	6,057	-	6,057	7,448
Investment income	4	20	-	20	7
Total income		<u>200,628</u>	<u>72,666</u>	<u>273,294</u>	<u>189,850</u>
Expenditure					
Charitable activities	5	217,754	86,290	304,044	239,435
Total expenditure		<u>217,754</u>	<u>86,290</u>	<u>304,044</u>	<u>239,435</u>
Net income/(expenditure) for the year		(17,126)	(13,624)	(30,750)	(49,585)
Total funds brought forward		160,708	231,598	392,306	441,891
Total funds carried forward		<u>143,582</u>	<u>217,974</u>	<u>361,556</u>	<u>392,306</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet
as at 31 August 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		324,257		309,068
Current assets					
Cash at bank and in hand		41,986		90,729	
		<u>41,986</u>		<u>90,729</u>	
Creditors: amounts falling due within one year	13	(4,687)		(7,491)	
Net current assets			<u>37,299</u>		<u>83,238</u>
Net assets			<u>361,556</u>		<u>392,306</u>
Funds	15				
Restricted income funds			217,974		231,598
Unrestricted income funds			143,582		160,708
Total funds			<u>361,556</u>		<u>392,306</u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet (continued)

Trustees statements required by the Companies Act 2006
for the year ended 31 August 2022

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 August 2022.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on

and signed on its behalf by

D N Brooks
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Cash flow statement

for the year ended 31 August 2022

	Notes	2022 £	2021 £
Net cash used by operating activities	19	(12,527)	(22,764)
Cash flows from investing activities			
Interest and dividends		20	7
Purchase of tangible fixed assets		(36,236)	3,669
Net cash provided by investing activities		<u>(36,216)</u>	<u>(3,662)</u>
Change in cash and cash equivalents in the year		(48,743)	(26,426)
Cash and cash equivalents brought forward		<u>90,729</u>	<u>117,155</u>
Cash and cash equivalents carried forward		<u><u>41,986</u></u>	<u><u>90,729</u></u>

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company constitutes a public benefit entity as defined by FRS 102.

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

The presentational currency is UK Sterling pounds (£).

1.2. Income

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and governance costs.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line

1.5. Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

1.7. Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Government grants	4,285	-	4,285	28,810
Fees from parents	190,266	-	190,266	75,516
Early years entitlements	-	72,666	72,666	78,069
	<u>194,551</u>	<u>72,666</u>	<u>267,217</u>	<u>182,395</u>

In 2021 of the income from charitable activities, £78,069 was attributable to restricted income funds, with the balance of £104,326 being unrestricted.

3. Activities for generating funds

	Unrestricted funds £	2022 Total £	2021 Total £
Fundraising events	3,572	3,572	945
Income from solar panels	2,485	2,485	6,503
	<u>6,057</u>	<u>6,057</u>	<u>7,448</u>

In 2021 all of the income from activities for generating funds was attributable to unrestricted income funds.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

4. Investment income

	Unrestricted funds £	2022 Total £	2021 Total £
Bank interest receivable	20	20	7
	<u>20</u>	<u>20</u>	<u>7</u>

In 2021 all of the investment income was attributable to unrestricted income funds.

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Operation of nursery	217,754	86,290	304,044	239,435
	<u>217,754</u>	<u>86,290</u>	<u>304,044</u>	<u>239,435</u>

In 2021 of the costs of charitable activities, £91,693 was attributable to restricted funds, with the balance of £147,742 being unrestricted.

6. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2022 Total £	2021 Total £
Operation of nursery	301,265	2,779	304,044	239,435
	<u>301,265</u>	<u>2,779</u>	<u>304,044</u>	<u>239,435</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

7. Analysis of support costs

	Operation of nursery £	2022 Total £	2021 Total £
Accountancy charges	996	996	972
Legal and professional fees	870	870	1,392
Bank charges	103	103	108
Sundry expenses	810	810	665
	<u>2,779</u>	<u>2,779</u>	<u>3,137</u>

8. Net outgoing resources for the year

	2022 £	2021 £
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>21,047</u>	<u>18,628</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

9. Employees

Employment costs	2022	2021
	£	£
Wages and salaries	229,806	184,632
Social security costs	8,400	6,626
Pension costs	3,386	2,705
	<u>241,592</u>	<u>193,963</u>

No employee received emoluments of more than £60,000 (2021 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year was as follows:

	2022	2021
	Number	Number
Staff	<u>19</u>	<u>18</u>

During the year no expenses were paid to trustees (2021 - £nil).

The key management personnel of the charity is comprised of the Board of Trustees and Nursery Manager. The total employment benefits of the key management personnel were £42,884 (2021: £38,063).

10. Pension costs

The company operates a defined contribution pension scheme in respect of the NEST pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2022	2021
	£	£
Pension charge	<u>3,386</u>	<u>2,705</u>

Contributions amounting to £1,465 (2021: £1,176) were outstanding at the year end and are included within other creditors.

11. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

12. Tangible fixed assets	Short leasehold property	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 September 2021	450,087	6,897	456,984
Additions	34,732	1,504	36,236
At 31 August 2022	<u>484,819</u>	<u>8,401</u>	<u>493,220</u>
Depreciation			
At 1 September 2021	142,833	5,083	147,916
Charge for the year	20,066	981	21,047
At 31 August 2022	<u>162,899</u>	<u>6,064</u>	<u>168,963</u>
Net book values			
At 31 August 2022	<u>321,920</u>	<u>2,337</u>	<u>324,257</u>
At 31 August 2021	<u>307,254</u>	<u>1,814</u>	<u>309,068</u>

Cost of short leasehold property consists of expenditure incurred constructing the purpose-built nursery (£434,647), the Pine Lodge (£6,690), a shed (£7,500), and property improvements (£1,250), together with the construction of an outdoor area in the year of £34,732. The nursery is leased from Cumbria County Council.

13. Creditors: amounts falling due within one year	2022	2021
	£	£
Other taxes and social security	1,374	2,786
Other creditors	1,465	1,176
Accruals and deferred income	1,848	3,529
	<u>4,687</u>	<u>7,491</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

14. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2022	2021
	£	£
Financial liabilities measured at amortised cost		
Other creditors	1,465	1,176
Accruals	1,848	3,529
	<u>3,313</u>	<u>4,705</u>

15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2022 as represented by:			
Tangible fixed assets	106,283	217,974	324,257
Current assets	41,986	-	41,986
Current liabilities	(4,687)	-	(4,687)
	<u>143,582</u>	<u>217,974</u>	<u>361,556</u>
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2021 as represented by:			
Tangible fixed assets	77,470	231,598	309,068
Current assets	90,729	-	90,729
Current liabilities	(7,491)	-	(7,491)
	<u>160,708</u>	<u>231,598</u>	<u>392,306</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

16. Analysis of movements in unrestricted funds - current year

	At 1 September 2021 £	Incoming resources £	Outgoing resources £	At 31 August 2022 £
General funds	<u>160,708</u>	<u>200,628</u>	<u>(217,754)</u>	<u>143,582</u>

Analysis of movements in unrestricted funds - previous year

	At 1 September 2020 £	Incoming resources £	Outgoing resources £	At 31 August 2021 £
General funds	<u>196,669</u>	<u>111,781</u>	<u>(147,742)</u>	<u>160,708</u>

Purposes of unrestricted funds

The charity's unrestricted funds can be used with the approval of the board of trustees to fund any expenditure which falls within the charity's general aims and objectives.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

17. Analysis of movements in restricted funds - current year

	At 1 September 2021 £	Incoming resources £	Outgoing resources £	At 31 August 2022 £
Building grants and donations	231,598	-	(13,624)	217,974
Other restricted funds	-	72,666	(72,666)	-
	<u>231,598</u>	<u>72,666</u>	<u>(86,290)</u>	<u>217,974</u>

Analysis of movements in restricted funds - previous year

	At 1 September 2020 £	Incoming resources £	Outgoing resources £	At 31 August 2,021 £
Building grants and donations	245,222	-	(13,624)	231,598
Other restricted funds	-	78,069	(78,069)	-
	<u>245,222</u>	<u>78,069</u>	<u>(91,693)</u>	<u>231,598</u>

Purposes of restricted funds

Building grants and donations - these funds arise from grants and donations given for the building of a purpose-built nursery. The balance at the year end is represented entirely by building improvements made from the restricted fund, less accumulated depreciation thereon, with a net book value of £217,974.

Other restricted funds include grants and donations where the funder or donor has specified the purpose for which the funds must be used. All such funding was fully spent at the balance sheet date.

18. Financial commitments

At 31 August 2022 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2022 £	2021 £
Expiry date:		
In over five years	<u>344</u>	<u>737</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2022

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

	2022	2021
	£	£
Net movement in funds	(30,750)	(49,585)
Add back depreciation charge	21,047	18,628
Deduct interest income shown in investing activities	(20)	(7)
(Increase)/decrease in debtors	-	7,310
(Decrease)/increase in creditors	(2,804)	890
Net cash used by operating activities	<u>(12,527)</u>	<u>(22,764)</u>

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	90,729	(48,743)	41,986
Net funds	<u>90,729</u>	<u>(48,743)</u>	<u>41,986</u>

21. Company limited by guarantee

Gosforth Nursery Ltd is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

GOSFORTH NURSERY

England & Wales - Charity number 1133546

Accounts

Gosforth Nursery Ltd
(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 August 2021

Charity number: 1133546

Company number: 06952333

robinson+co (Gosforth) Limited

Chartered Accountants

GOSFORTH

Gosforth Nursery Ltd
(A company limited by guarantee)

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Gosforth Nursery Ltd
(A company limited by guarantee)

Legal and administrative information

Charity number	1133546	
Company registration number	06952333	
Business address	Gosforth Nursery Ltd Gosforth C of E School Wasdale Road GOSFORTH CA20 1AZ	
Registered office	The Old Forge Beck Place GOSFORTH CA20 1AT	
Trustees	N Moore-Miller C K Pyke D N Brooks T A Morris L J Risager Wilson Ponting	Appointed 17 February 2021
Accountants	robinson+co (Gosforth) Limited The Old Forge Beck Place GOSFORTH CA20 1AT	
Bankers	HSBC Bank plc 69 Lowther Street WHITEHAVEN CA28 7AD	

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2021

The trustees present their report and the financial statements for the year ended 31 August 2021. The trustees, who are also directors of Gosforth Nursery Ltd for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

Gosforth Nursery Limited is constituted as a company limited by guarantee and is a registered charity. The charitable company is governed by its Memorandum and Articles of Association dated 3 July 2009.

Day to day management

The Nursery is managed by Mrs Gillian Jackson.

Trustees

The aim is to maintain a trustee board with a range of skills which will be useful to the organisation. New trustees are taken through an induction procedure.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Nursery Manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. The pay of the charity's senior staff is reviewed annually and assessed to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and activities

The Charitable Objects are:

To enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through communitiy groups and by:-

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

We aim to:-

1. Provide high quality care and education for children primarily below statutory school age;
2. Work in partnership with parents to help children learn and develop;
3. Add to the life and well being of our local community; and
4. Offer children and their parents a service which promotes equality and values diversity.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The nursery continues to provide outstanding care and education for children that is accessed by families in the local community and beyond; many parents working at the Sellafield nuclear site use the setting for childcare.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2021

Achievements and performance (continued)

The Nursery adhere to the reserves policy and have 3 months' worth of running costs set aside as per the current policy requirements.

Emplaw remain engaged to provide expert advice and services to the nursery on a range of topics including but not limited to GDPR, policy updates and requirements and HR queries.

The period brought a series of closures due to the ongoing Covid-19 pandemic, with an obvious impact on all aspects of the nursery and placing a particular priority on the trustees to keep all members safe.

It was not possible to offer any out of school provision due to the ever-changing rules and regulations around Covid-19 and in addition there was staff absence through sickness and Covid-19 isolation. These issues had a detrimental effect on the nursery income. The furlough scheme was accessed where possible and financial support through grants from Copeland Borough Council was welcomed.

There were a number of changes to staff and trustees/directors. The treasurer ended her term of office, providing an opportunity for a new member to join the management team.

Staff were given a pay rise in June and an increase in fees payable by parents was planned for the start of the next period.

The numbers of children attending the setting at the end of the year provided a positive position, with staff hours and roles secure.

Financial review

At the balance sheet date the charity held £160,708 (2020: £196,669) on unrestricted funds and £231,598 (2020: £245,222) on restricted funds, a satisfactory position.

Reserves

Gosforth Nursery Management Committee seeks to hold 3 months operating costs in reserves as part of their contingency planning process. At the date of this report this reserve fund was complete and stood at £50,000.

Risk management

The trustees have assessed the major strategic, business and operational risks to which the organisation is exposed. They are satisfied that systems are in place to mitigate the exposure to these risks.

Plans for future periods

Consideration will need to be given to staffing matters for the near future as older members make plans for retirement. Attempts should be made to attract younger people who may be considering a career in childcare and/or education to join the staff team.

Further review of staff wages and fees payable by parents will be carried out in the coming period.

Some repairs are required in the outdoor areas and research will be done to try and secure some funding for new equipment.

Opportunities will be made for all members of the nursery community to join together in organised fundraising events.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2021

Statement of trustees' responsibilities

The trustees (who are also directors of Gosforth Nursery Ltd for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board

D N Brooks
Director

Gosforth Nursery Ltd
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Gosforth Nursery Ltd.

I report on the accounts of Gosforth Nursery Ltd for the year ended 31 August 2021 set out on pages 6 to 20.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or

- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Mr J Spires FCA DChA

Independent examiner

robinson+co (Gosforth) Limited
The Old Forge
Beck Place
Gosforth, Seascale
CA20 1AT

Gosforth Nursery Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Income					
Income from charitable activities	2	104,326	78,069	182,395	224,934
Income from other trading activities:					
Activities for generating funds	3	7,448	-	7,448	1,250
Investment income	4	7	-	7	118
Total income		<u>111,781</u>	<u>78,069</u>	<u>189,850</u>	<u>226,302</u>
Expenditure					
Charitable activities	5	147,742	91,693	239,435	238,326
Total expenditure		<u>147,742</u>	<u>91,693</u>	<u>239,435</u>	<u>238,326</u>
Net income/(expenditure) for the year		(35,961)	(13,624)	(49,585)	(12,024)
Total funds brought forward		196,669	245,222	441,891	453,915
Total funds carried forward		<u>160,708</u>	<u>231,598</u>	<u>392,306</u>	<u>441,891</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet
as at 31 August 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		309,068		324,027
Current assets					
Debtors	13		-	7,310	
Cash at bank and in hand		90,729		117,155	
		<u>90,729</u>		<u>124,465</u>	
Creditors: amounts falling due within one year	14	(7,491)		(6,601)	
			<u>83,238</u>		<u>117,864</u>
Net current assets			<u>83,238</u>		<u>117,864</u>
Net assets			<u>392,306</u>		<u>441,891</u>
Funds	16				
Restricted income funds			231,598		245,222
Unrestricted income funds			160,708		196,669
Total funds			<u>392,306</u>		<u>441,891</u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet (continued)

Trustees statements required by the Companies Act 2006
for the year ended 31 August 2021

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 August 2021.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on

and signed on its behalf by

D N Brooks
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Cash flow statement

for the year ended 31 August 2021

	Notes	2021 £	2020 £
Net cash used by operating activities	20	(22,764)	(1,986)
Cash flows from investing activities			
Interest and dividends		7	118
Purchase of tangible fixed assets		(3,669)	
Net cash provided by investing activities		<u>(3,662)</u>	<u>118</u>
Change in cash and cash equivalents in the year		(26,426)	(1,868)
Cash and cash equivalents brought forward		<u>117,155</u>	<u>119,023</u>
Cash and cash equivalents carried forward		<u>90,729</u>	<u>117,155</u>

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company constitutes a public benefit entity as defined by FRS 102.

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

The presentational currency is UK Sterling pounds (£).

1.2. Income

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and governance costs.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line

1.5. Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

1.7. Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Government grants	28,810	-	28,810	50,247
Fees from parents	75,516	-	75,516	95,276
Early years entitlements	-	78,069	78,069	79,411
	<u>104,326</u>	<u>78,069</u>	<u>182,395</u>	<u>224,934</u>

In 2020 of the income from charitable activities, £79,411 was attributable to restricted income funds, with the balance of £145,523 being unrestricted.

3. Activities for generating funds

	Unrestricted funds £	2021 Total £	2020 Total £
Fundraising events	945	945	217
Income from solar panels	6,503	6,503	1,033
	<u>7,448</u>	<u>7,448</u>	<u>1,250</u>

In 2020 all of the income from activities for generating funds was attributable to unrestricted income funds.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

4. Investment income

	Unrestricted funds £	2021 Total £	2020 Total £
Bank interest receivable	7	7	118
	<u>7</u>	<u>7</u>	<u>118</u>

In 2020 all of the investment income was attributable to unrestricted income funds.

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Operation of nursery	147,742	91,693	239,435	238,326
	<u>147,742</u>	<u>91,693</u>	<u>239,435</u>	<u>238,326</u>

In 2020 of the costs of charitable activities, £93,035 was attributable to restricted funds, with the balance of £145,291 being unrestricted.

6. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2021 Total £	2020 Total £
Operation of nursery	236,298	3,137	239,435	238,326
	<u>236,298</u>	<u>3,137</u>	<u>239,435</u>	<u>238,326</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

7. Analysis of support costs

	Operation of nursery £	2021 Total £	2020 Total £
Accountancy charges	972	972	888
Legal and professional fees	1,392	1,392	1,981
Bank charges	108	108	126
Sundry expenses	665	665	319
	<u>3,137</u>	<u>3,137</u>	<u>3,314</u>

8. Net outgoing resources for the year

	2021 £	2020 £
Net outgoing resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>18,628</u>	<u>17,954</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

9. Employees

Employment costs	2021	2020
	£	£
Wages and salaries	184,632	180,865
Social security costs	6,626	6,630
Pension costs	2,705	2,425
	<u>193,963</u>	<u>189,920</u>

No employee received emoluments of more than £60,000 (2020 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year was as follows:

	2021	2020
	Number	Number
Staff	<u>18</u>	<u>17</u>

During the year no expenses were paid to trustees (2020 - £nil).

The key management personnel of the charity is comprised of the Board of Trustees and Nursery Manager. The total employment benefits of the key management personnel were £38,063 (2020: £40,163).

10. Pension costs

The company operates a defined contribution pension scheme in respect of the NEST pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2021	2020
	£	£
Pension charge	<u>2,705</u>	<u>2,425</u>

Contributions amounting to £1,176 (2020: £969) were outstanding at the year end and are included within other creditors.

11. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

12. Tangible fixed assets	Short leasehold property £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 September 2020	448,837	4,478	453,315
Additions	1,250	2,419	3,669
At 31 August 2021	<u>450,087</u>	<u>6,897</u>	<u>456,984</u>
Depreciation			
At 1 September 2020	124,810	4,478	129,288
Charge for the year	18,023	605	18,628
At 31 August 2021	<u>142,833</u>	<u>5,083</u>	<u>147,916</u>
Net book values			
At 31 August 2021	<u>307,254</u>	<u>1,814</u>	<u>309,068</u>
At 31 August 2020	<u>324,027</u>	<u>-</u>	<u>324,027</u>

Cost of short leasehold property consists of expenditure incurred constructing the purpose-built nursery (£434,647), the Pine Lodge (£6,690), and a shed (£7,500), together with property improvements in the year of £1,250. The nursery is leased from Cumbria County Council.

13. Debtors	2021 £	2020 £
Other debtors	-	7,310
	<u>-</u>	<u>7,310</u>

14. Creditors: amounts falling due within one year	2021 £	2020 £
Other taxes and social security	2,786	1,640
Other creditors	1,176	969
Accruals and deferred income	3,529	3,992
	<u>7,491</u>	<u>6,601</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

15. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2021	2020
	£	£
Financial assets :		
Other debtors	-	7,310
	<u> </u>	<u> </u>
	2021	2020
	£	£
Financial liabilities measured at amortised cost		
Other creditors	1,176	969
Accruals	3,529	3,992
	<u> </u>	<u> </u>
	<u>4,705</u>	<u>4,961</u>

16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2021 as represented by:			
Tangible fixed assets	77,470	231,598	309,068
Current assets	90,729	-	90,729
Current liabilities	(7,491)	-	(7,491)
	<u> </u>	<u> </u>	<u> </u>
	<u>160,708</u>	<u>231,598</u>	<u>392,306</u>
	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2020 as represented by:			
Tangible fixed assets	78,805	245,222	324,027
Current assets	124,465	-	124,465
Current liabilities	(6,601)	-	(6,601)
	<u> </u>	<u> </u>	<u> </u>
	<u>196,669</u>	<u>245,222</u>	<u>441,891</u>
	<u> </u>	<u> </u>	<u> </u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

17. Analysis of movements in unrestricted funds - current year

	At 1 September 2020 £	Incoming resources £	Outgoing resources £	At 31 August 2021 £
General funds	<u>196,669</u>	<u>111,781</u>	<u>(147,742)</u>	<u>160,708</u>

Analysis of movements in unrestricted funds - previous year

	At 1 September 2019 £	Incoming resources £	Outgoing resources £	At 31 August 2020 £
General funds	<u>195,069</u>	<u>146,891</u>	<u>(145,291)</u>	<u>196,669</u>

Purposes of unrestricted funds

The charity's unrestricted funds can be used with the approval of the board of trustees to fund any expenditure which falls within the charity's general aims and objectives.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

18. Analysis of movements in restricted funds - current year

	At 1 September 2020 £	Incoming resources £	Outgoing resources £	At 31 August 2021 £
Building grants and donations	245,222	-	(13,624)	231,598
Other restricted funds	-	78,069	(78,069)	-
	<u>245,222</u>	<u>78,069</u>	<u>(91,693)</u>	<u>231,598</u>

Analysis of movements in restricted funds - previous year

	At 1 September 2019 £	Incoming resources £	Outgoing resources £	At 31 August 2020 £
Building grants and donations	258,846	-	(13,624)	245,222
Other restricted funds	-	79,411	(79,411)	-
	<u>258,846</u>	<u>79,411</u>	<u>(93,035)</u>	<u>245,222</u>

Purposes of restricted funds

Building grants and donations - these funds arise from grants and donations given for the building of a purpose-built nursery. The balance at the year end is represented entirely by building improvements made from the restricted fund, less accumulated depreciation thereon, with a net book value of £231,598.

Other restricted funds include grants and donations where the funder or donor has specified the purpose for which the funds must be used. All such funding was fully spent at the balance sheet date.

19. Financial commitments

At 31 August 2021 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2021 £	2020 £
Expiry date:		
In over five years	<u>737</u>	<u>731</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2021

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

	2021	2020
	£	£
Net movement in funds	(49,585)	(12,024)
Add back depreciation charge	18,628	17,954
Deduct interest income shown in investing activities	(7)	(118)
(Increase)/decrease in debtors	7,310	(7,310)
(Decrease)/increase in creditors	890	(488)
Net cash used by operating activities	<u>(22,764)</u>	<u>(1,986)</u>

21. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	117,155	(26,426)	90,729
Net funds	<u>117,155</u>	<u>(26,426)</u>	<u>90,729</u>

22. Company limited by guarantee

Gosforth Nursery Ltd is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

GOSFORTH NURSERY

England & Wales - Charity number 1133546

Accounts

Gosforth Nursery Ltd
(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 August 2020

Charity number: 1133546

Company number: 06952333

robinson+co (Gosforth) Limited

Chartered Accountants

GOSFORTH

Gosforth Nursery Ltd
(A company limited by guarantee)

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Gosforth Nursery Ltd
(A company limited by guarantee)

Legal and administrative information

Charity number	1133546	
Company registration number	06952333	
Business address	Gosforth Nursery Ltd Gosforth C of E School Wasdale Road GOSFORTH CA20 1AZ	
Registered office	The Old Forge Beck Place GOSFORTH CA20 1AT	
Trustees	N Moore-Miller M E Walton L Gray G E Wilson C K Pyke D N Brooks N M A Glendinning T A Morris	Resigned 12 October 2019 Resigned 12 October 2019 Resigned 12 October 2019 Resigned 17 February 2021
Accountants	robinson+co (Gosforth) Limited The Old Forge Beck Place GOSFORTH CA20 1AT	
Bankers	HSBC Bank plc 69 Lowther Street WHITEHAVEN CA28 7AD	

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2020

The trustees present their report and the financial statements for the year ended 31 August 2020. The trustees, who are also directors of Gosforth Nursery Ltd for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

Gosforth Nursery Limited is constituted as a company limited by guarantee and is a registered charity. The charitable company is governed by its Memorandum and Articles of Association dated 3 July 2009.

Day to day management

The Nursery is managed by Mrs Gillian Jackson.

Trustees

The aim is to maintain a trustee board with a range of skills which will be useful to the organisation. New trustees are taken through an induction procedure.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Nursery Manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no trustee remuneration was paid in the year. The pay of the charity's senior staff is reviewed annually and assessed to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and activities

The Charitable Objects are:

To enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through communitiy groups and by:-

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

We aim to:-

1. Provide high quality care and education for children primarily below statutory school age;
2. Work in partnership with parents to help children learn and develop;
3. Add to the life and well being of our local community; and
4. Offer children and their parents a service which promotes equality and values diversity.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The nursery continues to provide outstanding care and education for children that is accessed by families in the local community and beyond; many parents working at the Sellafield nuclear site use the setting for childcare.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2020

Achievements and performance (continued)

The Nursery adhere to the reserves policy and have 3 months' worth of running costs set aside as per the current policy requirements.

Emplaw remain engaged to provide expert advice and services to the nursery on a range of topics including but not limited to GDPR, policy updates and requirements and HR queries.

There were difficulties in the first half of the year with staff absence through long term sickness and the resignation of the nursery cook although these matters were resolved by the end of the period.

The Covid-19 pandemic brought much disruption on all levels with the nursery closed from March until August, with an obvious associated reduction in income.

Although no increase was made to staff wages, the government support through the job retention scheme and grants from Copeland Borough Council, coupled with the strong reserves position, enabled staff to receive usual levels of pay.

No increase was made in fees to parents.

There was little opportunity for fundraising events and the planned celebrations for the 50th anniversary of the nursery were cancelled due to the pandemic.

Financial review

At the balance sheet date the charity held £196,669 (2019: £195,069) on unrestricted funds and £245,222 (2019: £258,846) on restricted funds, a satisfactory position.

Reserves

Gosforth Nursery Management Committee seeks to hold 3 months operating costs in reserves as part of their contingency planning process. At the date of this report this reserve fund was complete and stood at £50,000.

Risk management

The trustees have assessed the major strategic, business and operational risks to which the organisation is exposed. They are satisfied that systems are in place to mitigate the exposure to these risks.

Plans for future periods

A full review of attendance patterns, including those children previously attending the out of school provision will be needed following the change in working patterns of many parents.

Plans for an extension of the office area to provide a meeting room for parents and visiting professionals will be revisited and an upgrade of the nursery garden will hopefully be carried out. Grant opportunities and fundraising events will need to be researched to support these plans.

A further member will be required to join the management committee when the treasurer ends her term of office in August 2021.

Gosforth Nursery Ltd
(A company limited by guarantee)

Report of the trustees (incorporating the directors' report)
for the year ended 31 August 2020

Statement of trustees' responsibilities

The trustees (who are also directors of Gosforth Nursery Ltd for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board

N Moore-Miller
Director

Gosforth Nursery Ltd
(A company limited by guarantee)

Independent examiner's report to the trustees on the unaudited financial statements of Gosforth Nursery Ltd.

I report on the accounts of Gosforth Nursery Ltd for the year ended 31 August 2020 set out on pages 6 to 20.

Respective responsibilities of trustees and independent examiner

The charity's trustees (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or

- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Mr J Spires FCA DChA

Independent examiner

robinson+co (Gosforth) Limited
The Old Forge
Beck Place
Gosforth, Seascale
CA20 1AT

Gosforth Nursery Ltd
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 August 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Income					
Income from charitable activities	2	145,523	79,411	224,934	266,080
Income from other trading activities:					
Activities for generating funds	3	1,250	-	1,250	4,135
Investment income	4	118	-	118	134
Total income		<u>146,891</u>	<u>79,411</u>	<u>226,302</u>	<u>270,349</u>
Expenditure					
Charitable activities	5	145,291	93,035	238,326	270,192
Total expenditure		<u>145,291</u>	<u>93,035</u>	<u>238,326</u>	<u>270,192</u>
Net income/(expenditure) for the year		1,600	(13,624)	(12,024)	157
Total funds brought forward		195,069	258,846	453,915	453,758
Total funds carried forward		<u>196,669</u>	<u>245,222</u>	<u>441,891</u>	<u>453,915</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet
as at 31 August 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		324,027		341,981
Current assets					
Debtors	13	7,310		-	
Cash at bank and in hand		117,155		119,023	
		<u>124,465</u>		<u>119,023</u>	
Creditors: amounts falling due within one year	14	(6,601)		(7,089)	
			<u>117,864</u>		<u>111,934</u>
Net current assets			<u>117,864</u>		<u>111,934</u>
Net assets			<u>441,891</u>		<u>453,915</u>
Funds	16				
Restricted income funds			245,222		258,846
Unrestricted income funds			196,669		195,069
Total funds			<u><u>441,891</u></u>		<u><u>453,915</u></u>

The Balance Sheet continues on the following page.

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Balance sheet (continued)

Trustees statements required by the Companies Act 2006
for the year ended 31 August 2020

In approving these financial statements as trustees of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ;

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 August 2020.

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board on

and signed on its behalf by

N Moore-Miller
Director

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Cash flow statement

for the year ended 31 August 2020

	Notes	2020 £	2019 £
Net cash (used by)/provided by operating activities	20	(1,986)	20,538
Cash flows from investing activities			
Interest and dividends		118	134
Net cash provided by investing activities		<u>118</u>	<u>134</u>
Change in cash and cash equivalents in the year		(1,868)	20,672
Cash and cash equivalents brought forward		<u>119,023</u>	<u>98,351</u>
Cash and cash equivalents carried forward		<u><u>117,155</u></u>	<u><u>119,023</u></u>

The notes on pages 10 to 20 form an integral part of these financial statements.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company constitutes a public benefit entity as defined by FRS 102.

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

The presentational currency is UK Sterling pounds (£).

1.2. Income

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

1.3. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and governance costs.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line

1.5. Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

1.7. Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

2. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Government grants	50,247	-	50,247	-
Fees from parents	95,276	-	95,276	200,334
Early years entitlements	-	79,411	79,411	65,746
	<u>145,523</u>	<u>79,411</u>	<u>224,934</u>	<u>266,080</u>

In 2019 of the income from charitable activities, £65,746 was attributable to restricted income funds, with the balance of £200,334 being unrestricted.

3. Activities for generating funds

	Unrestricted funds £	2020 Total £	2019 Total £
Fundraising events	217	217	1,731
Income from solar panels	1,033	1,033	2,404
	<u>1,250</u>	<u>1,250</u>	<u>4,135</u>

In 2019 all of the income from activities for generating funds was attributable to unrestricted income funds.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

4. Investment income

	Unrestricted funds £	2020 Total £	2019 Total £
Bank interest receivable	118	118	134
	<u>118</u>	<u>118</u>	<u>134</u>

In 2019 all of the investment income was attributable to unrestricted income funds.

5. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2020 Total £	2019 Total £
Operation of nursery	145,291	93,035	238,326	270,192
	<u>145,291</u>	<u>93,035</u>	<u>238,326</u>	<u>270,192</u>

In 2019 of the costs of charitable activities, £79,370 was attributable to restricted funds, with the balance of £190,822 being unrestricted.

6. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2020 Total £	2019 Total £
Operation of nursery	235,012	3,314	238,326	270,192
	<u>235,012</u>	<u>3,314</u>	<u>238,326</u>	<u>270,192</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

7. Analysis of support costs

	Operation of nursery £	2020 Total £	2019 Total £
Accountancy charges	888	888	912
Legal and professional fees	1,981	1,981	852
Bank charges	126	126	162
Sundry expenses	319	319	844
	<u>3,314</u>	<u>3,314</u>	<u>2,770</u>

8. Net (outgoing)/incoming resources for the year

	2020 £	2019 £
Net (outgoing)/incoming resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	<u>17,954</u>	<u>17,954</u>

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

9. Employees

Employment costs	2020	2019
	£	£
Wages and salaries	180,865	203,903
Social security costs	6,630	5,690
Pension costs	2,425	1,331
	<u>189,920</u>	<u>210,924</u>

No employee received emoluments of more than £60,000 (2019 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year was as follows:

	2020	2019
	Number	Number
Staff	<u>17</u>	<u>18</u>

During the year no expenses were paid to trustees (2019 - £nil).

The key management personnel of the charity is comprised of the Board of Trustees and Nursery Manager. The total employment benefits of the key management personnel were £40,163 (2019: £42,003).

10. Pension costs

The company operates a defined contribution pension scheme in respect of the NEST pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2020	2019
	£	£
Pension charge	<u>2,425</u>	<u>1,331</u>

Contributions amounting to £969 (2019: £1,035) were outstanding at the year end and are included within other creditors.

11. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

12. Tangible fixed assets	Short leasehold property	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 September 2019 and			
At 31 August 2020	448,837	4,478	453,315
Depreciation			
At 1 September 2019	106,856	4,478	111,334
Charge for the year	17,954	-	17,954
At 31 August 2020	124,810	4,478	129,288
Net book values			
At 31 August 2020	324,027	-	324,027
At 31 August 2019	341,981	-	341,981

Cost of short leasehold property consists of expenditure incurred constructing the purpose-built nursery (£434,647) together with the Pine Lodge (£6,690), and a shed (£7,500). The nursery is leased from Cumbria County Council.

13. Debtors	2020	2019
	£	£
Other debtors	7,310	-
14. Creditors: amounts falling due within one year		
	2020	2019
	£	£
Other taxes and social security	1,640	3,406
Other creditors	969	1,035
Accruals and deferred income	3,992	2,648
	6,601	7,089

Gosforth Nursery Ltd
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 August 2020

15. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020	2019
	£	£
Financial assets :		
Other debtors	7,310	-
	<u>7,310</u>	<u>-</u>
	2020	2019
	£	£
Financial liabilities measured at amortised cost		
Other creditors	969	1,035
Accruals	3,992	2,648
	<u>4,961</u>	<u>3,683</u>

16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2020 as represented by:			
Tangible fixed assets	78,805	245,222	324,027
Current assets	124,465	-	124,465
Current liabilities	(6,601)	-	(6,601)
	<u>196,669</u>	<u>245,222</u>	<u>441,891</u>
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 August 2019 as represented by:			
Tangible fixed assets	83,135	258,846	341,981
Current assets	119,023	-	119,023
Current liabilities	(7,089)	-	(7,089)
	<u>195,069</u>	<u>258,846</u>	<u>453,915</u>

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17. Analysis of movements in unrestricted funds - current year

	At 1 September 2019 £	Incoming resources £	Outgoing resources £	At 31 August 2020 £
General funds	<u>195,069</u>	<u>146,891</u>	<u>(145,291)</u>	<u>196,669</u>

Analysis of movements in unrestricted funds - previous year

	At 1 September 2018 £	Incoming resources £	Outgoing resources £	At 31 August 2019 £
General funds	<u>181,288</u>	<u>204,603</u>	<u>(190,822)</u>	<u>195,069</u>

Purposes of unrestricted funds

The charity's unrestricted funds can be used with the approval of the board of trustees to fund any expenditure which falls within the charity's general aims and objectives.

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18. Analysis of movements in restricted funds - current year

	At 1 September 2019 £	Incoming resources £	Outgoing resources £	At 31 August 2020 £
Building grants and donations	258,846	-	(13,624)	245,222
Other restricted funds	-	79,411	(79,411)	-
	<u>258,846</u>	<u>79,411</u>	<u>(93,035)</u>	<u>245,222</u>

Analysis of movements in restricted funds - previous year

	At 1 September 2018 £	Incoming resources £	Outgoing resources £	At 31 August 2019 £
Building grants and donations	272,470	-	(13,624)	258,846
Other restricted funds	-	65,746	(65,746)	-
	<u>272,470</u>	<u>65,746</u>	<u>(79,370)</u>	<u>258,846</u>

Purposes of restricted funds

Building grants and donations - these funds arise from grants and donations given for the building of a purpose-built nursery. The balance at the year end is represented entirely by building improvements made from the restricted fund, less accumulated depreciation thereon, with a net book value of £245,222.

Other restricted funds include grants and donations where the funder or donor has specified the purpose for which the funds must be used. All such funding was fully spent at the balance sheet date.

19. Financial commitments

At 31 August 2020 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2020 £	2019 £
Expiry date:		
In over five years	<u>731</u>	<u>331</u>

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

	2020	2019
	£	£
Net movement in funds	(12,024)	157
Add back depreciation charge	17,954	17,954
Deduct interest income shown in investing activities	(118)	(134)
(Increase)/decrease in debtors	(7,310)	-
(Decrease)/increase in creditors	(488)	2,561
Net cash (used by)/provided by operating activities	(1,986)	20,538

21. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	119,023	(1,868)	117,155
Net funds	119,023	(1,868)	117,155

22. Company limited by guarantee

Gosforth Nursery Ltd is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.