

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	Resigned 01 February 2023
	P M I Ellis	
	G Oji	Appointed 31 January 2023
	E C V Bates	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
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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 to 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
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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 Spires

.....
Mr J Spires 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
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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		
		73,567		41,986		
Creditors: amounts falling due within one year	13	(9,364)		(4,687)		
Net current assets			64,203		37,299	
Net assets			381,877		361,556	
Funds	15					
Restricted income funds			204,350		217,974	
Unrestricted income funds			177,527		143,582	
Total funds			381,877		361,556	

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
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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
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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
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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.

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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
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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.

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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
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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>

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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
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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
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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
	<u>4,424</u>	<u>3,313</u>

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)
	<u>177,527</u>	<u>204,350</u>	<u>381,877</u>

	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>

Gosforth Nursery Ltd
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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.

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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
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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.