

THE COTTAGE NURSERY
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THE COTTAGE NURSERY
(A company limited by guarantee)

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THE COTTAGE NURSERY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Anita Baker (resigned 24 November 2020)
Timothy Miller
Ella Biggs
Ceri Nicholson
David Russell
Aideen Harold
Hayley Ward
Vyvyan Attwood (resigned 24 November 2020)
Clare Thomas (appointed 25 November 2020)

Company registered number

6535999

Charity registered number

1133631

Registered office

Alexander Hall
Watchfield
Swindon
Wiltshire
SN6 8TS

Senior Management

Clare Olden, Joint Manager
Trudi Krzywiec, Joint Manager

Accountants

James Cowper Kreston
Chartered Accountants
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

THE COTTAGE NURSERY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Cottage Nursery (the company) for the year ended 31 August 2021. The Trustees confirm that the annual report and the financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2019.

Since the company qualifies as 'small' under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 is not required.

Objectives and activities

The Cottage Nursery offers day care, sessional care and pre-school education to children aged from 3 months to 5 years. This year over 60% of the nursery's membership were families working or studying at the Defence Academy, a number of whom were international families. The remainder were children from the local communities of Watchfield and Shrivenham.

The aim of the nursery is to enhance the development and education of the children in its care by providing the best childcare available to the local community with a safe, secure and stimulating environment in which the children are encouraged to reach their full potential and where staff feel valued and engaged.

The nursery follows the Early Years Foundation Stage (EYFS) with its planning and children take part in activities that are both age and stage appropriate.

The Nursery keeps chickens (that provide a source of fresh eggs as well as having an educational benefit), and maintain planters that the children help to look after. There are regular walks into the locality of the Nursery which have provided an opportunity for children to see and learn more about nature. We hope to restart the football sessions, run by an outside agency, as an extra-curricular activity in future as well as welcoming Zoolab back into the Nursery next year.

All children are treated equally, and British Values are embedded in the way the nursery runs, with all staff undertaking Prevent Duty training.

Covid-19

The Covid-19 pandemic continued to have a major impact on the Nursery during the year and reference to that impact is made throughout this report. Because of the pandemic a number of staff were 'furloughed' during the year and we had to close one of the rooms for two weeks.

The nursery has continued to implement the changes that were made last year to the way the rooms were configured, the drop-off and pick-up arrangements, the way in which food is served and the way in which staff are utilised. The nursery has also taken on board the advice and processes, mandated and advisory from Oxfordshire County Council and Public Health England.

It is important to recognise that the Management and Staff have been quite superb in their response to the crisis throughout the year. Their professionalism, dedication, care and attention to detail has meant that the impact on children, their carers and the Trust has been minimised.

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Public benefit

The Cottage Nursery provides care for children from both the local community and the military families attending the Defence Academy. In so doing it welcomes children from all backgrounds and nationalities and supports children and families for whom, in some cases, their first language is not English.

The nursery supports any child with special education needs and has strong links with outside agencies provided by the local council. It also liaises with the local schools to aid the transition of children into the school system.

The nursery actively promotes a Healthy Eating Policy providing healthy snacks and a 'home-cooked' lunch. Help and support is offered to parents to develop their children's eating habits.

The nursery will assist any parent who finds it hard to pay their nursery bill with a personalised payment plan, and will also offer support to vulnerable families.

Sadly we were unable to perform our annual Christmas concert in St. Alban's Church in Watchfield due to COVID-19 but hope to include this in our curriculum for December 2021.

The nursery offers 2-year old funded places and also offers places to all children eligible for the 3 and 4-year-old funding, both the statutory 15 hours and the extended 30 hours where parents meet the criteria.

It should be noted that the funding received for such places falls well short of the cost of actually providing those places.

No Trustee received any private benefit or any other remuneration from the Charity.

The Trustees have had regard to the Charity Commissions' guidance on public benefit.

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

The year ended 31st August 2021 saw the nursery keep its own books and records for the 18th year running. The bookkeeping services are the responsibility of the nursery Managers.

The most recent Ofsted inspection was in June 2018 when the Nursery was assessed as 'Good'. Since then the Nursery management and staff have continued to develop resources and best practice within the Nursery. This has been recognised by Oxfordshire County Council who now use the Nursery as an example of best practice for other providers.

It goes without saying that the Trustees are delighted with the continued progress of the Nursery which we recognise is down to the hard work and diligent efforts of the management and all of the staff. Whilst it would be a great achievement for the Nursery to be assessed as Outstanding it is our aim to ensure that 'Good' is maintained and that the Nursery continues to aim for best practice and a safe and caring environment for the children.

The Lending Library has remained closed this year due to COVID-19 however, we are looking forward to re-opening and continuing to grow and develop the library with parents encouraged as part of the 'Parents in Partnership' ethos to ensure that children take the opportunity to borrow the books in the library. We will also re-open the lending library for parents.

Thanks to the generosity of parents and others who have taken part in the various fundraising activities we have continued to develop the outdoor play and activity areas and also purchased more outside play equipment.

We continue to display the Recognition Board which provides the opportunity for parents and staff to thank and recognise staff who have gone over and beyond what might be expected. All parents are encouraged to add their comments to this Board when passing through the Nursery.

Financial review

A statement of the financial position and details of income and expenditure is provided to each Trustee meeting where it is reviewed by trustees and management. Reserves have been built up over previous financial years to cover redundancy and closure costs should the need ever arise to wind up the nursery. We also have £85,000 on deposit with the Charity Bank which not only diversifies our bank accounts but also pays a small amount of interest.

Fees are reviewed annually and are fixed at a level that is expected to raise sufficient revenue to cover all necessary expenditure whilst remaining competitive within the local area.

The nursery receives Nursery Education Funding for qualifying 2, 3 and 4-year olds, however, as stated earlier the level of funding received, which is set by local government, is significantly below the nursery's hourly rate. This is a matter which is beyond the nursery's control.

The nursery is fully compliant with both the National Living Wage and Pension Auto-Enrolment. The significant increase in the National Living Wage has put an additional strain on the Nursery but we are delighted to report that a consistency in child numbers throughout the year at the Nursery, and prudent management of expenses has enabled the Nursery to once again make a operating surplus this year which the Trustees would like to see invested back into the nursery.

During the year we have continued to take advantage of the Government's job retention scheme. (Using this scheme we furloughed one member of staff where we maintained full pay).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Although the encroachment status of the nursery continues to be reviewed annually, the Trustees remain grateful for the continued support of the Defence Academy with the provision of its building and main utilities. The Defence Academy has also been responsive to our maintenance needs and as a result we have well maintained buildings and facilities.

The nursery is run as a self-funding body.

Reserves policy

A statement of the financial position and details of income and expenditure is provided to each Trustee meeting where it is reviewed by Trustees and management. Reserves of £326,156 have been built up over previous financial years to cover redundancy and closure costs should the need ever arise to wind up the nursery.

Structure, governance and management

Constitution

The nursery is registered as a charitable company limited by guarantee (number 6535999).

The nursery is constituted under its Memorandum and Articles of Association dated 28th April 2008 (amendments made January 2011 and November 2018) and is a registered charity (number 1133631).

Organisational structure

The nursery is run jointly by two Managers, with four Room Supervisors, one of whom has been appointed as Senior Room Supervisor and assumes the role of Deputy as the need arises. Some finance and bookkeeping functions have been outsourced on a contractual basis but will now be brought in house. The payroll continues to be prepared by an outside Payroll Agency and a firm of Accountants is responsible for preparing the year end accounts.

Health & Safety is looked after jointly by the two Managers and the Senior Room Supervisor. All fire related checks and PAT testing are carried out by Serco.

There are four Safeguarding Officers, but all staff are trained on Safeguarding and Prevent.

The Managers report to the Trustees who meet regularly; minutes of these meetings are kept and are available to all staff and parents as they act as a record of the nursery's official business.

Nursery staff are represented at Trustee meetings by the nursery Managers, this ensures a good and open flow of communication. Declarations of Interest are recorded when applicable.

Training & induction of Trustees and staff

The responsibilities of the Trustees are documented in the constitution. Trustees are expected to serve a minimum of two years to a maximum of six years in post and are generally appointed from within the local community. Their appointment is ratified at the annual AGM. Trustees are expected to spend time during the working day at the nursery to familiarise themselves with the day to day operation and to meet the members of staff, however, this has been curtailed during the recent crisis. Copies of the policies and procedures are made available to them. All Trustees are subject to the same level of checks, including DBS checks, as members of staff.

The majority of staff are qualified to a minimum of NVQ level 3 in childcare (or equivalent). However, staff are chosen not just for their qualifications but also for their individual caring skills. All staff are actively encouraged to continue to obtain new qualifications and further their learning. Safeguarding and first aid training are mandatory.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

Risk Management

Regular risk assessments are carried out by the Managers, daily checks are done by the staff in all areas of the nursery.

The Trustees have assessed the major risks to which the nursery is exposed, in particular those related to the operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure to major risks.

There are six lead Safeguarding Officers. Safeguarding and Prevent training is mandatory to level one for all staff. All staff must have a current DBS which is renewed every three years. They must also declare their suitability each term, this extends to 'suitability by association'.

All outside agencies working regularly within the nursery are required to have a current DBS and must declare their on-going suitability. They must also have suitable insurance cover.

Both Managers and the Chair of the Trustees have completed 'Safer Recruitment' training and SR practice is followed with every new recruitment of both staff and Trustees.

Plans for the future

The management structure has worked well during the year and there are no plans to alter this.

In 2021-22 the plan is to consolidate the progress that has been made during the past few years and to continue to develop the outdoor facilities wherever possible.

During the year we will refresh some of the décor both internally and externally and will also enhance the facilities and equipment in the rooms.

The kitchen will also get some attention to ensure it continues to be safely equipped to deliver the number of meals that are now required on a daily basis.

We will continue to invest in Training and development of staff so that they not only fully equipped to meet statutory requirements but also in aspects of child development and care that extend the reach of the Nursery.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Ella Biggs
Trustee
Date: 2 December 2021

THE COTTAGE NURSERY
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Examiner's Report to the Trustees of The Cottage Nursery ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2021.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.



Signed:

Dated:

14 December 2021

Alexander Peal BSc(Hons) FCA DChA

James Cowper Kreston
Chartered Accountants
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

THE COTTAGE NURSERY
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	2	9,751	9,751	25,039
Charitable activities	3	445,340	445,340	337,319
Other trading activities		839	839	926
Investments	5	1,092	1,092	47
Other income	6	949	949	32,182
Total income		457,971	457,971	395,513
Expenditure on:				
Raising funds		102	102	414
Charitable activities	7	397,739	397,739	372,449
Total expenditure		397,841	397,841	372,863
Net income		60,130	60,130	22,650
Net movement in funds		60,130	60,130	22,650
Reconciliation of funds:				
Total funds brought forward		266,026	266,026	243,376
Total funds carried forward		326,156	326,156	266,026

The notes on pages 13 to 24 form part of these financial statements.

THE COTTAGE NURSERY
(A company limited by guarantee)
REGISTERED NUMBER: 6535999

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	15,392	11,540
		<u>15,392</u>	<u>11,540</u>
Current assets			
Cash at bank and in hand		320,432	262,102
		<u>320,432</u>	<u>262,102</u>
Creditors: amounts falling due within one year	13	(9,668)	(7,616)
		<u>(9,668)</u>	<u>(7,616)</u>
Net current assets		310,764	254,486
Net assets		<u>326,156</u>	<u>266,026</u>
Charity funds			
Unrestricted funds	14	326,156	266,026
		<u>326,156</u>	<u>266,026</u>
Total funds		<u>326,156</u>	<u>266,026</u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

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


.....
Ella Biggs
Trustee
Date: 2 December 2021

The notes on pages 13 to 24 form part of these financial statements.

THE COTTAGE NURSERY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	17	66,143	35,342
Cash flows from investing activities			
Interest		1,092	47
Proceeds from the sale of tangible fixed assets		-	100
Purchase of tangible fixed assets		(8,905)	(11,189)
Net cash used in investing activities		(7,813)	(11,042)
Change in cash and cash equivalents in the year		58,330	24,300
Cash and cash equivalents at the beginning of the year		262,102	237,802
Cash and cash equivalents at the end of the year	18	320,432	262,102

The notes on pages 13 to 24 form part of these financial statements

THE COTTAGE NURSERY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

1.2 Company status

The charity is a private company limited by guarantee and incorporated in England and Wales. The address of its registered office and principal place of business is Alexander Hall, Watchfield, Swindon, Wiltshire, SN6 8TS. The members of the company are the parents who elect the Trustees named on page 1, to run the company on their behalf. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

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

1.4 Income

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Nursery receives a grant each term from Oxfordshire County Council which pays for some children to receive up to 15 or 30 hours of care at the Nursery each week. The grant is applied for on a termly basis and is recognised in the financial statements when the Nursery becomes entitled to receive the income.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Donated services

The Defence Academy of the United Kingdom bears certain costs on behalf of the Cottage Nursery. These costs are not separate and identifiable from those of the Academy itself and have therefore not been recognised in the accounts as donated services but are disclosed here as such. Fundraising costs included in costs of activities to generate funds are included in donated services.

1.7 Value added tax

The Nursery is currently not registered for VAT therefore all VAT is written off to the Statement of Financial Activities as incurred.

1.8 Tangible fixed assets and depreciation

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

Depreciation is provided on the following bases:

Fixtures and fittings	- 20% Straight Line
Computer equipment	- 20% Straight Line
Playground equipment	- 20% Straight Line

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.12 Financial instrument

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.13 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Tangible fixed assets:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and the projected disposal values.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	50	50	-
Grants	-	-	100
Government grants	9,701	9,701	24,939
	9,751	9,751	25,039
Total 2020	25,039	25,039	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fees and deposits	349,414	349,414	234,421
Grants	95,926	95,926	102,898
	<u>445,340</u>	<u>445,340</u>	<u>337,319</u>
	<u>337,319</u>	<u>337,319</u>	
Total 2020			

4. Fundraising income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising events	839	839	926

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest received	1,092	1,092	47
	<u>47</u>	<u>47</u>	
Total 2020			

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	949	949	200
Insurance claims	-	-	31,982
	<u>949</u>	<u>949</u>	<u>32,182</u>
	<u><u>32,182</u></u>	<u><u>32,182</u></u>	
Total 2020			

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Nursery costs	395,075	395,075	370,234
Governance costs	2,664	2,664	2,215
	<u>397,739</u>	<u>397,739</u>	<u>372,449</u>
	<u><u>372,449</u></u>	<u><u>372,449</u></u>	
Total 2020			

THE COTTAGE NURSERY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Nursery costs	395,075	-	395,075	370,234
Governance costs	-	2,664	2,664	2,215
	<u>395,075</u>	<u>2,664</u>	<u>397,739</u>	<u>372,449</u>
	<u><u>395,075</u></u>	<u><u>2,664</u></u>	<u><u>397,739</u></u>	
Total 2020	<u>370,234</u>	<u>2,215</u>	<u>372,449</u>	

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	346,546	314,529
Depreciation	5,053	11,144
Staff training and recruitment	3,537	1,748
Nursery consumables	22,365	22,238
Insurance	2,072	1,660
Premises expenses	5,175	3,181
Printing, postage, stationery and advertising	505	964
Computer expenses	320	386
Travel expenses	-	57
Clothing costs	498	380
Subscriptions	937	883
Sundry expenses	4,516	7,602
Bank charges	213	206
Payroll charges	1,903	2,202
(Profit)/loss on disposal of fixed assets	-	51
Consultancy fees	1,435	3,003
	<u>395,075</u>	<u>370,234</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Governance costs	2,664	2,215

9. Independent examiner's remuneration

	2021 £	2020 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	2,664	2,215

10. Staff costs

	2021 £	2020 £
Wages and salaries	320,163	286,603
Social security costs	17,983	19,736
Other pension costs	8,400	8,190
	346,546	314,529

The average number of persons employed by the Company during the year was as follows:

2021 No.	2020 No.
19	19

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

During the year the remuneration and benefits received by key management personnel totalled £82,533 (2020: £95,645).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Playground equipment £	Total £
Cost or valuation				
At 1 September 2020	10,366	1,836	50,143	62,345
Additions	-	-	8,905	8,905
At 31 August 2021	<u>10,366</u>	<u>1,836</u>	<u>59,048</u>	<u>71,250</u>
Depreciation				
At 1 September 2020	8,292	1,580	40,933	50,805
Charge for the year	2,074	87	2,892	5,053
At 31 August 2021	<u>10,366</u>	<u>1,667</u>	<u>43,825</u>	<u>55,858</u>
Net book value				
At 31 August 2021	<u>-</u>	<u>169</u>	<u>15,223</u>	<u>15,392</u>
At 31 August 2020	<u>2,074</u>	<u>256</u>	<u>9,210</u>	<u>11,540</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	342	288
Other taxation and social security	6,819	4,821
Accruals	2,507	2,507
	<u>9,668</u>	<u>7,616</u>

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
Reserves and general funds	266,026	457,971	(397,841)	326,156
	<u>266,026</u>	<u>457,971</u>	<u>(397,841)</u>	<u>326,156</u>

Statement of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
Reserves and general funds	243,376	395,513	(372,863)	266,026
	<u>243,376</u>	<u>395,513</u>	<u>(372,863)</u>	<u>266,026</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
General funds	266,026	457,971	(397,841)	326,156

Summary of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
General funds	243,376	395,513	(372,863)	266,026

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	15,392	15,392
Current assets	320,432	320,432
Creditors due within one year	(9,668)	(9,668)
Total	326,156	326,156

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	11,540	11,540
Current assets	262,102	262,102
Creditors due within one year	(7,616)	(7,616)
Total	266,026	266,026

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	60,130	22,650
Adjustments for:		
Depreciation charges	5,053	11,144
Interest	(1,092)	(47)
Loss on the sale of fixed assets	-	51
Decrease in debtors	-	18
Increase in creditors	2,052	1,526
Net cash provided by operating activities	66,143	35,342

18. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in the hand	320,432	262,102
Total cash and cash equivalents	320,432	262,102

19. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	262,102	58,330	320,432
	262,102	58,330	320,432

20. Related party transactions

There were no related party transactions in the year or the prior year.

21. Controlling party

The ultimate controlling party is the charity's Trustees as detailed on page 1 of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments

The charity operates a Stakeholder Pension Scheme for its employees. This is a money purchase or defined contribution scheme. The employer's contribution is 3% of the gross pay, and for the year totalled £8,400 (2020: £8,190). At the balance sheet date £Nil (2019:£Nil) of contributions (employees and employers) were outstanding.