

THE COTTAGE NURSERY
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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 2024**

Trustees

Vyvyan Attwood
Ella Biggs
Stuart Olden (appointed 20 May 2024)
Alexander Rickard (appointed 1 October 2024)
James Walters (appointed 20 May 2024)
Aideen Harold (resigned 22 July 2024)
Hannah Wood (appointed 6 November 2023, resigned 18 March 2024)

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 2024

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 31st August 2024. 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 2015.

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 69% of the nursery's membership were families working or studying at the Defence Academy, several of whom were international families. This is a 9% increase on 2023. 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.

This year the Nursery has expanded the number of planters in the grounds of the setting, which are planted out and maintained by the children under staff supervision. Forest school activities are scheduled weekly for the older children and there are regular walks into the locality of the Nursery. This has provided an opportunity for children to see and learn more about nature. We also offer a sports club, facilitated by TA Sports Stars, for our Lions and Panthers Room.

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

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

Public benefit

The Cottage Nursery provides care for children from both the local community and the military & civil servant 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 also offer support to vulnerable families.

From April 24 the nursery offered 2-year old funding for working parents up to 15 hours per week term time only. From September 24 we offered this to all working parents in the term after their child turns 9 months. Government funding received for 3 to 4 year olds is less than the cost of providing these 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 and follow the Charity Commission Governance Code.

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Achievements and performance

The year ended 31st August 2024 saw the nursery keeping its own books and records for the 20th year running. The bookkeeping services are the responsibility of the nursery Managers.

An Ofsted inspection was undertaken in May 2024, where the Nursery was assessed as 'Good' with Outstanding in 'Behaviours and Attitudes'. The report was highly complementary about the setting, highlighting the nursery's exceptional behaviour and attitudes, noting that children were polite, helpful, and fostered strong relationships in an inclusive environment. Staff were praised for their engaging, well-structured activities and dedication to fostering independence, self-confidence, and curiosity in children. The nursery leadership was also recognised for its effective planning, support for staff development, and commitment to continuous improvement. Oxfordshire County Council still use the Nursery as an example of best practice for other providers.

It goes without saying that the Trustees are delighted with the latest Ofsted report and the continued progress of the Nursery which we recognise is down to the hard work and diligent efforts of the management and all staff. It is our continued 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.

After considerable investment in 2022-23, the spend this year has related solely to the upkeep of the buildings and redecoration of the Cubs room.

During the past year we have been informed by the Defence Academy that our prior encroachment status is no longer considered appropriate, and that the Defence Infrastructure Organisation (DIO), who own the building in which the nursery resides, are drafting a lease agreement for our review. At the time of this report, neither the management or Trustees have had sight of this document. A decision has thus been made by the Senior Leadership Team (SLT), consisting of the Management and the Board of Trustees, to limit large investment spending until this matter is resolved. We will of course continue to fund purchases and activities required to maintain the current high standard of the nursery environment, care and education.

In place of our usual Christmas concert, we were thrilled to be able to hold a Christmas art morning for our preschool children (Lions and Panthers). This was thoroughly enjoyed by all children, parents and staff. The children also made gifts and donated these to 'Be a Santa for a senior'. We also held an event at Easter and Sport's day in the summer term followed by a family picnic, and raised funds through our Christmas raffle.

The Lending Library and our 'activity at home' bags have continued throughout the year. We continue 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. The lending library for parents has also been available and readily used throughout the year.

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. Two staff completed the Early Years professional development programme.

Unfortunately, due to circumstances out of our control, the nursery had to implement hand washing and drinking from bottled water due to an identified high level of iron in the mains water supply. A new filtration system has been installed external to the nursery building and tests are ongoing to confirm levels are back to an acceptable level.

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Financial review

A statement of the financial position and details of income and expenditure is provided at each Trustee meeting where it is reviewed by both trustees and management. Reserves have built up over the years to provide funds for major improvements in the nursery, to provide a buffer for unexpected events (Covid was an example of this) and for redundancy payments and closedown costs in the unlikely event of the wind-up of the Nursery.

During the year we have worked to protect and grow the funds on deposit by opening accounts with the Dudley Building Society and the Cambridge Building Society in addition to our deposit with the Charity Bank. Collectively the total with these 3 organisations is over £200,000.

Our regular banking is with Lloyds where we operate a current account and an interest-bearing Reserve Account.

Fees are regularly reviewed 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 children. For children aged 3 and 4 the amount received is significantly less than 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 an operating profit this year which the Trustees would like to see invested back into the nursery.

The encroachment status is covered above. The Defence Academy currently requires all maintenance and works to the nursery building and infrastructure to be undertaken by their appointed contractors. Whilst we have had good support under this arrangement to date, this is something that we will be reviewing under the new lease arrangement being proposed by the DIO. Our buildings and facilities continue to be well maintained, and we have recently had a new fire alarm system fitted to comply with current regulations.

The nursery is run as a self-funding body.

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).

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

Organisational structure

The nursery is run jointly by two Managers, a Deputy Manager, and four Room Supervisors. All bookkeeping functions continue to be conducted in house however 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 Deputy Manager, all fire related checks and PAT testing are carried out by Serco.

There are five Designated Safeguarding Leads, with all staff trained on Safeguarding and Prevent.

The Managers report to the Trustees who meet regularly (every 6 weeks); 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. We also now have detailed role descriptions for the Trustees and the Chair. 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. Copies of the policies and procedures are made available to them. All Trustees are subject to the same level of checks, including enhanced DBS and EY2 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.

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. The risk register is reviewed on a rolling basis as part of the Trustees meetings.

There are five Designated Safeguarding Leads. 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 Trustees are required to complete the Oxfordshire Safeguarding Childrens Board (OSCB) Introduction to Safeguarding training.

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.

THE COTTAGE NURSERY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

Plans for the future

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

As stated above, any high-level capital expenditure is currently under review due to the current encroachment / lease agreement discussions with the Defence Academy and DIO. That said, the nursery is looking to upgrade the kitchen facilities in 2025 to allow for increased capacity for lunches and snack times. This upgrade will also provide an enhanced learning environment for nutrition, diet, and cooking skills.

We continue to review our funds on deposit to ensure they are protected whilst maximising their growth potential.

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.

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 charitable 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 judgements 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 charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Stuart Olden

.....
Stuart Olden
(Chair of Trustees)
Date:

THE COTTAGE NURSERY
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

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 2024.

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 2024

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:

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 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	2	-	-	50
Charitable activities	3	547,007	547,007	530,240
Other trading activities		274	274	350
Investments	4	4,254	4,254	887
Other income	5	92	92	96
Total income		551,627	551,627	531,623
Expenditure on:				
Charitable activities	6	567,721	567,721	497,407
Total expenditure		567,721	567,721	497,407
Net income		(16,094)	(16,094)	34,216
Net movement in funds		(16,094)	(16,094)	34,216
Reconciliation of funds:				
Total funds brought forward		412,697	412,697	378,481
Total funds carried forward		396,603	396,603	412,697

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

THE COTTAGE NURSERY
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REGISTERED NUMBER: 6535999

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	98,337	128,222
		<u>98,337</u>	<u>128,222</u>
Current assets			
Debtors	12	40	40
Cash at bank and in hand		311,455	316,724
		<u>311,495</u>	<u>316,764</u>
Creditors: amounts falling due within one year	13	(13,229)	(32,289)
Net current assets		<u>298,266</u>	<u>284,475</u>
Net assets		<u><u>396,603</u></u>	<u><u>412,697</u></u>
Charity funds			
Unrestricted funds	14	396,603	412,697
Total funds		<u><u>396,603</u></u>	<u><u>412,697</u></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:

Stuart Olden

Stuart Olden
(Chair of Trustees)
Date:

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 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	17	(9,220)	68,048
Cash flows from investing activities			
Interest		4,254	887
Purchase of tangible fixed assets		(303)	(118,357)
Net cash provided by/(used in) investing activities		3,951	(117,470)
Change in cash and cash equivalents in the year		(5,269)	(49,422)
Cash and cash equivalents at the beginning of the year		316,724	366,146
Cash and cash equivalents at the end of the year	18	311,455	316,724

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 2024

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.

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.

THE COTTAGE NURSERY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.5 Expenditure (continued)

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

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 Debtors

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

1.10 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.

1.11 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.12 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.

1.13 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.

1.14 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

2. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	-	-	50
Total 2023	50	50	

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fees and deposits	396,046	396,046	433,598
Grants	150,961	150,961	96,642
	547,007	547,007	530,240
Total 2023	530,240	530,240	

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest received	4,254	4,254	887
Total 2023	887	887	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

5. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other income	92	92	96
Total 2023	96	96	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Nursery costs	563,971	563,971	494,154
Governance costs	3,750	3,750	3,253
	567,721	567,721	497,407
Total 2023	497,407	497,407	

THE COTTAGE NURSERY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Nursery costs	563,971	-	563,971	494,154
Governance costs	-	3,750	3,750	3,253
	<u>563,971</u>	<u>3,750</u>	<u>567,721</u>	<u>497,407</u>
	<u>494,154</u>	<u>3,253</u>	<u>497,407</u>	
Total 2023				

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	471,909	427,512
Depreciation	30,188	13,427
Staff training and recruitment	1,652	1,782
Nursery consumables	35,895	32,144
Insurance	2,887	2,678
Premises expenses	2,151	3,078
Printing, postage, stationery and advertising	547	490
Computer expenses	1,039	322
Travel expenses	76	-
Clothing costs	484	651
Subscriptions	1,511	1,308
Sundry expenses	12,868	8,008
Bank charges	120	145
Payroll charges	1,444	1,409
Consultancy fees	1,200	1,200
	<u>563,971</u>	<u>494,154</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Governance costs	3,750	3,253

8. Independent examiner's remuneration

	2024 £	2023 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	3,240	3,445

9. Staff costs

	2024 £	2023 £
Wages and salaries	426,408	389,277
Social security costs	34,965	28,860
Other pension costs	10,536	9,375
	471,909	427,512

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

2024 No.	2023 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 £120,769 (2023: £114,809)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

11. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Playground equipment £	Total £
Cost or valuation				
At 1 September 2023	11,531	2,056	149,289	162,876
Additions	-	303	-	303
At 31 August 2024	<u>11,531</u>	<u>2,359</u>	<u>149,289</u>	<u>163,179</u>
Depreciation				
At 1 September 2023	10,630	1,890	22,134	34,654
Charge for the year	234	96	29,858	30,188
At 31 August 2024	<u>10,864</u>	<u>1,986</u>	<u>51,992</u>	<u>64,842</u>
Net book value				
At 31 August 2024	<u><u>667</u></u>	<u><u>373</u></u>	<u><u>97,297</u></u>	<u><u>98,337</u></u>
At 31 August 2023	<u><u>901</u></u>	<u><u>166</u></u>	<u><u>127,155</u></u>	<u><u>128,222</u></u>

12. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	<u><u>40</u></u>	<u><u>40</u></u>

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FOR THE YEAR ENDED 31 AUGUST 2024**

13. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	486	19,940
Other taxation and social security	7,024	7,958
Other creditors	2,479	1,841
Accruals	3,240	2,550
	<u>13,229</u>	<u>32,289</u>

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
General Funds - all funds	412,697	551,627	(567,721)	396,603

Statement of funds - prior year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted funds				
General Funds - all funds	378,481	531,623	(497,407)	412,697

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

15. Summary of funds

Summary of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
General funds	412,697	551,627	(567,721)	396,603

Summary of funds - prior year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
General funds	378,481	531,623	(497,407)	412,697

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	98,337	98,337
Current assets	311,495	311,495
Creditors due within one year	(13,229)	(13,229)
Total	396,603	396,603

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	128,222	128,222
Current assets	316,764	316,764
Creditors due within one year	(32,289)	(32,289)
Total	412,697	412,697

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(16,094)	34,216
Adjustments for:		
Depreciation charges	30,188	13,428
Interest	(4,254)	(887)
Increase/(decrease) in creditors	(19,060)	21,291
Net cash provided by/(used in) operating activities	(9,220)	68,048

18. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	311,455	316,724
Total cash and cash equivalents	311,455	316,724

19. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	316,724	(5,269)	311,455
	316,724	(5,269)	311,455

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
FOR THE YEAR ENDED 31 AUGUST 2024

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 £10,536 (2023: £9,375). At the balance sheet date £2,337 (2023: £1,841) of contributions (employees and employers) were outstanding.