

# **SELLY WICK PRE-SCHOOL PLAYGROUP**

(Limited by Guarantee)

COMPANY NUMBER 7292217

CHARITY NUMBER 1137051

**REPORT AND ACCOUNTS  
YEAR TO 31ST AUGUST 2021**

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# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

**FOR THE YEAR TO 31ST AUGUST 2021**

### Registration

The company was incorporated, as a company limited by guarantee, at Companies House on 22nd June 2010, and registered with the Charity Commission for England and Wales on 23rd July 2010.

### Secretary

L.A. Wormwell

### Directors

G.T. Gilbert  
A.M. Livingstone  
S. Haynes

### Registered Office and Operational Address

37-47, Raddlebarn Road,  
Selly Oak,  
Birmingham,  
B29 6HH

### Independent Examiner

M.A. Edwards Accountants Limited  
Chartered Accountants,  
26, The Green,  
Kings Norton,  
Birmingham,  
B38 8SD.

### Bankers

Santander UK plc.,  
BBAM, Bridle Road,  
Bootle,  
Merseyside,  
L30 4GB

# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **DIRECTORS REPORT**

### **FOR THE YEAR TO 31ST AUGUST 2021**

The directors present their report and accounts for the year to 31st August 2021.

#### Principal Activity

The principal activity of the company is as a charity running a playgroup for pre school children.

#### Directors

The directors, who are all members of the company, who served during the year were as follows :-

G.T. Gilbert  
A.M. Livingstone  
S. Haynes

#### Directors Responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that period. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

#### Organisation of the Charity

The charity is run by the directors who are elected at the Annual General Meeting.

#### Objects

The charity's objects are to run a playgroup and care for pre school children in the Birmingham area.

#### Review of Activities

- An extraordinary meeting was held at the start of the academic year and a new director was appointed S.Haynes (Chair) and also L. Wormwell was appointed as the Secretary.
- Steady number of children attending this academic year (Autumn/Spring Terms).
- In March 2020, the setting closed for the remaining of the academic year to adhere to the Government's Covid 19 lockdown restrictions.
- The Committee did not furlough any staff as the Nursery Grant Funding had already been paid and continued to be paid for the rest of the academic year. This meant staff could still be paid their full

# SELLY WICK PRE-SCHOOL PLAYGROUP

## DIRECTORS REPORT

### FOR THE YEAR TO 31ST AUGUST 2021

wages.

- The lockdown restrictions reduced in June 2020. Following this, the setting could have re-opened for the last half term of the academic year. However, after consultation with our service users, the committee decided to remain closed to continue to keep the staff and children and their families safe.
- A grant of £10,000 was awarded via BCC's Small Business rates scheme, this grant had no restrictions on what it could be spent on.
- A pay rise was awarded from September 2019 to bring staff in line with UK living wage of £9.00. However, the UK living wage rate has since increased again to £9.30 per hour (£9.50 from 09/11/2020). A further pay-review will be undertaken at the start of the next academic year.
- Our staffing costs could be reduced if we choose to operate at a higher adult:child ratio than statutory guidelines state. However, having a lower ratio is a practice the committee wish to continue, unless an urgent rationale for reducing costs was required and this could be reconsidered.
- Training continues to be an area of importance to Selly Wick to ensure our staff develop their practice and this year all staff undertook 'In the moment planning'.
- Approximately £2,000 was allocated to cover maintenance costs. However, £4,320 was spent as the boiler was replaced to ensure a provision of hot water on the premises. In addition, the floor coverings in the office and kitchen were replaced and the setting fully redecorated inside.
- Our website enables us to increase the public's awareness of our facilities. When planning the various activities, the directors have had regard to the Charity Commission's general guidance on public benefit.
- We acknowledge the generous contributions provided by our many donors, and the time given for free by our volunteer helpers.

#### Reserves Policy

The directors have decided that the unrestricted funds not committed or representing tangible fixed assets (free reserves) held by the charity should be not less than 6 months of expenditure. At the end of the year, the free reserves were approximately 10 months. It is considered necessary to have these reserves to keep the charity running in the event of a future reduction in funding. The directors are looking for new sources of funding for the charity.

#### Risk Review

The directors have reviewed the risks facing the charity. They will continue to seek future sources of funding to guard against a significant reduction in funding in the future. The directors of the charity, are involved in, and monitor the activities to avoid a fall in the quality of the facilities.

This report is prepared in accordance with the Charities SORP (FRS 102).

This report was approved by the board of directors on \_\_\_\_\_ and signed on its behalf by :-

G.T. Gilbert  
Director

# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF SELLY WICK PRE-SCHOOL PLAYGROUP**

**FOR THE YEAR TO 31ST AUGUST 2021**

I report on the accounts of the company for the year ended 31st August 2021, which are set out on pages 5 to 10.

### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

examine the accounts under section 145 of the 2011 Act;  
to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

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:

(1) which gives me reasonable cause to believe that in any material respect the requirements: to keep 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 or are not consistent with the Charities Statement of Recommended Practice FRS 102.

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

Michael Alan Edwards  
For and on behalf of :-  
M.A. Edwards Accountants Limited  
Chartered Accountants  
26, The Green,  
Kings Norton,  
Birmingham,  
B38 8SD

# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR TO 31ST AUGUST 2021**

	Notes	Restricted Fund	Unrestricted Fund	2021 Total	2020 Total
<u>Incoming Resources</u>					
Donations		-	94	94	575
Other charitable activities		-	754	754	333
Fees	2	-	8,855	8,855	12,976
Grants	3	-	104,733	104,733	100,497
Total incoming resources	10	-	114,436	114,436	114,381
<u>Resources Expended</u>					
Direct charitable expenses	10	(2,890)	(98,564)	(101,454)	(112,239)
Total resources expended		(2,890)	(98,564)	(101,454)	(112,239)
Net incoming resources	4	(2,890)	15,872	12,982	2,142
Accumulated funds b/f		115,358	66,101	181,459	179,317
Accumulated funds c/f		112,468	81,973	194,441	181,459

The notes on pages 7-10 form part of these accounts.

# SELLY WICK PRE-SCHOOL PLAYGROUP

## BALANCE SHEET AS AT 31ST AUGUST 2021

	Notes	2021	2020
<u>Tangible Fixed Assets</u>	5	114,086	118,297
<u>Current Assets</u>			
Cash at bank and in hand		92,163	64,342
		<u>92,163</u>	<u>64,342</u>
Creditors - amounts falling due within one year	6	<u>(11,808)</u>	<u>(1,180)</u>
Net Current Assets		80,355	63,162
Net Assets		<u>194,441</u>	<u>181,459</u>
<u>Reserves</u>			
Building fund - restricted	9	112,468	115,358
General fund - unrestricted	9	81,973	66,101
		<u>194,441</u>	<u>181,459</u>

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

- (a) That for the year to 31st August 2021 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 requesting that an audit be conducted for the year then ended;
- (c) That we acknowledge our responsibilities for;
  - (1) Ensuring that the company keeps accounting records which comply with Section 386;
  - (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 period and of its surplus or deficit for the period 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 and delivered in accordance with :-

- (i) The special provisions of Part 15 of the Companies Act 2006 relating to the small companies regime;
- (ii) FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- (iii) Part VI of the Charities Act 2011;
- (iv) The Charities Statement Of Recommended Practice FRS 102.

These financial statements were approved by the board of directors on \_\_\_\_\_ and signed on its behalf by :-

G.T. Gilbert  
Director

The notes on pages 7-10 form part of these accounts.

# SELLY WICK PRE-SCHOOL PLAYGROUP

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2021

### 1 ACCOUNTING POLICIES

#### Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Charities Act 2011. They also follow the recommendations in the Charities Statement of Recommended Practice FRS 102.

#### Incoming Resources

The value of services provided by volunteers has not been included. Grants are recognised in full in the Statement of Financial Activities in the period in which they are receivable.

#### Outgoing Resources

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered. Resources expended are allocated to each activity / fund where the cost relates to that activity / fund. The cost of general administration has been allocated to the unrestricted fund.

#### Funds

The Unrestricted fund is incoming resources which are used for the objects of the charity, without any specified purpose or further restriction. Restricted funds can only be used for the specific purposes as decided by the donor, within the objects of the charity.

#### 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:

Refurbishment costs :- 2% p.a. Straight line basis.

Equipment, Fixtures and Fittings :- 15% p.a. Straight line basis.

#### Independent Examiners

In common with many other businesses of our size and nature, we used our independent examiners to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

### 2 FEES RECEIVED

Fees are received from the parents of the children for using the company's facilities.

3 <u>GRANT INCOME</u>	2021	2020
Small business rates scheme	-	10,000
Nursery Education Funding	104,733	90,497
	<u>104,733</u>	<u>100,497</u>

# SELLY WICK PRE-SCHOOL PLAYGROUP

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2021

### 4 NET INCOMING RESOURCES 2021 2020

This is stated after charging :-

Employee salaries	75,518	79,672
Employers national insurance	2,754	3,048
Independent examiner's remuneration	840	840
Directors' expenses	-	-
Directors' remuneration	-	-
	<u>          </u>	<u>          </u>

There were no related party transactions.

### 5 TANGIBLE FIXED ASSETS For charitable use

	Building Refurbishment	Equipment, Fixtures and Fittings	Totals
<u>Cost</u>			
Balance b/f	144,499	37,802	182,301
Additions	-	-	-
Balance c/f	<u>144,499</u>	<u>37,802</u>	<u>182,301</u>
<u>Depreciation</u>			
Balance b/f	29,141	34,863	64,004
Charge	2,890	1,321	4,211
Balance c/f	<u>32,031</u>	<u>36,184</u>	<u>68,215</u>

#### Net book value

At the end of the year	<u>112,468</u>	<u>1,618</u>	<u>114,086</u>
At the start of the year	<u>115,358</u>	<u>2,939</u>	<u>118,297</u>

### 6 CREDITORS 2021 2020

Accruals and prepaid income	<u>11,808</u>	<u>1,180</u>
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### 7 SHARE CAPITAL AND RESERVES

The company is limited by guarantee and does not have a share capital. If the company is wound up, all the members have a liability not exceeding £1 each. This liability continues for one year after a member ceases to be a member of the company.

# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2021**

### 8a MOVEMENT ON ACCUMULATED RESTRICTED FUND

	Building Fund Restricted	General Fund Unrestricted	Total
Balances b/f	115,358	66,101	181,459
Income	-	114,436	114,436
Expenditure	(2,890)	(98,564)	(101,454)
Balances c/f	<u>112,468</u>	<u>81,973</u>	<u>194,441</u>

### 8b NET ASSETS ANALYSIS

	Building Fund Restricted	General Fund Unrestricted	Total
Fixed assets - refurbishment	112,468	-	112,468
Fixed assets - equipment	-	1,618	1,618
Cash at bank and in hand	-	92,163	92,163
Creditors	-	(11,808)	(11,808)
	<u>112,468</u>	<u>81,973</u>	<u>194,441</u>

In 2011, Birmingham City Council gave us a grant of £155,999 towards the refurbishment of the premises where the childcare takes place, which is included in the building fund. This has enabled us to provide better quality care for the children. The expenditure on the building fund is the refurbishment depreciation. This grant could only be used to refurbish the building and purchase equipment, and was not available for other general expenditure, for example salaries.

# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2021**

### **10 INCOME AND EXPENDITURE ACCOUNT**

<u>Unrestricted fund</u>	2021	2020
<u>Incoming Resources</u>		
Fees from parents	8,855	12,976
Nursery Education Funding grant	104,733	90,497
Small business rates scheme	-	10,000
Donations	94	575
Other charitable activities	754	333
	<hr/> 114,436	<hr/> 114,381
<u>Direct Charitable Expenditure</u>		
Rent	4,688	6,250
Rates and water	1,664	1,988
Telephone and internet	802	746
Heat and light	1,698	1,672
Salaries	78,272	82,720
Resources and toys	1,184	2,520
Repairs	2,508	4,320
Sundries	585	2,037
Food and drink	2,159	1,464
Stationery	1,220	751
Professional fees	1,247	2,031
Insurance	1,216	1,286
Depreciation	1,321	1,564
	<hr/> 98,564	<hr/> 109,349
Unrestricted fund		
Surplus for the year	<hr/> <b><u>15,872</u></b>	<hr/> <b><u>5,032</u></b>