

## **SELLY WICK PRE-SCHOOL PLAYGROUP**

(Limited by Guarantee)

COMPANY NUMBER 7292217

CHARITY NUMBER 1137051

REPORT AND ACCOUNTS  
**YEAR TO 31ST AUGUST 2022**

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# **SELLY WICK PRE-SCHOOL PLAYGROUP**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

**FOR THE YEAR TO 31ST AUGUST 2022**

### 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 2022

The directors present their report and accounts for the year to 31st August 2022.

#### 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

- We replaced the outside playground area partly through an 18k grant, however the total cost was nearly 30k and included expensive safety bark. This replacement was essential as the previous playground was out of use due to health and safety reasons. We agreed the balance required to cover this work would be taken from the reserves.
- The opening balance for 2021 included the Birmingham City Council (BCC) funding for the first term of 2021 of £10,628. However, for the academic year 2021/22 the first instalment of funding was received later so it was not captured in this year's accounts.

# SELLY WICK PRE-SCHOOL PLAYGROUP

## DIRECTORS REPORT

### FOR THE YEAR TO 31ST AUGUST 2022

- Due to Covid out breaks within the setting (staff and children) the setting closed in December 2021 (for 3 days). Staff were paid in full during these closures.
- A substantial rise in staff costs this year 82k (70k in 2020-21) included a staff pay rise (to the living wage) and two extra staff hired to provide additional support for children with SEN. The setting met the full cost of this extra support until BCC funding started later in the year.
- A member of staff left in the summer term but no replacement was required as their hours were taken on by other staff members.
- 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.
- 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 25/4/23 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 2022**

I report on the accounts of the company for the year ended 31st August 2022, 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.

*M.A. Edwards 28/4/23*

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 2022**

	Notes	Restricted Fund	Unrestricted Fund	2022 Total	2021 Total
<u>Incoming Resources</u>					
Donations		-	453	453	94
Other charitable activities		-	951	951	754
Fees	2	-	15,311	15,311	8,855
Grants	3	18,142	88,441	106,583	104,733
Total incoming resources	10	18,142	105,156	123,298	114,436
<u>Resources Expended</u>					
Direct charitable expenses	10	(5,611)	(120,146)	(125,757)	(101,454)
Total resources expended		(5,611)	(120,146)	(125,757)	(101,454)
Net incoming resources	4	12,531	(14,990)	(2,459)	12,982
Accumulated funds b/f		112,468	81,973	194,441	181,459
Accumulated funds c/f		124,999	66,983	191,982	194,441

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

# SELLY WICK PRE-SCHOOL PLAYGROUP

## BALANCE SHEET AS AT 31ST AUGUST 2022

	Notes	2022	2021
<u>Tangible Fixed Assets</u>	5	135,536	114,086
<u>Current Assets</u>			
Cash at bank and in hand		<u>57,806</u>	<u>92,163</u>
		57,806	92,163
Creditors - amounts falling due within one year	6	<u>(1,360)</u>	<u>(11,808)</u>
Net Current Assets		56,446	80,355
Net Assets		<u>191,982</u>	<u>194,441</u>
<u>Reserves</u>			
Building fund - restricted	9	124,999	112,468
General fund - unrestricted	9	66,983	81,973
		<u>191,982</u>	<u>194,441</u>

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

- (a) That for the year to 31st August 2022 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 25/4/23 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 2022

### 1 ACCOUNTING POLICIES

#### Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance 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>	2022	2021
	Grant for playground - restricted	18,142	-
	Nursery Education Funding - unrestricted	88,441	104,733
		<u>106,583</u>	<u>104,733</u>

# SELLY WICK PRE-SCHOOL PLAYGROUP

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2022

### 4 NET INCOMING RESOURCES 2022 2021

This is stated after charging :-

Employee salaries	91,880	78,272
Independent examiner's remuneration	1,020	840
Directors' expenses	-	-
Directors' remuneration	-	-
	<u>91,880</u>	<u>78,272</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	-	29,884	29,884
Balance c/f	<u>144,499</u>	<u>67,686</u>	<u>212,185</u>
<u>Depreciation</u>			
Balance b/f	32,031	36,184	68,215
Charge	2,890	5,544	8,434
Balance c/f	<u>34,921</u>	<u>41,728</u>	<u>76,649</u>
<u>Net book value</u>			
At the end of the year	<u>109,578</u>	<u>25,958</u>	<u>135,536</u>
At the start of the year	<u>112,468</u>	<u>1,618</u>	<u>114,086</u>

6 <u>CREDITORS</u>	2022	2021
Accruals and prepaid income	<u>1,360</u>	<u>11,808</u>

### 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 2022**

### **8a MOVEMENT ON ACCUMULATED RESTRICTED FUND**

	Building Fund Restricted	General Fund Unrestricted	Total
Balances b/f	112,468	81,973	194,441
Income	18,142	105,156	123,298
Expenditure	(5,611)	(120,146)	(125,757)
Balances c/f	<u>124,999</u>	<u>66,983</u>	<u>191,982</u>

### **8b NET ASSETS ANALYSIS**

	Building Fund Restricted	General Fund Unrestricted	Total
Fixed assets - refurbishment	109,578	-	109,578
Fixed assets - equipment	15,421	10,537	25,958
Cash at bank and in hand	-	57,806	57,806
Creditors	-	(1,360)	(1,360)
	<u>124,999</u>	<u>66,983</u>	<u>191,982</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 year they gave us a grant of £18,142 towards our playground. This has enabled us to provide better quality care for the children. These grants could only be used to refurbish the building and purchase equipment, and were not available for other general expenditure, for example salaries.

# SELLY WICK PRE-SCHOOL PLAYGROUP

## NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2022

### 10 INCOME AND EXPENDITURE ACCOUNT

<u>Unrestricted fund</u>	2022	2021
<u>Incoming Resources</u>		
Fees from parents	15,311	8,855
Nursery Education Funding grant	88,441	104,733
Donations	453	94
Other charitable activities	951	754
	<u>105,156</u>	<u>114,436</u>
<u>Direct Charitable Expenditure</u>		
Rent	5,729	4,688
Rates and water	2,875	1,664
Telephone and internet	1,202	802
Heat and light	1,581	1,698
Salaries	91,880	78,272
Resources and toys	1,932	1,184
Repairs	4,442	2,508
Sundries	2,030	585
Food and drink	2,092	2,159
Stationery	639	1,220
Professional fees	1,625	1,247
Insurance	1,296	1,216
Depreciation	2,823	1,321
	<u>120,146</u>	<u>98,564</u>
Unrestricted fund		
Deficit/Surplus for the year	<u><u>(14,990)</u></u>	<u><u>15,872</u></u>