

Company Registration Number: 05871101

Charity Number: 1137866

## **ST BEDE'S CHILDCARE LIMITED**

**A Company Limited by Guarantee**

### **Trustees' Report and Financial Statements**

**For The Year Ended  
31 August 2023**

**ST BEDE'S CHILDCARE LIMITED**  
**A COMPANY LIMITED BY GUARANTEE**

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**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

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<b>Registered charity name</b>	St Bede's Childcare Limited
<b>Charity registration number</b>	1137866
<b>Company registration number</b>	05871101
<b>Registered office</b>	C/O MHA Richard House Winckley Square Preston PR1 3HP
<b>Principal office</b>	St Bede Church of England Primary Academy Morris Green Lane Bolton Lancashire BL3 3LJ
<b>Trustees</b>	J Roberts S Bagshaw E Balmer A Black M A Caine K Dearden K Denton E Pendlebury
<b>Auditor</b>	MHA Richard House Winckley Square Preston PR1 3HP

# **ST BEDE'S CHILDCARE LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees submit their annual report and the financial statements of St Bede's Childcare Limited (the charity) for the year ended 31 August 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

### **Reference and administrative details**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

### **The trustees**

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

J Roberts  
S Bagshaw  
M A Caine  
K Dearden  
E Balmer  
K Denton  
E Pendlebury  
A Black

### **Structure, governance and management** **Governing document**

The charity is governed by its memorandum and articles of association dated 10 July 2006.

### **Trustees**

The number of Directors shall be not less than one. There is no maximum number of Directors.

Directors are appointed by the Board as and when required.

The trustees of the Charity receive extensive training via their individual professional organisations. They engage in ongoing continuous professional development through the Headship schemes, ICAEW, ACCA, CIPD and Ofsted-approved training providers.

Pay and remuneration for the Childcare Director will be reviewed annually by Sarah Bagshaw (CEO) and the Finance Director and will be linked to performance targets.

Three of the trustees are directors of St Bede Academy. The operation of the Charity is managed with assistance from staff at the school and services and costs are recharged by the Academy.

### **Risk management**

The trustees have reviewed the risks to which the charity is subject, and developed systems to mitigate these risks.

### **Objectives and activities**

The objects of the charity are to provide better educational and childcare resources to enable all members of the community to play a fuller role in the local community and society at large.

The charity provides nursery care and after school clubs.

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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The nursery provision aims to offer parents an extension to their home, where children will be loved, cared for and educated to the highest standard, allowing parents to return to work knowing their child's needs, likes and enjoyment are fully catered for.

The trustees have taken into consideration the Charity Commission guidance on public benefit.

**Strategic Report**

**Achievements and performance**

In the year ended August 2023 the charity focused on maintaining stability and sustainability within all of our settings. It has been a challenging year financially with regards to soaring energy costs, high inflation and increases to National Living Wage with no corresponding increase in early years funding rates from government.

In light of these challenges the directors are pleased to report a successful year.

Occupancy in all four of our nurseries remains consistently high with a steady stream of enquiries for future years. The directors implemented two salary increases for the majority of our staff this year, one in April and another in August. Staff retention within the charity is excellent with a large number of colleagues having worked with us for a number of years. Staff retention within our management teams is particularly high and all of our managers and deputy managers have been with us for many years. The charity is invested in the well-being of all staff. Professionally we always support staff to progress within their childcare careers and aim to promote from within where possible. This year we have covered the maternity leave of two management positions by giving staff already in the settings these opportunities.

This year we also announced the launch of our annual St Bede's Childcare Awards Night. The first event will be taking place in November 2023 as a St Bede's Childcare Celebration Night where staff will be invited to make suggestions for the awards categories. This decision was made after considering feedback from staff.

Occupancy in our out of school clubs has still not returned to pre-pandemic levels. The directors made the difficult decision to close Rainbows OOSC at the end of January 2023. This OOSC was based within our largest building, in Leigh, and these rooms will now form part of future expansion plans for Little Rainbows 2, the nursery also based in that building.

All of our venues continue to be Ofsted rated 'outstanding' or 'good'.

The directors remain pleased with the ongoing performance of the charity and our positive contribution to the local community.

**Public benefit**

The Trustees have had due regard to the Charity Commission guidance on public benefit.

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Financial review**

The detailed results for the charity are included in the Statement of Financial Activities.

Net incoming resources for the year were £256,494 (2022: £372,242).

Income from charitable activities increased by £143,946 from year ended 2022. (£2,621k v £2,477k).

**Reserves**

The trustees consider that a reasonable level of free reserves is 1 month's running costs. This would be approximately £207,480. Free reserves are currently £1,033,451. Extra reserves are being held to ensure that the charity has a safety net during the current 'cost of living' crisis. Any free reserves that are not needed for increased running costs will be used to fund future capital works and expansion.

**Principal risks and uncertainties**

The main risks to the Charity are:

**Reputational risk and Ofsted Inspections**

Baby Bede and Little Owls nurseries have both been inspected this year. Both nurseries achieved a 'good' grading. We continue to ensure our consistently high standards of care through a robust training programme for all staff. Our Childcare Director and management staff have all worked at St Bede's for a number of years and are always working towards all settings being Ofsted 'outstanding'. All of our staff attend regular training and staff meetings to enhance their knowledge and practice.

**Staff Recruitment, retention and engagement**

Recruitment within the sector continues to be an issue nationally. The government have recently dropped the requirement for Level 3 Early Years Educators to have a level 2 maths qualification. We recognize that Early Years practitioners need to be confident with maths but welcome this change as many able practitioners struggle to complete the GCSE maths qualification. This will remove a barrier to practitioners completing their Level 3 qualification. Staff retention has been excellent throughout the year. The directors regularly issue satisfaction surveys to staff which are completed anonymously. The Remuneration Committee then collate and analyse the responses and make recommendations to the board for actions that need to be taken. We also communicate 'You said, we did' newsletters to all staff.

One of the outcomes of these surveys has been the launch of the St Bede's Childcare Awards Night. This will be an annual event where all staff will be eligible to win awards and be further recognized for their hard work and dedication to the St Bede's children and families. The first event will take place in November 2023 as a Celebration Night to launch the event. Staff will be able to put forward their ideas for what they would like the awards categories to be.

**Inflation**

High inflation continues to be a concern for all businesses. The Finance Team and management staff continue to work together to monitor costs and make savings where possible whilst never compromising our high quality standards. The Finance Team have secured more favourable energy contracts which begin in October 2023.

**Government Early Years Funding Rates**

The charity welcomes the announcement in the Spring 2023 budget for the expansion of funded childcare in order to support working families. However, the hourly funding rates are yet to be confirmed for providers and these need to be set at a realistic level in order for nurseries to be able to provide these places.

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' ANNUAL REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Factors likely to affect future financial performance or position**

**Increases to National Living Wage**

Large percentage increases to the NLW in April will continue to have an impact on the childcare sector especially without a corresponding uplift in the early years funding rates paid by government. Our Remuneration Committee constantly looks at both financial and non-financial ways to make staff feel valued and to enhance their work/life balance.

**High inflation**

Rising costs will have an impact on the business especially as we strive to keep fee increases to a minimum for parents. The charity has secured more favourable contracts for electricity and gas for the year ended August 2024 and continues to monitor all costs.

**Going Concern**

Forecast occupancy is high in all four of our nurseries for the next 12 months and we expect this to increase as the additional funded hours offered by the government come into effect. We will have another OOSC from September 2023 and have plans to open more OOSC and to expand Little Rainbows 2 in Leigh. The charity's cash-flow position is strong, and the trustees consider that our reserves are sufficient to meet increasing costs.

**Plans for future periods**

The directors have decided to expand Little Rainbows 2 nursery in Leigh. This nursery is based within our largest building. When the building was purchased in 2014 it was with the intention of making it a Centre of Excellence for Early Years. Little Rainbows 2 is currently a 56-place nursery, and the charity intends to expand this to an 87-place nursery. The nursery will include a 40-place pre-school housed within the recently refurbished ex-Rainbows OOSC rooms. The pre-school will offer 16 funded term-time places and 24 full-time places. The charity feels that this combination will meet the needs of the local community.

The timing of this expansion will also support the government's announcement in the Spring 2023 Budget to offer additional funded nursery places to all 2-year-olds in April 2024 and babies from 9 months from September 2024 and 2025.

The charity has not been able to find a suitable tenant for our second community room in the year ended August 2023. The directors are now considering using this space within the group as part of the Little Rainbows 2 expansion plans. The room is still being advertised while these plans are finalized. It is important that any future tenants enhance the synergy of the building and have aims that align with those of the charity and the existing tenants.

From 1st September 2023 the charity will be running a new Out of School Club in Tonge Moor Primary Academy in Bolton as this school is now part of The Quill Trust with which the charity is affiliated. As The Trust grows St Bede's Childcare will grow ergonomically as we operate more OOSC in these primary schools.

The directors continue to monitor the market for potential acquisitions. Expansion through growth and acquisition is a long-term objective for St Bede's Childcare Ltd.

**Fundraising standards information**

The charity does not currently raise funds from the public.

**Responsibilities of the trustees**

The trustees (who are also directors of St Bede's Childcare Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES' ANNUAL REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

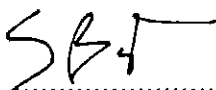
**Auditor**

The auditor, MHA are deemed to be re-appointed under section 487 (2) of the Companies Act 2006.

**Small company provisions**

This report has been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities", and in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed by order of the trustees



.....  
Sarah Bagshaw  
Trustee

10/05/2024

Registered office:  
St Bede Church of England Primary Academy  
Morris Green Lane  
Bolton  
Lancashire  
BL3 3LJ



**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Opinion**

We have audited the financial statements of St Bede's Childcare Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other Information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

**Responsibilities of the trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also the directors of St Bede's Childcare Limited for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business';
- Reviewing the systems for recording revenue and tested a sample of sales throughout the year, to test they have been invoiced;

Because of the field in which the client operates we identified that safeguarding, employment law, health and safety legislation and compliance with the UK Companies Act are the areas most likely to have a material impact on the financial statements.

Owing to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Nicola Mason*

**Nicola Mason**  
Senior Statutory Auditor  
For and on behalf of MHA, Statutory Auditor  
Preston, United Kingdom

10/05/2024 .....

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds £	Restricted funds £	2023 Total Funds £	2022 Total Funds £
<b>Income and endowments from:</b>					
Donations and legacies	2	2,091	-	2,091	-
Charitable activities	3	2,621,282	-	2,621,282	2,477,336
Investments	4	979	-	979	77
<b>Total income and endowments</b>		<b>2,624,352</b>	<b>-</b>	<b>2,624,352</b>	<b>2,477,413</b>
<b>Expenditure on:</b>					
Charitable activities	6/7	2,367,858	-	2,367,858	2,105,171
<b>Total expenditure</b>		<b>2,367,858</b>	<b>-</b>	<b>2,367,858</b>	<b>2,105,171</b>
<b>Net income / (expenditure)</b>		<b>256,494</b>	<b>-</b>	<b>256,494</b>	<b>372,242</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>256,494</b>	<b>-</b>	<b>256,494</b>	<b>372,242</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,655,497	-	1,655,497	1,283,255
<b>Total funds carried forward</b>		<b>1,911,991</b>	<b>-</b>	<b>1,911,991</b>	<b>1,655,497</b>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

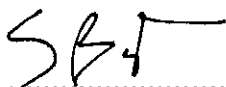
**BALANCE SHEET**

**AS AT 31 AUGUST 2023**

	Note	Unrestricted funds £	Restricted funds £	2023 Total Funds £	2022 Total Funds
<b>Fixed assets</b>					
Intangible assets	13	1,056	-	1,056	1,440
Tangible assets	14	897,988	-	897,988	918,267
		899,044	-	899,044	919,707
<b>Current assets</b>					
Debtors	15	52,146	-	52,146	71,972
Cash at bank and in hand		1,338,356	-	1,338,356	1,081,819
		1,390,502	-	1,390,502	1,153,791
<b>Creditors: amounts falling due within one year</b>	16	(192,872)	-	(192,872)	(202,040)
<b>Net current assets</b>		1,197,630	-	1,197,630	951,751
<b>Total assets less current liabilities</b>		2,096,674	-	2,096,674	1,871,458
<b>Creditors: amounts falling due after more than one year</b>	17	(184,683)	-	(184,683)	(215,961)
<b>Net assets</b>		1,911,991	-	1,911,991	1,655,497
<b>Charity Funds</b>					
Restricted income funds		-	-	-	-
Unrestricted funds		1,911,991	-	1,911,991	1,655,497
<b>Total charity funds</b>		1,911,991	-	1,911,991	1,655,497

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved and authorised for issue by the members of the committee on 10/05/2024..... and are signed on their behalf by:



.....  
Sarah Bagshaw  
Director

The notes on pages 13 to 25 form part of these financial statements.

Company Registration Number: 05871101

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023	2022
		£	£
<b>Cash flow from operating activities:</b>			
<b>Net cash flow from operating activities</b>	22	<u>318,186</u>	<u>382,665</u>
<b>Cash flow from investing activities:</b>			
Payments to acquire tangible fixed assets		(13,167)	(165,474)
Interest received		<u>979</u>	<u>77</u>
<b>Net cash flow from investing activities</b>		<u>(12,188)</u>	<u>(165,397)</u>
<b>Cash flow from financing activities</b>			
Repayment of long term loans		(42,997)	(37,219)
Interest paid		<u>(6,464)</u>	<u>(9,211)</u>
<b>Net cash flow from financing activities</b>		<u>(49,461)</u>	<u>(46,430)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		256,537	170,838
Cash and cash equivalents at 1 September 2022		<u>1,081,819</u>	<u>910,981</u>
<b>Cash and cash equivalents at 31 August 2023</b>		<u>1,338,356</u>	<u>1,081,819</u>

# **ST BEDE'S CHILDCARE LIMITED COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023**

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### **1 Accounting policies**

#### **General information and basis of preparation**

St Bede's Childcare Limited is a charity registered in England and also a company limited by guarantee. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the operation of full day care nursery provision for children from 6 weeks to 4 years all year around together with breakfast, after school and holiday care for 3 to 11 year olds.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Going concern**

The trustees are required to assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. Occupancy remains consistently high in the nurseries. We have a steady flow of enquiries and we expect this to continue as the government rolls out the extended offer of funded nursery places. There is still a demand for Out of School Club places, particularly in the afternoons and holidays. The Trustees and Senior Management continue to monitor the levels of the Charity's reserves. The Charity continues to feel the financial impact of increases in National Living Wage and rising costs due to inflation, in particular food, cleaning and energy costs. However, we have secured more favourable energy contracts for the year ended 2024 and continue to look for suppliers who offer the best value for money without compromising on quality. The Trustees are confident that if necessary, our current level of reserves would be sufficient to meet any shortfall. At the date of approving these accounts the Trustees have a reasonable expectation that the Charity will be able to manage the situation and that it has sufficient cash reserves to enable it to meet its liabilities as they fall due for at least 12 months from the date of approval. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

# **ST BEDE'S CHILDCARE LIMITED**

## **COMPANY LIMITED BY GUARANTEE**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **1 Accounting policies (continued)**

##### **Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred. Grants where the application of the grant is determined by the funder are included as restricted funds. Grants where there are no conditions set by the funders other than the general objects of the charity are included as unrestricted funds. Grants are accrued when any conditions on their receipt have been met and are deferred where conditions on their receipt have not been met.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes interest. Interest income is recognised using the effective interest method.

Fees income represents amounts receivable for childcare services within the year.

##### **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following heading:

- Expenditure on charitable activities includes all costs relating to the operating of the nurseries and clubs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

##### **Intangible assets – website development**

Website development costs are capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful life. The period chosen for amortising website development is 5 years. Provision is made for any impairment.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- |                         |                                    |
|-------------------------|------------------------------------|
| • Freehold property     | - 2% - 10% per annum straight line |
| • Leasehold property    | - 2% - 10% per annum straight line |
| • Fixtures and fittings | - 20% per annum straight line      |

##### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.



**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1 Accounting policies (continued)**

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**Judgements and key sources of estimation uncertainty**

There have been no significant judgements made in the process of preparing the financial statements.

There have been no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**2 Donations and legacies**

	<b>Unrestricted Funds</b>	<b>Restricted funds</b>	<b>2023 Total Funds</b>	<b>2022 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	2,091	-	2,091	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,091	-	2,091	-
	<hr/>	<hr/>	<hr/>	<hr/>

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**3 Income from charitable activities**

	<b>Unrestricted Funds</b>	<b>Restricted funds</b>	<b>2023 Total Funds</b>	<b>2022 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fees	2,606,461	-	2,606,461	2,461,326
Other income	14,821	-	14,821	16,010
	<u>2,621,282</u>	<u>-</u>	<u>2,621,282</u>	<u>2,477,336</u>

**4 Income from investments**

	<b>Unrestricted Funds</b>	<b>Restricted funds</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank interest receivable	979	-	979	77
	<u>979</u>	<u>-</u>	<u>979</u>	<u>77</u>

All other income in the year ended 31 August 2023 was unrestricted.

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**5 Analysis of expenditure on charitable activities by fund type**

	Unrestricted Funds	Restricted funds	2023 Total Funds	2022 Total Funds
	£	£	£	£
Wages and salaries	1,663,017	-	1,663,017	1,521,857
Food	136,691	-	136,691	119,839
Heat and light	81,118	-	81,118	35,940
Rent and rates	113,413	-	113,413	110,058
Repairs and maintenance	33,912	-	33,912	23,478
Cleaning and caretaking	32,955	-	32,955	42,367
Insurance	16,524	-	16,524	15,185
Telephone	9,212	-	9,212	5,447
Equipment and activities	55,605	-	55,605	49,852
Legal and professional	10,887	-	10,887	14,777
Depreciation	31,466	-	31,466	28,720
Senior management recharge	143,200	-	143,200	114,306
Administration	488	-	488	1,765
Bank interest (note 11)	20,733	-	20,733	15,472
Other expenses	10,912	-	10,912	14,262
Amortisation	384	-	384	384
Bad debt written off	2,150	-	2,150	(13,023)
Governance costs (note 7)	5,191	-	5,191	4,485
	<u>2,367,858</u>	<u>-</u>	<u>2,367,858</u>	<u>2,105,171</u>

In 2022 there were £3,312 of wages and salaries costs relating to restricted funds.

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**6 Analysis of expenditure on charitable activities by activity type**

	<b>Direct charitable costs £</b>	<b>Support Costs £</b>	<b>2023 Total Funds £</b>
Wages and salaries	1,663,017	-	1,663,017
Food	136,691	-	136,691
Heat and light	81,118	-	81,118
Rent and rates	113,413	-	113,413
Repairs and maintenance	33,912	-	33,912
Cleaning and caretaking	-	32,955	32,955
Insurance	-	16,524	16,524
Telephone	-	9,212	9,212
Equipment and activities	55,605	-	55,605
Legal and professional	-	10,887	10,887
Depreciation	-	31,466	31,466
Senior management recharge	-	143,200	143,200
Administration	-	488	488
Bank interest (note 11)	-	20,733	20,733
Other expenses	-	10,912	10,912
Amortisation	-	384	384
Bad debt written off	2,150	-	2,150
Governance costs (note 7)	-	5,191	5,191
	<b>2,085,906</b>	<b>281,952</b>	<b>2,367,858</b>

	<b>Direct charitable costs £</b>	<b>Support Costs £</b>	<b>2022 Total Funds £</b>
Wages and salaries	1,521,857	-	1,521,857
Food	119,839	-	119,839
Heat and light	35,940	-	35,940
Rent and rates	110,058	-	110,058
Repairs and maintenance	23,478	-	23,478
Cleaning and caretaking	-	42,367	42,367
Insurance	-	15,185	15,185
Telephone	-	5,447	5,447
Equipment and activities	49,852	-	49,852
Legal and professional	-	14,777	14,777
Depreciation	-	28,720	28,720
Senior management recharge	-	114,306	114,306
Administration	-	1,765	1,765
Bank interest (note 11)	-	15,472	15,472
Other expenses	-	14,262	14,262
Amortisation	-	384	384
Bad debt written off	(13,023)	-	(13,023)
Governance costs (note 7)	-	4,485	4,485
	<b>1,848,001</b>	<b>257,170</b>	<b>2,105,171</b>

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
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**7 Governance costs**

	Unrestricted Funds	Restricted funds	2023 Total Funds	2022 Total Funds
	£	£	£	£
Audit and Accountancy fees	5,191	-	5,191	4,485

**8 Auditor's remuneration**

The auditor's remuneration amounts to an audit fee of £5,191 (2022: £4,485) excluding VAT.

**9 Trustees' and key management personnel remuneration and expenses**

The total amount of employee benefits received by key management personnel is £175,702 (2022: £145,740). The charity considers its key management personnel comprise the senior management staff, whose employee benefits are recharged by St Bede Church of England Primary Academy, and the Childcare Director, whose employee benefits are included on the charity's own payroll.

Three trustees received remuneration (including employee benefits recharged by St Bede Church of England Primary Academy) of £89,674 during the year (2022: three trustees £76,461).

The trustees had expenses reimbursed during the year of £1,503 (2022: £1,042).

**10 Staff costs and employee benefits**

The average monthly number of employees during the year was as follows:

	2023 No	2022 No
Management	10	12
Nursery and after school club workers	84	83
	94	95

The total staff costs and employees benefits were as follows:

	2023 £	2022 £
Wages and salaries	1,556,551	1,416,458
Social security	79,196	78,531
Defined contribution pension costs	27,270	26,868
	1,663,017	1,521,857

Wages and salaries includes £72,768 (2022: £51,582) of staff charges at cost from St Bede Primary Academy.

No employees received total employee benefits (excluding employer pension costs) of more than £60,000 (2022: Nil).

**ST BEDE'S CHILDCARE LIMITED**  
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**11 Interest payable and similar expenses**

	<b>2023</b> £	<b>2022</b> £
Bank loans and overdrafts	12,853	15,472
	<u>12,853</u>	<u>15,472</u>

**12 Net Incoming Resources**

Net incoming resources is stated after charging

	<b>2023</b> £	<b>2022</b> £
Depreciation	31,466	28,720
Amortisation	384	384
Auditors' remuneration (net of VAT)	5,191	4,485

**13 Intangible assets**

	<b>Goodwill</b> £	<b>Website</b> £	<b>Total</b> £
<b>Cost</b>			
<i>At 1 September 2022</i>	270,000	1,920	271,920
Additions	-	-	-
	<u>270,000</u>	<u>1,920</u>	<u>271,920</u>
<b>At 31 August 2023</b>	<u>270,000</u>	<u>1,920</u>	<u>271,920</u>
<b>Amortisation to date</b>			
<i>At 1 September 2022</i>	270,000	480	270,480
Charge in the period	-	384	384
	<u>270,000</u>	<u>864</u>	<u>270,864</u>
<b>At 31 August 2023</b>	<u>270,000</u>	<u>864</u>	<u>270,864</u>
<b>Net book value</b>			
<b>At 31 August 2023</b>	<u>-</u>	<u>1,056</u>	<u>1,056</u>
<i>At 31 August 2022</i>	<u>-</u>	<u>1,824</u>	<u>1,824</u>

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
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**FOR THE YEAR ENDED 31 AUGUST 2023**

**14 Tangible fixed assets**

	<b>Land and buildings £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>			
<i>At 1 September 2022</i>	1,031,358	41,353	1,072,711
Additions	1,845	11,322	13,167
Disposals	-	(5,400)	(5,400)
<b>At 31 August 2023</b>	<b>1,033,203</b>	<b>47,275</b>	<b>1,080,478</b>
<b>Depreciation</b>			
<i>At 1 September 2022</i>	(136,917)	(17,527)	(154,444)
Charge in the period	(25,220)	(6,246)	(31,466)
Eliminated on disposals	-	3,420	3,420
<b>At 31 August 2023</b>	<b>(162,137)</b>	<b>(20,353)</b>	<b>(182,490)</b>
<b>Net book value</b>			
<b>At 31 August 2023</b>	<b>871,066</b>	<b>26,922</b>	<b>897,988</b>
<i>At 31 August 2022</i>	<i>894,441</i>	<i>23,826</i>	<i>918,267</i>

The net book value of land and buildings comprised:

	<b>2023 £</b>	<b>2022 £</b>
Land and buildings:		
Freehold	213,514	218,609
Leasehold	657,552	675,832
	<b>871,066</b>	<b>894,441</b>

**15 Debtors**

	<b>2023 £</b>	<b>2022 £</b>
Trade debtors	11,097	31,413
Prepayments and accrued income	24,317	40,559
Other debtors	16,732	-
	<b>52,146</b>	<b>71,972</b>

**ST BEDE'S CHILDCARE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**16 Creditors : Amounts falling due within one year**

	2023 £	2022 £
Bank loan	32,439	29,889
Trade creditors	38,712	50,249
Accruals and deferred income	66,253	72,166
Other creditors	55,468	49,736
	<b>192,872</b>	<b>202,040</b>

**17 Creditors : Amounts falling due after more than one year**

	2023 £	2022 £
Bank loan	<b>184,683</b>	215,961

The bank loan is secured by a first legal charge over the assets of Baby Bede Private Day Nursery, Little Owls Private Day Nursery and Little Rainbows 2 Private Day Nursery.

The amount repayable after more than five years is £21,754.

**18 Deferred Income**

	2023 £	2022 £
Balance brought forward at 1 September 2022	12,130	46,909
Amounts deferred in the year	9,313	12,130
Amounts released to income	(12,130)	(46,909)
	<b>9,313</b>	<b>12,130</b>

Deferred income comprises fee income received in advance.

**19 Movements in funds**

**Current year**

	At 1 September 2022 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 August 2023 £
Unrestricted fund	1,524,172	2,624,352	(2,367,252)	(33,459)	<b>1,747,813</b>
Designated fund	131,325	-	(606)	33,459	<b>164,178</b>
Restricted fund	-	-	-	-	-
	<b>1,655,497</b>	<b>2,624,352</b>	<b>(2,367,858)</b>	<b>-</b>	<b>1,911,991</b>



**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**20 Movements in funds (continued)**

**Designated funds**

The directors have designated an amount equal to the lower of 2.5% of the audited net balance of the balance sheet at 31 August and the reconciled bank balance to be transferred to a hardship fund for the benefit of the public.

In addition, places are held open at each venue to be used at the discretion of the Directors to aid in safeguarding and/or where particular areas of hardship are identified within families accessing our childcare.

<i>Prior year</i>	<b>At 1 September 2021 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Transfers £</b>	<b>At 31 August 2022 £</b>
Unrestricted fund	1,175,664	2,477,413	(2,101,859)	(27,046)	<b>1,524,172</b>
Designated fund	104,279	-	-	27,046	<b>131,325</b>
Restricted fund	3,312	-	(3,312)	-	-
	<b>1,283,255</b>	<b>2,477,413</b>	<b>(2,105,171)</b>	<b>-</b>	<b>1,655,497</b>

**21 Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2023 Land and Buildings £</b>	<b>2022 Land and Buildings £</b>
Operating leases which expire		
Within 1 year	58,038	57,750
Within 2 to 5 years	120,000	147,750
More than 5 years	240,000	270,000
	<b>418,038</b>	<b>475,500</b>

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**22 Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2023 £	2022 £
Net Income/(expenditure) for the period	256,494	372,242
Interest receivable	(979)	(77)
Interest payable	20,733	15,472
Amortisation of intangible fixed assets	384	384
Depreciation and impairment of tangible fixed assets	31,466	28,720
(Profit)/Loss on disposal of tangible fixed assets	1,980	-
Decrease/(increase) in debtors	19,826	(10,519)
Decrease in creditors	(11,718)	(23,557)
Net cash flow from operating activities	<b>318,186</b>	<b>382,665</b>

**23 Analysis of net debt**

	1 September 2022 £	Cash flow £	Other non- cash changes £	31 August 2023 £
Net cash:				
Cash at bank and in hand	1,081,819	256,537	-	1,338,356
Debt:				
Bank loans	(245,850)	42,997	(14,269)	(217,122)
<b>Net debt</b>	<b>835,969</b>	<b>299,534</b>	<b>(14,269)</b>	<b>1,121,234</b>

**24 Related party transactions**

The directors consider that there is no overall controlling party.

St Bede Primary Academy is considered to be a related party as the directors of the charity are also part of the management team of the school.

Included within the accounts is a balance of £21,750 (2022: £21,015) due to St Bede Primary Academy.

Management recharges of £143,200 (2022: £114,306) have been charged from St Bede Primary Academy during the period.

Three trustees received remuneration (including employee benefits recharged by St Bede Church of England Primary Academy) of £89,674 during the year (2022: three trustees £76,461).

St Bede Teaching School Limited is also considered to be a related party as there are common directors of the two companies.

Included within the accounts is a balance of £nil (2022: £2,091) due to St Bede Teaching School Limited.

During the year, St Bede Teaching School Limited made donations totalling £2,091 (2022: £Nil) to St Bede's Childcare Limited.

**ST BEDE'S CHILDCARE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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**25 Company limited by guarantee**

The charity is a company limited by guarantee. In the event of the charity being wound up or dissolved, each member undertakes to contribute such amount as is required, not exceeding £1, for payment of any debts or liabilities.

