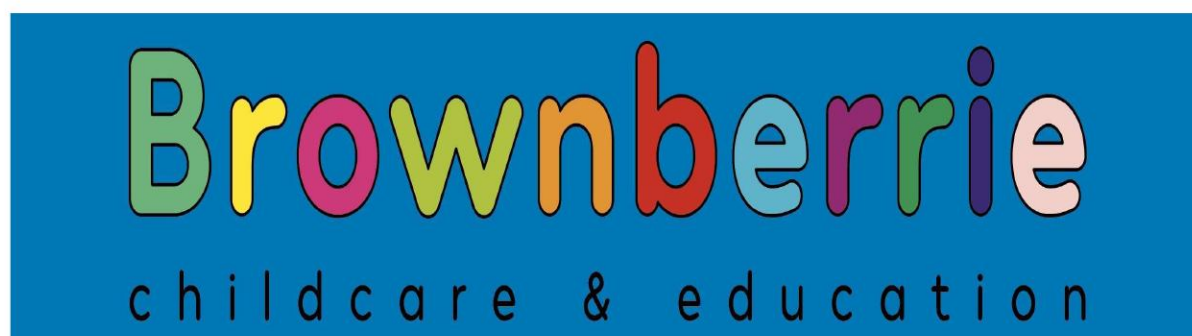


Brownberrie Lane Childcare & Education Ltd

Charity number 1140348

A company limited by guarantee number 07211283

Annual Report and Financial Statements **for the year ended 31 July 2023**



Brownberrie Lane Childcare & Education Ltd

Annual Report and Financial Statements for the year ended 31 July 2023

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Prepared by West Yorkshire Community Accountancy Service CIO

Brownberrie Lane Childcare & Education Ltd

Trustees' report for the year ended 31 July 2023

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
James Robinson	Chair	Appointed May 2023
Steven Bromley		Appointed September 2022
Dr. Julia Hackett		Appointed July 2022
Rachael Batin		Appointed May 2023
Amity Watts	Former Chair	Resigned July 2023
Sinead Lister		Appointed July 2022
		Resigned May 2023
Ben Clare		Resigned January 2023
Hailey Clare		Resigned January 2023

Charity number 1140348 Registered in England and Wales

Company number 07211283 Registered in England and Wales

Registered and principal address	Bankers
Brownberrie Lane	HSBC Bank plc
Horsforth	88 Town Street
Leeds	Horsforth
LS18 5SD	Leeds LS18 4AR

Independent examiner

Alan Dodd FCCA

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a company limited by guarantee and was formed on 1 April 2010 as Brownberrie Lane Pre-School Limited. On 27 July 2023, the name was changed to Brownberrie Lane Childcare & Education Ltd, as a result of a special resolution passed on 4 April 2023. It is governed by a memorandum and articles of association, as amended on 11 April 2023 for the change of name. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

Method of recruitment and appointment of trustees

The trustees of the charity are also the directors for the purposes of company law and are appointed by the members at the AGM.

Brownberrie Lane Childcare & Education Ltd

Trustees' report (continued) for the year ended 31 July 2023

Objectives and activities

The charity's objects

To enhance the development and education of children under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups.

To offer appropriate play, education and care facilities and training courses, together with the right of parents to take responsibility for and become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability.

To encourage the study of the needs of such children and their families and promote public interest in and recognition of such needs.

To instigate and adhere to and further the aims and objects of the Pre-School Learning Alliance.

The charity's main activities

Provision of pre-school, term time only, early years education for children aged two to five years old.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the advancement of education.

Achievements and performance

The charity continues to provide excellent childcare standards, maintaining the "Outstanding" Ofsted awarded in 2022, placing Brownberrie in the top 20% of UK nursery settings for education provision. Our beliefs that children play to make sense of the world around them is maintained, and through play children develop social & cognitive skills, as well as gaining self confidence required to engage in new experiences & environments.

Due to the small loss in the previous financial year, a close eye was kept on expenditure in FY23, however our imaginative & creative activities were not affected, highlighted by the incredible festive season decorations & activities, as well as activities such as pumpkin picking in the autumn & strawberry picking in the summer.

One thing we undertook in the year was an amendment to our name, now known as Brownberrie Childcare & Education, to reflect our all round services; providing childcare provisions for children ranging in age between 18mths-4yrs. We also rebranded the signage around our setting & launched a new website, to again reflect our high quality standards within our setting.

We have faced challenges around staffing & recruitment, which is an industry problem at present, however given FY23 has provided a surplus, as we have gone into FY24, we have invested this into our current employees, ensuring the high quality services we provide are maintained. We are confident this will also ensure recruitment meets our high standards.

Brownberrie Lane Childcare & Education Ltd

Trustees' report (continued) for the year ended 31 July 2023

Financial review

The net income for the year was £50,154, wholly on unrestricted funds.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £155,569.

The trustees have ring-fenced an amount of funds to cover wages and running costs for 3-6 months should the setting experience financial difficulty. The reserves levels under this policy would be £52,960 to £105,920, based upon budgeted expenditure.

We have set a budget for the year and do not predict any threats to our operation. Our income remains maximised due to our registers being full, and we have a waiting list for the next year. We are also positively impacted financially by the lack of available staff in the sector, although this causes strains operationally. We are forecasting a deficit of around £50,000 in 2023-24 which would bring our free reserves back in line with the upper end of our reserves policy

Brownberrie Lane Childcare & Education Ltd

Trustees' report (continued) for the year ended 31 July 2023

Statement of trustees' responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the trustees to prepare financial accounts 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 the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 accounts on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS102)), and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by the board of trustees on 7/2/2024

Dr Julia Hackett (Trustee)

Brownberrie Lane Childcare & Education Ltd

Independent examiner's report to the trustees of Brownberrie Lane Childcare & Education Ltd

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 July 2023, which are set out on pages 7 to 12.

Responsibilities and basis of report

As the charity's trustees of the charitable company (and also 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 charitable 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 your charity's accounts as carried out under section 145 of the Charities Act ('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 charitable company's gross income exceeded £250,000 your examiner must be a fellow 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 fellow of ACCA which is one of the listed bodies.

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

- 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.

Alan Dodd FCCA

13/2/2024

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Brownberrie Lane Childcare & Education Ltd
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 July 2023

	Notes	2023 Total funds £	2022 Total funds £
Income from:			
Grants and donations	(2)	174,388	122,480
Sales and fees		104,596	90,136
Bank interest		574	16
Other income		1,577	994
Total income		281,135	213,626
Expenditure on:			
Salaries, pensions and NIC	(3)	163,570	171,698
Payroll charges		2,303	1,744
Recruitment costs		1,610	1,814
Training		370	1,085
Uniforms and clothing		24	26
Rent and rates		5,743	5,511
Utilities		8,267	5,514
Cleaning and refuse		2,736	2,809
Repairs and renewals		7,768	6,881
Internet and telephone		1,451	1,281
Crafts and materials		9,313	8,536
Furniture and equipment		725	1,493
Printing, postage and stationery		334	608
Insurance		1,108	2,661
Membership and registration fees		1,149	839
Food and supplies		13,218	9,805
Independent examination		1,254	900
DBS checks		228	232
Bank charges and interest		160	158
Party and gifts		253	570
Activities and events		329	360
Professional fees		70	1,313
IT, computer and software subscriptions		209	258
TV licence		159	159
Advertising, promotion and marketing		1,060	295
Depreciation		7,518	3,580
Other expenses		52	35
Total expenditure		230,981	230,165
Net income / (expenditure)		50,154	(16,539)
Fund balances brought forward		124,914	141,453
Fund balances carried forward		175,068	124,914

All incoming resources and resources expended derive from continuing activities.

Brownberrie Lane Childcare & Education Ltd
Balance sheet
as at 31 July 2023

		2023	2022
		Total	Total
		£	£
Fixed assets			
Tangible assets	(4)	19,499	14,318
Total fixed assets		<u>19,499</u>	<u>14,318</u>
Current assets			
Debtors and prepayments	(5)	4,014	4,465
Cash at bank and in hand		156,786	109,888
Total current assets		<u>160,800</u>	<u>114,353</u>
Current liabilities:			
amounts falling due within one year			
Creditors and accruals	(6)	5,231	3,757
Total current liabilities		<u>5,231</u>	<u>3,757</u>
Net current assets / (liabilities)		<u>155,569</u>	<u>110,596</u>
Net assets		<u>175,068</u>	<u>124,914</u>
Funds			
Unrestricted funds		175,068	124,914
Total funds		<u>175,068</u>	<u>124,914</u>

For the year ending 31 July 2023 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who are also the directors for the purposes of company law) acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with FRS 102 (effective January 2019).

The financial statements were approved by the board of trustees on 7/2/2024

Dr Julia Hackett (Trustee)

Brownberrie Lane Childcare & Education Ltd

Notes to the accounts

for the year ended 31 July 2023

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, if it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Furniture, fixtures and fittings: over 5 years

Website: over 3 years

Brownberrie Lane Childcare & Education Ltd

Notes to the accounts

for the year ended 31 July 2023

1 Accounting policies continued

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Brownberrie Lane Childcare & Education Ltd
Notes to the accounts continued
for the year ended 31 July 2023

2 Grants and donations	2023	2022
	Total	Total
	funds	funds
	£	£
Leeds City Council nursery education funding	173,875	122,435
Other donations	513	45
	<u>174,388</u>	<u>122,480</u>

3 Staff costs and numbers	2023	2022
	£	£
Gross salaries	153,458	160,486
Social security costs	11,652	12,778
Employment allowance	(4,480)	(4,804)
Pensions	2,940	3,238
	<u>163,570</u>	<u>171,698</u>

The average number of employees during the year was 9.5, being an average of 6.9 full time equivalent (2022: 11.8, 7.4 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme	2023	2022
	£	£
Costs of the scheme to the charity for the year	2,940	3,238

4 Tangible assets	Furniture, fixtures and £	Total £
<u>Cost</u>		
At 1 August 2022	17,898	17,898
Additions	2,211	12,699
At 31 July 2023	<u>20,109</u>	<u>30,597</u>
<u>Depreciation</u>		
At 1 August 2022	3,580	3,580
Charge for year	4,022	7,518
At 31 July 2023	<u>7,602</u>	<u>11,098</u>
<u>Net book value</u>		
At 31 July 2023	<u>12,507</u>	<u>19,499</u>
At 31 July 2022	<u>14,318</u>	<u>14,318</u>

Brownberrie Lane Childcare & Education Ltd
Notes to the accounts continued
for the year ended 31 July 2023

5 Debtors and prepayments	2023	2022
	£	£
Prepayments	4,014	4,465
	<u>4,014</u>	<u>4,465</u>

6 Creditors and accruals	2023	2022
	£	£
Creditors	149	92
Accruals	1,254	900
Taxation and social security	2,881	2,679
Other creditors	947	86
	<u>5,231</u>	<u>3,757</u>

7 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

No trustee received any remuneration or benefit during this or the previous year.

Remuneration and benefits received by key management personnel

The total employee benefits received by key management personnel were £44,944 (previous year: £45,471).