

REGISTERED COMPANY NUMBER: 07422642 (England and Wales)
REGISTERED CHARITY NUMBER: 1142850

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022
FOR
THE TREE HOUSE CHILDREN'S CENTRE**

Dexter & Sharpe
Chartered Certified Accountants
Rollestone House
20-22 Bridge Street
Horncastle
Lincolnshire
LN9 5HZ

THE TREE HOUSE CHILDREN'S CENTRE
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FOR THE YEAR ENDED 31 OCTOBER 2022

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THE TREE HOUSE CHILDREN'S CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

- a) To provide the necessary facilities for the daily care, recreation, development and education of children aged from six weeks old.
- b) To advance the education and training of the persons in the provision of such care, education, development and recreational facilities.

Occupancy

Throughout the year occupancy levels have been consistent and there continues to be regular interest and enquiries from service users in need of nursery spaces. We have throughout the year been full to capacity, even having to increase our baby room occupancy from six children to nine to meet the demands of the baby boom from Covid. As many of these babies are siblings of children already attending the setting it was decided this was in the best interest of our families. This also ensures there is a consistent flow of children moving through the children into the other rooms.

We are full to capacity until September 2023 and we have a waiting list in place. Whilst there would be more room to expand and provide more nursery places, this would not be in line with the ethos of the nursery and increasing capacity would compromise the standards of care provided. This is testament to our reputation of the unique ethos and the service we provide. The setting is unique and families from a wide range of surrounding villages and towns access the nursery predominantly because of the abundance of outdoor space and the experiences the setting provides.

In previous years we have seen the nursery become quieter in the school holidays (non-term time periods), however this is no longer the case and dynamics of working families appears to be changing where all year round care is needed. This ultimately means that The Tree House is busier during these times as we do our best to provide a kids club service too.

Kids club has unfortunately remained on a reduced service due to staffing levels but places that have been offered have been well received. It is still hoped that with the successful recruitment of more staff the kids club will be able to return to a full service. The kids club is often in very high demand and with more and more of our children who leave to go to school returning, we are sadly having to turn children away each year as we cannot meet the demand.

Developments at The Tree House

The Tree House is always developing and while there have not been any big changes to the building and outside areas, there are hopefully plans to keep improving the maintenance of the building once funds allow.

The borrow bag scheme has continued to be successful and more resources have been added to meet the needs and interests of the children and has also been expanded across the nursery to provide resources for children of all ages.

It has been a big aim of ours to provide the children with more experiences within the wider community, this has always been a challenge due to our location as we are very rural and there is limited transport available. We have been very fortunate to provide the children with the following experiences;

- Day trip to Skegness with all the kids club children, fitting in as much as possible from the Fairy Dell to Bowling and to the beach and so much more. It was so lovely to see the children have this experience.

- School Leavers Trip to Skegness as chosen by the children, this included a picnic at the park, soft play and even a ride on an open top bus!

- Aviation Centre trip was thoroughly enjoyed by the children, this centre is within our village so it is always a great opportunity to take the children to learn about some of their local history.

- Pantomime Trip, the children in the pre-school room were treated to a trip to the pantomime of Beauty and the Beast for their Christmas present, the children thoroughly enjoyed this experience and were exceptionally behaved. The bus trip itself is always equally enjoyed!

Staff in the setting, with support from committee members, have been keen to really push fundraising efforts and to make the most of our special events to raise much needed funds for resources or to provide special experiences for the children. This year has been very successful for our fundraising efforts, a highlight definitely was our kids club sponsored Halloween sleepover!!! Raising over £600.00!! This enabled the children to have a lot of input into what they wanted to do to raise the money and also to have the reward of their efforts in helping to decide how to spend the money on much needed kids club equipment.

THE TREE HOUSE CHILDREN'S CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2022

Parent Partnership

We continue to encourage positive parent relationships and have developed really good relationships with our parents and their wider families. We are very fortunate to have some lovely parents who contribute to the wellbeing of the setting in various ways, from donating resources, sharing ideas and attending our fundraising events such as the Christmas and Easter raffles.

The Queens Jubilee was a lovely celebration with parents working hard to help their children to make crowns to wear.

Our parents have been a great support in providing wonderful experiences for the children, this has included a range of vehicles being brought in for the children to explore, including tractors, diggers and a lorry. This has provided lots of opportunities to expand on the children's learning and development while embracing their interests.

Our family events have been very popular and we have seen more and more parents attend supporting our fundraising efforts. With the support of staff and our committee members we have begun to hold these during weekends so this enables more of our families' to attend. This also provides opportunities for parents to see our setting in more detail and have more opportunities to speak to staff about what's been happening at nursery and our future plans etc, encouraging more involvement from our parents to support our setting.

The Christmas nativity is always a big highlight for parents and we are lucky to have a great turnout each year, parents have been very supportive helping to provide props and we were even lucky enough to have some real animals in our nativity. Christmas is always a lovely time of year, we are lucky enough to have a parent who volunteers to be Santa every year and always helps with providing gifts too.

Parent Consultations are embedded within the Tree House and staff regularly offer these to parents throughout the year to discuss their children's progress. Learning journeys are also regularly shared throughout the year.

We continue to share information with our parents through a variety of ways including emails, Facebook and newsletters.

Community Links

The tree at the front of the nursery continues as community gifting tree during popular celebratory periods. We have had an Easter Egg gifting Tree and also a Halloween trick or treat tree which we have had some lovely feedback from demonstrating gratitude from our parents and the local community.

A definite highlight once again was visiting the care home to sing Christmas songs with our children and their residents.

The library bus has become a regular fixture at the setting, the children really enjoy having the opportunity to go on the bus and help to choose books for the month, these are not only used in the setting but the children are also allowed to take them home. This helps encourage not only a love of reading but also supporting quality interactions with family members at home as they share these books with the children.

FINANCIAL REVIEW

Financial position

Wages have increased due to minimum wage increase. Expenses such as food and light and heat have also increased as the cost of living increases.

We are closely monitoring the ever increasing cost of living crisis and will, if needed, look at implementing another fee increase. This is not something we take on lightly as we understand our families are already under the strain of increasing costs but we need to ensure our reserves are not depleted too far risking the future of the setting.

FUTURE PLANS

Staff training is a big area for future plans, this will include accessing online, in house training and also face to face training to help support staff development so we can build a stronger, more knowledgeable team. This will hopefully include more specialised areas of training that will support practitioners in their roles including Makaton, Speech and Language and Forest School Training.

Camp fire cooking will become more embedded within the setting, the children really enjoy these experiences and it would be lovely to have these experiences every week for the children. These opportunities also enhance the children's experiences of playing and exploring outside in all weathers.

Networking with other settings and schools to provide opportunities to share knowledge and skills and for other children that are not part of the Tree House to experience the opportunities that we provide by allowing groups from other settings to visit. We also would like to strengthen our links with feeder schools, including our setting being able to visit with children to help ensure transitions from nursery to schools are a lot smoother.

The parent and toddler group has been a future plan that we have yet to initiate, predominantly due to staffing levels not being high enough to provide this. However, it is hoped we will be able to provide this at some point in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006. This means that it is a not-for-profit company and as such does not distribute its profits to members but retains them within the organisation.

THE TREE HOUSE CHILDREN'S CENTRE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 OCTOBER 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07422642 (England and Wales)

Registered Charity number
1142850

Registered office
Gregory Croft House
Fen Road
East Kirkby
Spilsby
Lincolnshire
PE23 4DB

Trustees
E K Moss
Miss C C Tait
Mrs B Bailey
Mrs A Sweetman
Mrs K E Waterson
Ms K Jacklin
Miss L Farrell
Mrs A D Brown (appointed 1.6.2022)

Independent Examiner
Tristan J Russell FCCA
Dexter & Sharpe
Chartered Certified Accountants
Rollestone House
20-22 Bridge Street
Homcastle
Lincolnshire
LN9 5HZ

The committee provide an invaluable support network to the Tree House and between all members there is a wide range of knowledge which is a great asset to the setting. The Committee and staff within the Tree House have great relationships, who all work well together to achieve the same goals. Where there are any concerns or tasks which need to be dealt with the committee can always be called upon to support and assist which ensures the Tree House continues to run as effectively as it does.

Approved by order of the board of trustees on 17 July 2023 and signed on its behalf by:



Mrs K E Waterson - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE TREE HOUSE CHILDREN'S CENTRE**

Independent examiner's report to the trustees of The Tree House Children's Centre ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 October 2022.

Responsibilities and basis of report

As the charity's trustees of the 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 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 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tristran J Russell FCCA

Dexter & Sharpe
Chartered Certified Accountants
Rollestone House
20-22 Bridge Street
Horncastle
Lincolnshire
LN9 5HZ

17 July 2023

THE TREE HOUSE CHILDREN'S CENTRE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Children's Centre		218,515	-	218,515	191,125
Other income		500	-	500	2,579
Total		219,015	-	219,015	193,704
EXPENDITURE ON					
Charitable activities					
Children's Centre		215,828	-	215,828	190,748
NET INCOME		3,187	-	3,187	2,956
RECONCILIATION OF FUNDS					
Total funds brought forward		44,805	-	44,805	41,849
TOTAL FUNDS CARRIED FORWARD		47,992	-	47,992	44,805

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE TREE HOUSE CHILDREN'S CENTRE

**BALANCE SHEET
31 OCTOBER 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	6	4,097	-	4,097	4,244
CURRENT ASSETS					
Debtors	7	14,299	-	14,299	9,879
Cash at bank and in hand		41,455	-	41,455	37,322
		<u>55,754</u>	<u>-</u>	<u>55,754</u>	<u>47,201</u>
CREDITORS					
Amounts falling due within one year	8	(11,859)	-	(11,859)	(6,640)
NET CURRENT ASSETS		<u>43,895</u>	<u>-</u>	<u>43,895</u>	<u>40,561</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>47,992</u>	<u>-</u>	<u>47,992</u>	<u>44,805</u>
NET ASSETS		<u>47,992</u>	<u>-</u>	<u>47,992</u>	<u>44,805</u>
FUNDS	9				
Unrestricted funds				47,992	44,805
TOTAL FUNDS				<u>47,992</u>	<u>44,805</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17 July 2023 and were signed on its behalf by:



K E Waterson - Trustee

The notes form part of these financial statements

THE TREE HOUSE CHILDREN'S CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 15% on reducing balance
Computer equipment	- 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	666	683
Other operating leases	4,329	4,329
Deficit on disposal of fixed assets	-	146
	<u> </u>	<u> </u>

THE TREE HOUSE CHILDREN'S CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2022 nor for the year ended 31 October 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2022 nor for the year ended 31 October 2021.

4. STAFF COSTS

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

	2022	2021
	13	13
Childcare provision	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Children's Centre	191,125	-	191,125
Other income	<u>2,579</u>	<u>-</u>	<u>2,579</u>
Total	<u>193,704</u>	<u>-</u>	<u>193,704</u>
 EXPENDITURE ON			
Charitable activities			
Children's Centre	<u>190,748</u>	<u>-</u>	<u>190,748</u>
 NET INCOME	2,956	-	2,956
 RECONCILIATION OF FUNDS			
Total funds brought forward	41,849	-	41,849
 TOTAL FUNDS CARRIED FORWARD	<u>44,805</u>	<u>-</u>	<u>44,805</u>

THE TREE HOUSE CHILDREN'S CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

6. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 November 2021	14,654	329	14,983
Additions	519	-	519
At 31 October 2022	15,173	329	15,502
DEPRECIATION			
At 1 November 2021	10,710	29	10,739
Charge for year	621	45	666
At 31 October 2022	11,331	74	11,405
NET BOOK VALUE			
At 31 October 2022	3,842	255	4,097
At 31 October 2021	3,944	300	4,244

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	12,843	9,878
Other debtors	-	1
Prepayments	1,456	-
	14,299	9,879

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	189	70
Social security and other taxes	2,827	-
Accrued expenses	8,843	6,570
	11,859	6,640

9. MOVEMENT IN FUNDS

	At 1.11.21 £	Net movement in funds £	At 31.10.22 £
Unrestricted funds			
General fund	44,805	3,187	47,992
TOTAL FUNDS	44,805	3,187	47,992

THE TREE HOUSE CHILDREN'S CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

9. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	219,015	(215,828)	3,187
TOTAL FUNDS	<u>219,015</u>	<u>(215,828)</u>	<u>3,187</u>

Comparatives for movement in funds

	At 1.11.20 £	Net movement in funds £	At 31.10.21 £
Unrestricted funds			
General fund	41,849	2,956	44,805
TOTAL FUNDS	<u>41,849</u>	<u>2,956</u>	<u>44,805</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	193,704	(190,748)	2,956
TOTAL FUNDS	<u>193,704</u>	<u>(190,748)</u>	<u>2,956</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.11.20 £	Net movement in funds £	At 31.10.22 £
Unrestricted funds			
General fund	41,849	6,143	47,992
TOTAL FUNDS	<u>41,849</u>	<u>6,143</u>	<u>47,992</u>

THE TREE HOUSE CHILDREN'S CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2022**

9. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	412,719	(406,576)	6,143
TOTAL FUNDS	<u>412,719</u>	<u>(406,576)</u>	<u>6,143</u>

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 October 2022.

THE TREE HOUSE CHILDREN'S CENTRE
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Charitable activities		
Fees	218,515	191,125
Other income		
HMRC JRS grants	-	2,579
Other Income	500	-
	<u>500</u>	<u>2,579</u>
Total incoming resources	219,015	193,704
EXPENDITURE		
Charitable activities		
Wages	176,223	156,729
Pensions	2,483	2,036
Rent	4,329	4,329
Rates and water	1,565	612
Insurance	3,504	2,007
Light and heat	8,481	6,289
Telephone	438	421
Sundries	3,150	3,195
Repairs and office costs	3,031	2,413
Waste and cleaning	1,503	1,249
Children's resources	748	883
Food	8,361	8,218
Fees	255	255
Bank charges	102	118
Training	130	193
HMRC interest	-	4
Depreciation of tangible fixed assets	666	683
Loss on sale of intangible fixed assets	-	146
	<u>214,969</u>	<u>189,780</u>
Support costs		
Governance costs		
Accountancy, legal and professional fees	859	968
Total resources expended	215,828	190,748
Net income	<u>3,187</u>	<u>2,956</u>

This page does not form part of the statutory financial statements