

Company registration number: 7668404
Charity number: 1144850

TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2020

LITTLE ECHOES DAY NURSERY
LIMITED
(A Company Limited by
Guarantee)

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 - 9
Notes to the Financial Statements	10 - 18

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	Mr M Brown Mrs J Buick Mrs D Browne
Company registered number	7668404
Charity registered number	1144850
Registered office and principal operating office	Whitmoor Road Bagshot Surrey GU19 5QE
Accountants	Menzies LLP Chartered Accountants 36 Station Road Egham TW20 9LF
Bankers	HSBC Bank Plc Egham Surrey TW20 9LH
Solicitors	Blaser Mills 19 High Street Staines Middlesex TW18 4QY
Independent Examiner	Janice Matthews FCA Centrum House 36 Station Road Egham Surrey TW20 9LF

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements of the Company for the year 1 September 2019 to 31 August 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

The main purpose for the nursery is as stated within the mission statement: to provide high quality child care and education for children aged three months to five years of age.

As a charitable organization, the nursery seeks to provide affordable and flexible child care and any surplus funds are reinvested in the nursery (Little Echoes is a non profit making organization). The nursery prides itself on its highly professional approach to childcare and to the management of its activities, both of which are significantly supported by the ability to invest all surplus funds back into the business. This was the basis by which Little Echoes was able to provide the significant financial resources necessary to fund its move to Bagshot.

Little Echoes has built its reputation and success to date around the exceptional quality of childcare provided. This care is structured around a strong educational ethos within the nursery. Great attention was placed on maintaining the high quality of child care during the move from its original premises in Englefield Green to Bagshot. The new premises provide many opportunities for building upon this including indoor and outdoor play areas, a sensory room and access to a large adjacent playing field.

Little Echoes places great emphasis on ensuring that staff are appropriately trained and qualified and all undertake additional training with at least two courses each year. This helps to keep up to date with changes and developments within the profession. It also enables Little Echoes to recruit high quality nursery staff as we grow. The nursery recognises long service achievements of staff, including the Manager, Jane, who has been with the nursery for 20 years, and a number of staff have 5 & 10 years service.

The Trustees have had regard to Charity Commission guidance on public benefit and are confident that the activities of the charity are fully compliant with this guidance.

Achievements and performance

On 16 April 2012, Little Echoes Day Nursery re located from its home of 18 years in Englefield Green to new premises in Bagshot. The new premises were well appointed and had previously been used as a nursery. Some work was required on the building and its interior as it had been vacant for some time and also lacked some amenities (eg: outdoor play area). The nursery now has security of tenure of its own premises and this goes a long way to managing some of the largest risks to which it has been exposed in recent years. The financial and operational security afforded by this ownership makes Little Echoes relatively unusual amongst other nursery operators and safeguards the business from unpredictable and unsupportive land lords.

The 9 years since the move have seen numbers of children attending Little Echoes initially fall as the nursery gradually re-established itself in a new location. Our advertising campaign resulted in numbers starting to grow and as word spread in the local community of the exceptional child care available, Little Echoes reached and then exceeded the size of roll achieved at the previous site.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The COVID crisis has presented particular challenges to the management of the nursery from March 2020 onwards. Little Echoes initially remained open for children of key workers but this ceased after a few weeks as demand dropped and the nursery closed for two months until Government restrictions were lifted. Support was provided to staff throughout this period and regular updates were sent to parents, along with ideas for home activities. When the nursery opened in June 2020, numbers had dropped by around 10% but the majority of children returned and activities continued, albeit socially distanced as required by Government guidelines. The continuation of the crisis into the new financial year has presented further challenges but the nursery has remained open and numbers of children have been largely sustained at viable levels.

The nursery offers a wide range of activities to children based on its excellent facilities, including an all weather indoor play area, well equipped kitchen (and resident chef) offering home cooked food made daily from fresh ingredients; several outdoor play areas and a sensory room. The site also has spacious staff room facilities.

Over the past year, a number of improvements have been undertaken, including repairs to the roof, new office equipment, replacement of kitchen appliances and improvements to the security system. Further improvements to the building fabric and the replacement of additional fittings are planned for the current year.

Little Echoes offers opportunities for all children whatever their race, culture, religion, means or ability, including those who require special care or additional attention from staff.

The Trustees and Management ensure that the nursery remains up to date and compliant with new legislation and regulations affecting businesses of this sort. During recent years, there has been a requirement to offer pension provisions for staff, new minimum wage rates and changes in Government funding for some nursery places.

We are particularly proud of our catering and of our full time chef's hard work. We offer the children exceptional fresh and varied food and are proud of our 5 star Food Hygiene Award, recently received.

Financial review

2019-2020 represented a year of continued growth up to March 2020, followed by a focus on managing a changing and challenging environment as the COVID crisis developed. Despite the enforced closure from March to June, annual revenues only fell by 22%. This was partially off-set by a 7% reduction in costs though the need to provide safe and socially-distanced care after re-opening limited scope for cost savings. The loss of £52k for the year has been covered from our considerable reserves, which have been built up over a number of years to cover such an eventuality. These reserves remained above £220k at the end of the year, despite such challenging trading conditions.

The Trustees and Management are confident that Little Echoes is trading profitably and is projecting that this will continue for the coming year despite the continued challenges of COVID. This reflects the fact that the nursery has remained open since August with a growing role and increasing enquiries about new places.

Having negotiated the COVID crisis, Little Echoes is planning to re build a surplus of funds that can be used for investment projects, long term maintenance of the premises and act as a buffer against future risks and uncertainties. The COVID 19 crisis illustrates the type of unplanned events for which an element of financial and operational resilience is required. The operating costs of the new building are considerably lower than those of the previous facility, whilst capacity is 25% greater. The Trustees are confident that the local market around Bagshot will generate a healthy demand for the high quality services offered by Little Echoes and that the long term future of the nursery is now secure.

The Trustees aim to maintain reserves of say £275,000 which is equivalent to half a year's turnover to provide a buffer against economic downturns or an unforeseen event such as having to move premises.

The Trustees will maintain their policy on fees of having a competitive position in the local market and providing affordable, high quality child care to the local community. Whilst the nursery is registered for 65 children (at any one time), it is not our intention to operate to this capacity as we believe a higher level of individual care brings significant benefit to the children. The reserves of the charity are substantially invested in the nursery building of Whitmoor Rd, with working capital provided by careful management of resources.

The Accounts are accordingly prepared on the Going Concern basis.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

Little Echoes is a registered educational charity, constituted as a limited company. The charity is overseen by trustees, who are directors of the charitable trust.

There are currently three Trustees, with appointments being confirmed by the Chair of the Trust. There are no time limits on the length of service of a trustee. The Trustees have no financial interests in the business. The Trustees are assisted by a part time book keeper who oversees payroll and general management information. Trustees are appointed via a unanimous vote of the existing Trustees. Any Trustees or the Nursery Manager can nominate a candidate.

The Nursery is managed by full time manager, Ms Jane Gratton.

The Trustees and Manager form an Executive Committee which meets, on average, every six weeks. This Committee also acts as the Nursery's Finance Committee, of which the book keeper is also a member. The Executive Committee deals with investments, business planning, staff salaries and other significant areas of cost, setting of nursery fees and other notable issues raised by the nursery's management.

Strategic risks are reviewed by the Executive Committee who ensure that appropriate actions are taken to manage such risks.

A Parents' Committee exists to provide engagement with and feedback to nursery management and to plan fund raising events. This meets monthly.

Nursery management have full day to day responsibility and accountability for operation of the charitable business, within the limits agreed with the Trustees.

Little Echoes is a member of the Pre School Learning Alliance, who provided support in establishing the business in 1991 and from whom it has received PLA Accreditation. It also has Investors in People status, which was renewed following an inspection in 2020.

Plans for future periods

The Trustees and Management produce an annual investment and capital renewal plan which prioritises significant expenditure on equipment and the fabric of the site. Over the coming year, it is intended to concentrate on structural work, update heating & plumbing and completion of maintenance activities that had to be suspended during the COVID crisis.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Margaret Joanna May Buick

.....

Mrs J Buick

(Trustee)

Date: 24-May-2021

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITORS' REPORT TO THE OF LITTLE ECHOES DAY NURSERY LIMITED

Independent Examiner's Report to the Trustees of Little Echoes Day Nursery Limited ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2020.

Responsibilities and Basis of Report

As the Trustees of the Company (and 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 the Company's accounts 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

Since the Company's gross income exceeded £250,000 your examiner must be a member 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 member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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.

Signed:  634F24DE92A4471...

Dated: 24-May-2021

Janice Matthews FCA

Centrum House
36 Station Road
Egham
TW20 9LF

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	4	24,635	24,635	1,258
Charitable activities	5	431,573	431,573	585,493
Total income		456,208	456,208	586,751
Expenditure on:				
Charitable activities		508,067	508,067	543,925
Total expenditure		508,067	508,067	543,925
Net movement in funds		(51,859)	(51,859)	42,826
Reconciliation of funds:				
Total funds brought forward		579,232	579,232	536,406
Net movement in funds		(51,859)	(51,859)	42,826
Total funds carried forward		527,373	527,373	579,232

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 10 to 18 form part of these financial statements.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

REGISTERED NUMBER: 7668404

BALANCE SHEET

AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	527,956	548,208
		<u>527,956</u>	<u>548,208</u>
Current assets			
Debtors	11	640	640
Cash at bank and in hand		249,108	300,069
		<u>249,748</u>	<u>300,709</u>
Creditors: amounts falling due within one year	12	(27,267)	(27,750)
Net current assets		<u>222,481</u>	<u>272,959</u>
Total assets less current liabilities		<u>750,437</u>	<u>821,167</u>
Creditors: amounts falling due after more than one year	13	(223,064)	(241,935)
Net assets excluding pension asset		<u>527,373</u>	<u>579,232</u>
Total net assets		<u><u>527,373</u></u>	<u><u>579,232</u></u>
Charity funds			
Restricted funds	14	-	-
Unrestricted funds	14	527,373	579,232
Total funds		<u><u>527,373</u></u>	<u><u>579,232</u></u>

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mark Brown

Mr M Brown
Director
Date: 24-May-2021

The notes on pages 10 to 18 form part of these financial statements.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Little Echoes Day Nursery Limited is a private charitable company limited by guarantee and incorporated in England & Wales. The address can be found on page 1 and details of the principal activities are set out in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Little Echoes Day Nursery Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

Although the nursery has made a loss in the year due to the impact of the COVID pandemic, the charity has a significant level of reserves and financial forecasts indicate that the nursery will be able to meet its financial obligations for at least twelve months from the date of approval of these financial statements.

These accounts are accordingly prepared on the Going Concern basis.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from the provision of Nursery Education is recognised as the service is provided.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities are costs incurred on the provision of nursery education, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- over 50 years
Freehold land	- nil
Fixtures and fittings	- 10% straight line
Computer equipment	- 20% reducing balance

2.7 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

In the opinion of the Trustees the only estimate that has a material impact on the financial statements is depreciation on the company's tangible fixed assets, which is calculated in accordance with the rates set out in Note 2.6.

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising events	527	527	1,258
Government grants	24,108	24,108	-
	<u>24,635</u>	<u>24,635</u>	<u>1,258</u>
<i>Total 2019</i>	<u>1,258</u>	<u>1,258</u>	

Government grants consist of £24,108 (2019: £nil) received under the Government Coronavirus Job Retention Scheme.

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Nursery Fees	431,573	431,573	585,493
<i>Total 2019</i>	<u>585,493</u>	<u>585,493</u>	

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

6. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Provision of Nursery Education	497,062	11,005	508,067

Analysis of direct costs

	Provision of Nursery Education 2020 £	Total funds 2020 £	Total funds 2019 £
Rates & Water	395,462	395,462	426,358
Light & Heat	20,252	20,252	19,747
Repairs & Maintenance	7,792	7,792	13,133
Insurance	5,655	5,655	9,427
Telephone	16,868	16,868	15,012
Other office expenses	2,959	2,959	2,817
Training	2,490	2,490	1,539
Subscriptions	10,530	10,530	15,034
Staff costs	5,724	5,724	5,494
Depreciation	1,123	1,123	881
Food costs	10,787	10,787	16,018
Advertising	394	394	2,197
Other Office expenses	4,313	4,313	3,286
Training	12,713	12,713	1,698
	497,062	497,062	532,641
Total 2019	532,641	532,641	

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of Nursery Education 2020 £	Total funds 2020 £	Total funds 2019 £
Other Office expenses	261	261	266
Bank charges	239	239	248
Bank loan interest	7,390	7,390	8,748
Sundry expenses	3,115	3,115	2,022
	<u>11,005</u>	<u>11,005</u>	<u>11,284</u>
<i>Total 2019</i>	<u>11,284</u>	<u>11,284</u>	

7. Staff costs

	2020 £	2019 £
Wages and salaries	372,015	404,841
Social security costs	17,629	17,174
Contribution to defined contribution pension schemes	5,818	4,343
	<u>395,462</u>	<u>426,358</u>

The average number of persons employed by the Company during the year was as follows:

	2020 No.	2019 No.
Staff	<u>23</u>	<u>22</u>

No employee received remuneration amounting to more than £60,000 in either year.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

8. Independent examiner's remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,440 (2019 - £1,440), and accountancy services of £4,054 (2019 - £4,054).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	543,014	126,828	4,149	673,991
At 31 August 2020	543,014	126,828	4,149	673,991
Depreciation				
At 1 September 2019	54,903	68,377	2,503	125,783
Charge for the year	7,240	12,683	329	20,252
At 31 August 2020	62,143	81,060	2,832	146,035
Net book value				
At 31 August 2020	480,871	45,768	1,317	527,956

The freehold property is provided as security against the mortgage (Note12).

11. Debtors

	2020 £	2019 £
Due within one year		
Other debtors	640	640
	640	640

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	18,181	17,462
Other taxation and social security	4,756	5,958
Accruals and deferred income	4,330	4,330
	<u>27,267</u>	<u>27,750</u>

The bank has a First Legal Mortgage over the freehold property of Little Echoes Day Nursery Limited, known as Little Echoes, Whitmoor Road, Bagshot, Surrey, GU19 5QE. In addition, there is a debenture comprising fixed and floating charges over all the assets and undertaking of Little Echoes Day Nursery Limited including all present and future freehold and leasehold property, book and other debts, chattels, and goodwill and uncalled capital, both present and future. The amount secured is £241,245 (2019: £259,397) including £223,064 (2019: £241,935) over more than one year.

13. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	<u>223,064</u>	<u>241,935</u>

Included within creditors falling due after more than one year is an amount of £154,392 (2019: £175,448) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
General Funds	579,232	456,208	(508,067)	527,373

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
Unrestricted funds				
General Funds	536,406	586,751	(543,925)	579,232

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	527,956	527,956
Current assets	249,748	249,748
Creditors due within one year	(27,267)	(27,267)
Creditors due in more than one year	(223,064)	(223,064)
Total	527,373	527,373

LITTLE ECHOES DAY NURSERY LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	548,208	548,208
Current assets	300,709	300,709
Creditors due within one year	(27,750)	(27,750)
Creditors due in more than one year	(241,935)	(241,935)
Total	<u>579,232</u>	<u>579,232</u>

16. Company limited by guarantee

The company is a company limited by guarantee and had no share capital. Members' liability is limited by individual guarantee to a maximum of £10 each in accordance with the Memorandum and Articles of Association.

17. Related party transactions

The aggregate remuneration for key management personnel during the year was £62,000 (2019 - £65,000). There were no other related party transactions during the year.