

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

A Company Limited by Guarantee
Company Registration number 06896723

Registered Charity no 1147389

**Trustees' Annual Report and Accounts
for the Year Ending 31st August 2020**

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Trustees Report

Administrative details

The Children's Amazing Rural Kids Ltd

Incorporated as a Company Limited by Guarantee – Company registration number 06896723

Registered Charity number 1147389 (formerly known as Pendeen Preschool, registered charity number 1044245)

Principle Office and Company Registered Office:

The Children's Ark
Church Road
Pendeen
Penzance
Cornwall
TR19 7SE

Trustees

The following committee members were elected (or re-elected) at the AGM in November 2019, becoming Trustees of the Charity and Directors of the Company:

Joanne Jones – Chair
Rachel Chisholm – Secretary
Tamsyn Jose – Treasurer
Kate Wonnacott
Kirstein Gill
Tina Cowley
Dan Gibling
Hilary Claire Hodgkiss
Sarah Cottingham
Hollie Clarke
Chris Wilson
Kathryn Osborne

Additionally, the following served as Trustees and Directors during the financial year ending 31st August 2020 and have stood down during the year

Kate Wonnacott
Tina Cowley
Hollie Clark

The day to day running of the nursery activities is under the control of the employed manager, Kathryn Prowse. During August, Fiorin Harris commenced as the new employed manager. For a short period of time there was an overlap of both Kathryn and Fiorin in place as managers.

Objectives and Activities

To provide education, training and services to young children and their families.

The main activity during the year was the provision of nursery education to children below the age of 5. The nursery benefits from professional and committed staff.

Whilst fees are charged for providing nursery places, the organisation is non profit making.

Governing document

The organisation was incorporated on 6 May 2009 as a charitable company limited by guarantee. The governing document is its Memorandum and Articles of Association.

In the event of the company being wound up, the trustees are required to contribute an amount not exceeding £1.

The organisation was registered with the Charity Commission under the name The Children's Amazing Rural Kids Limited on 23rd May 2012. Prior to this it was registered as Pendeen Preschool.

Public Benefit

The Trustees confirm they have complied with the requirements of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission.

The services offered by the Children's Amazing Rural Kids Limited are open to all families within the geographical area. Government schemes ensure families are not excluded because of their individual financial circumstances.

Financial Review for the Year Ending 31st August 2020

The major source of income in the year is fees charged for each child that attends the nursery. Incidental income comes in the form of uniform and photograph sales. Local fundraising provides additional funds for play equipment etc. The Covid-19 pandemic has had an effect on the children attending and the fees received.

Grants were received this year from the following:
No Grants were received during the year.

Due to the Covid-19 pandemic most items that are relating to the children attending the nursery (ie consumables, food, gardening supplies and cleaning) have been reduced. Health & Safety and cleaning has increased due to making the Nursery Covid safe.

There were no fixed assets purchased during the year (items of a long term nature with expenditure over £100).

Going Concern

In accordance with the Financial Reporting Standard 102 the directors of The Childrens Amazing Rural Kids Limited expect the activities to continue for the foreseeable future, and these accounts are therefore prepared on the going concern basis.

Reserves Policy

The charity has a designated reserve of £50,000 with the purpose of providing for potential future redundancies, and providing for operating costs in the event of short term negative cash flows.

The Annual Report was approved by the Trustees on.....19.11.20.....

And signed on their behalf by:



(Print Name).....Tamsyn Jose.....

Trustee and Director

Chairpersons report 2020

Wow, what a year! The Ark has faced some challenges in the past but maybe this year has seen the most diverse of all. Despite a global pandemic however we continued to operate at a very high level with staff providing the best teaching and learning opportunities they can and ensuring the children remain at the heart of everything. This focus and dedication is what has enabled The Ark to come through this year in a strong position and is actively looking forward to the future development of provision and enriching the learning experiences of the children and families it supports and engages with.

13 children made the transition to 4 local primary schools in September. Staff felt hugely saddened by the restrictions they were under regarding transition but, as always, did their best to support as many of the children moving forward as possible. Our thanks go to the pre school team. There are currently 35 children on role. 15 in preschool, 13 in Tiddlers and 7 babies. There are 6 children waiting to join in January and staff are working to introduce them to the setting within the current lockdown restrictions.

We opened throughout the summer for holiday club provision and a huge thank you to all staff as the return to work was a concerning time. The children were amazing, returning with enthusiasm and delight. This just shows that the Ark offers such a welcoming and safe environment for the children where they feel happy and calm. Being together – as a unit – helps to keep everyone's spirits up.

In June we had the news that Kathryn had decided, after 20 years, to move on from her managers position at The Ark. Although we were all very pleased she was able to pursue her career at the college we were sad to lose such a keystone of the setting. Although we did all wish her the very best I would like to note how grateful the staff, committee, local families and the wider community were for her dedication and hard work which had such an impact on so many for a long time.

Looking forward however we were lucky enough to welcome Fiorin Harris as the new manager in July. Fiorin brings with her a lot of experience from other childcare settings and great enthusiasm to develop The Ark and support families in the local community through the wonderful environment The Ark offers. She has settled in exceptionally well and the staff are thrilled to have her. She has been exemplary in her leadership and management over a challenging few months. Stepping in to a new role, opening a childcare setting during the COVID pandemic and dealing with the day to day pressures and requirements of management is no mean feat and she has taken everything in her stride and provided the leadership and guidance the staff and setting as a whole required. The committee are supporting Fiorin as and when she needs it and Kim, as deputy, has been excellent stepping up in her role. Between them they make a truly excellent team ably supported by the whole of the staff.

Staff training has moved online this year and staff undertook a range of different modules specific to their needs during the first lockdown. Staff meetings are still used to cascade examples of good practice, share up to date policies and procedures and evaluate online training undertaken. Utilising the current bank of knowledge and experience cannot be

underestimated and having to think more carefully about learning experiences due to restrictions on toys, resources etc due to cleaning and quarantine schedules has made everyone much more responsive to the children experiences.

Congratulations to Michaela on her move to key person in the baby group and thanks to Sally for transitioning as key person into the Tiddlers to support the children moving up when they needed familiarity.

COVID

The global pandemic, which saw the country enter a period of enforced lockdown on the 23rd March, had undoubtedly had an effect on The Ark. In terms of day to day practices; new policies and procedures have been introduced to make the environment as COVID secure as possible. Once these were established – extracted from the ever changing government guidelines – and put in to place, staff, children and parents have adopted them as the new way. The measures have been appropriate and manageable but also reflective of the fact we are working with young children who need nurturing and care. The return to full time opening has gone well and remaining open during a second period of lockdown from 5th November had been fine.

In terms of the financial impact, the Government grant of £10,000 and the furlough scheme have supported the Ark to stay open. Funded children still had their funding monies paid which again went towards paying staff over this lockdown period. There has been a lot of additional expenditure on PPE items and cleaning requirements which won't be felt until the 20/21 accounting period but with no specific support for these areas Caroline is budgeting carefully to take this into account. The committee have also held extensive discussions about what would happen if the setting should have to close for a 14 day period if a positive COVID test forces this to happen. We feel sure that we have a fair and sensible plan to support staff during this time.

FUNDRAISING

The 2019 Nativity went ahead and was a great success. Funds were raised from ticket sales, raffle and toy stall. We also held the Tombola stall at the Yuletide Fair which added to the fundraising account. Thanks to all who gave their time. Other than these events COVID put paid to other avenues of additional income. Committee have discussed options for raising money but feel that the current financial climate is not very conducive to generating funds from parents and the local community. We are looking into accessing other funds and gratefully received £500 from the St Just Town Council.

MAINTENANCE

With the struggles relating to access during the pandemic and trying to keep a COVID secure bubble some maintenance jobs have been tricky. Thanks to Caroline's husband the porch decking has been replaced. We have had a new fridge and washing machine. Plans for the kitchen replacement have been delayed again but we are looking to get as much as possible of it through donations from local businesses. Following another sewage pipe issue in the back garden, the Astroturf has had to be replaced again. Thankfully the cost of this has been covered by South West Water but after two attempts – which were very poorly executed – to relay replacement surfacing we have now submitted a quote from a trusted local

contractor which we hope they will approve. To not have had that space accessible for 6 weeks of more has been really unfortunate. We are also in the early stages of re-evaluating the hot water system. The children's toilets were refurbished with new flooring and redecoration as well as the staff toilet.

2021

Moving in to 2021 we will see The Ark move from strength to strength. There is a renewed energy and buzz from staff which naturally filters down to the children. I know Fiorin has inspired a new approach from staff in a team and child focused environment that staff have openly praised and very much thrive in. Keeping this momentum going and adapting practice in new and exciting directions will be the focus. Fiorin would like to encourage more adult led singing and group circle times to knit together all the children and staff. This will eventually grow to incorporate families and the wider community when times allow. Creativity and positivity will be the language of 2021 – so much better than lockdown and social distancing!!!

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Company Registration number 06896723

Independent Examiners Report to the Trustees

for the Year Ending 31st August 2020

Basis of Independent Examiner's Report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity (including all receipts, invoices, bank statements and other financial documents) and a comparison of the Financial Statements for the year with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit. The report is limited to those matters set out in the statement below.

Independent Examiner's Report

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
to keep accounting records in accordance with section 386 of the Companies Act 2006
to prepare accounts which accord with the accounting records and comply with the
accounting requirements of the Companies Act 2006, and comply with the methods and
principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the
accounts to be reached



Sarah Heath, Accountant

Nero Accountancy
27 Boskenna Road
Four Lanes
Redruth
TR16 6LS

Date: 10th November 2020

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Statement of Financial Activities for the Year Ending 31st August 2020

| | Unrestricted Funds £ | Restricted Funds £ | Total £ |
|--|----------------------------|--------------------------|----------------|
| Income resources from generated funds | | | |
| Voluntary income | | | |
| Donations & Fundraising | 970 | | 970 |
| Grants Received | | | |
| Investment income | 238 | | 238 |
| Activities to further the charity's objectives | | | |
| Fees charges | 108,522 | | 108,522 |
| Other income | 18,548 | | 18,548 |
| Total incoming resources | <u>128,278</u> | <u>0</u> | <u>128,278</u> |
| Resources expended | | | |
| Charitable Activities | 113,923 | | 113,923 |
| Governance Costs | 888 | | 888 |
| Total resources expended | <u>114,811</u> | <u>0</u> | <u>114,811</u> |
| Net incoming resources / (expenditure) | <u>13,468</u> | <u>0</u> | <u>13,468</u> |
| Reconciliation of funds | | | |
| Total funds brought forward | 66,100 | 8427 | 74,527 |
| Net incoming resources | 13,468 | | 13,468 |
| Transfers between funds | | | |
| Total funds carried forward | <u>79,568</u> | <u>8,427</u> | <u>87,995</u> |

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Income and Expenditure Account
for the Year Ending 31st August 2020

| | 2020 | | 2019 | |
|------------------------------------|-------------|---------|-------------|---------------|
| | £ | £ | £ | £ |
| Income | | | | |
| Fees | | 108,522 | | 144,898 |
| Nursery Milk Scheme | | 103 | | 371 |
| Sundry Income | | | | |
| Uniforms | 163 | | 196 | |
| Photograph sales & commission | 29 | | 298 | |
| Job Retention Scheme Monies | 8,253 | | | |
| Cornwall Council Covid Grant | 10,000 | | | |
| Other | | | | |
| | | <hr/> | | <hr/> |
| | | 18,446 | | 494 |
| Fundraising & donations | | 970 | | 2,020 |
| Grants received | | | | 1,660 |
| Interest received | | 238 | | 92 |
| | | <hr/> | | <hr/> |
| GROSS INCOME | | 128,278 | | 149,535 |
| Expenditure | | | | |
| Salaries & pension contributions | 99,234 | | 127,979 | |
| Staff training costs | 785 | | 1,915 | |
| Advertising & Promotion | 50 | | 50 | |
| Business rates | 70 | | 170 | |
| Water | 305 | | 1,365 | |
| Repairs & Maintenance | 2,259 | | 2,906 | |
| Light and Heat | 1,226 | | 1,393 | |
| Telephone & internet | 684 | | 538 | |
| Insurance | 861 | | 861 | |
| Professional fees | 888 | | 2,527 | |
| Consumables | 3,723 | | 5,381 | |
| Covid Health & Safety | 519 | | | |
| Toys & small items of equipment | 28 | | 1,178 | |
| Office expenses and IT | 69 | | 41 | |
| Staff & Children's uniforms | 178 | | 172 | |
| Photographs | | | 196 | |
| Waste service | 1,077 | | 1,078 | |
| Sundry Expenses | 24 | | 52 | |
| Depreciation | 2,832 | | 2,832 | |
| | | <hr/> | | <hr/> |
| | | 114,810 | | 150,632 |
| NET SURPLUS / (DEFICIT) | | <hr/> | | <hr/> |
| | | 13,468 | | <u>-1,097</u> |

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Company number 06896723
Registered Charity number 1147389

Balance Sheet at 31st August 2020

| | Notes | 2020 | | 2019 | |
|---|-------|-------------|---------------|-------------|---------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | (2) | | 4,295 | | 7,127 |
| Current assets | | | | | |
| Cash at bank and in hand | (3) | 85,082 | | 67,566 | |
| Debtors | (4) | 719 | | 1,710 | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within 12 months | (5) | -1,955 | | -1,687 | |
| Deferred income | (6) | <u>-186</u> | | <u>-228</u> | |
| Net current assets | | | 83,660 | | 67,361 |
| Net assets / (liabilities) | | | <u>87,955</u> | | <u>74,488</u> |
| Restricted funds | | | 8,652 | | 8,652 |
| Unrestricted funds | | | 79,343 | | 65,836 |
| Total funds | | | <u>87,995</u> | | <u>74,488</u> |

For the Year ending 31st August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

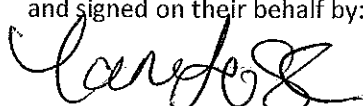
The members have not required the company to obtain an audit of its accounts in accordance with section 476 of the Companies Act 2006.

The directors 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.

The company has opted not to file a copy of the Profit and Loss Account with Companies House.

These financial statements were approved by the Board of Trustees on and signed on their behalf by:


Tamsyn Jose, Trustee and Director

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Notes to the accounts for the Year Ending 31st August 2020

(1) Principal Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been prepared in accordance with the Financial Reporting Standard 102 (FRS 102).

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006, and the Statement of Recommended Practice for Accounting and Reporting by Charities (SORP) and FRS 102.

(b) Funding Accounting

- (i) Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- (ii) Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- (iii) Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Incoming Resources

All incoming resources are included in the statement of financial activities when the company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- (i) Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the company, are recognised when the charity becomes unconditionally entitled to the grant.
- (ii) Donated services and facilities are included at the value to the company where this can be quantified.
- (iii) The value of services provided by volunteers has not been included in these accounts.
- (iv) Investment income is included when receivable.
- (v) Incoming resources from charitable trading activity are accounted for when earned.
- (vi) Incoming resources from grants, where related to performances and specific deliverables are accounted for as the company earns the right to consideration by its performance.

(d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

- (i) Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- (ii) Company expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

(iii) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include the reporting accountant's fees (if any), and costs linked to the strategic management of the company.

(iv) All costs are allocated between the expenditure categories of the 'Statement of Financial Activities', on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

(e) Fixed Assets

Tangible fixed assets are written off over the expected useful life of the asset. General equipment is written off at 25% per annum on a straight line basis. Long life equipment is written off at 10% per annum on a straight line basis. A full year's depreciation is applied in the year of purchase.

THE CHILDREN'S AMAZING RURAL KIDS LIMITED

Notes to the accounts for the Year Ending 31st August 2020

| | | |
|-----|--|------------------------------|
| (2) | Fixed Assets | Fittings & Equipment £ |
| | Cost | |
| | Balance brought forward | 30,504 |
| | Additions in the year | 0 |
| | Disposals in the year | 0 |
| | | <u>30,504</u> |
| | Depreciation | |
| | Balance brought forward | 23,376 |
| | Charge for the year | 2,832 |
| | Depreciation eliminated | 0 |
| | | <u>26,208</u> |
| | Net book value | |
| | At 31st August 2019 | <u><u>4,296</u></u> |
| (3) | Cash at Bank and In Hand | £ |
| | Co-op current account | 24,527 |
| | Co-op fundraising account | 12,635 |
| | Co-op Savings account | 47,920 |
| | Petty Cash | 0 |
| | | <u>85,082</u> |
| (4) | Debtors | £ |
| | Fees outstanding at year end | 719 |
| (5) | Creditors: amounts falling due within 12 months | £ |
| | Trade creditors | 733 |
| | PAYE & Pension | 871 |
| | 2020 Accountancy Accrual | 350 |
| | | <u>1,955</u> |
| (6) | Deferred income | 186 |

Deferred income refers to received received in August 2020 in advance of provision of services starting with the new term in September 2020, after the financial year end.

(7) **Movements in Funds**

| | Incoming £ | Outgoing £ | Trans between funds £ | Net Increase £ |
|--------------------|---------------|---------------|--------------------------------|----------------------|
| Restricted funds | | | 0 | |
| Unrestricted funds | | | | |
| Designated funds | 0 | 0 | 0 | 0 |
| General funds | 127,610 | -115,211 | | 12,399 |
| | 127,610 | -115,211 | 0 | 12,399 |

(8) **Analysis of net assets between funds**

| | General funds £ | Designated funds £ | Restricted funds £ | Total £ |
|-----------------------|-----------------------|--------------------------|--------------------------|------------|
| Tangible fixed assets | 4,295 | 0 | 0 | 4,295 |
| Current assets | 35,801 | 50,000 | | 85,801 |
| Current liabilities | -2,141 | 0 | 0 | -2,141 |
| | 37,955 | 50,000 | | 87,955 |

(9) **Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

(10) **Taxation**

The Children's Amazing Rural Kids limited is a registered charity and is therefore exempt from taxation.

