

J.E.TS Centre

Charity No. 1151208

Company No. 08139666

Trustees' Report and Unaudited Accounts

31 July 2023

	Pages
Trustees' Annual Report	2 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Summary Income and Expenditure Account	8
Balance Sheet	9
Notes to the Accounts	10 to 15

J.E.TS Centre

Trustee's Annual Report

For the year ended 31 July 2023

The trustees, who are also Directors for the purposes of the Companies Act, present their Annual Report and Financial Statement of the charity for the year ended 31 July 2022. The financial accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard 102 applicable in the UK and Republic of Ireland.

The Charity

J.E.TS Centre is constituted as a Company limited by guarantee and not having a share capital. The company is registered in England and Wales No. 08139666. The Charity is registered with the Charities Commission No 1151208. The principal governing document is the Company Memorandum and Articles of Association dated 5th February 2013.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objects and Activities

The objects of the Charity are to: -

- 1) Provide the necessary facilities for the daily care, recreation of children during school, and out of school hours and school holidays
- 2) Benefit the residents of Sefton and the neighbourhood, without distinction of sex, sexual orientation, race or political, religious or other opinions by associating together the said residents and local authorities, voluntary or other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation, leisure time occupation with the objective of improving the conditions of life for residents
- 3) Promote such other charitable purposes as may from time to time be determined

The Charity aims to achieve its objects through the provision of childcare facilities through two breakfast / after school clubs, nursery and one holiday club for children aged 2– 12.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Achievements and Performance

J.E.TS Centre is based in a large detached building in spacious grounds in Waterloo and within the school buildings of St Nicholas Church of England Primary School in Blundellsands and their Church Hall. All are conveniently placed for a number of local schools and supports families from the Waterloo, Crosby, Blundellsands, Thornton, Seaforth and surrounding areas.

We continue to work closely with all the statutory bodies and in particular Sefton CVS to help us develop and improve the services we provide for the local community.

Financial Review

The operational deficit on the general fund during the year was £1,507.

The current year deficit which remains a concern, has arisen due to the ongoing effects of the global pandemic, and its impact on demand for services and our ability to continue to provide adequate support from our staff. With the longer-term wider impact and the work from home rules we have seen an impact on numbers attending regularly and where parents were booking for 5 days per week we are seeing this reducing to 3 or 4 days on average. A reduction in central government financing has also had a negative impact on finances and with the loss of the Coronavirus Job Retention Scheme has impacted greatly on our ability to maintain our skilled staff base at levels which will support us recovering back to pre-pandemic fee levels.

On closer analysis of the income streams the Trustees, working closely with the Chief Executive Officer, have pinpointed that the Nursery service has been most affected by continuing 'work from home' options for parents. A thorough review of the Nursery provision has been completed with significant structural change implemented which we firmly believe will see the income stream return to surplus. The CEO and Trustees will continue to monitor this regularly as we progress through the current financial year. Additional short term working capital has been made available to ensure the transition period does not hamper the implementation of changes.

Our parent base has remained supportive of the Centre and their ongoing commitment to us has been heartening and given us the confidence to continue with the business and with the changes now implemented see a return to generating a surplus shortly.

We continue to look for additional grant support and are in process of applying for further support from Sefton MBC and a number of other Charitable bodies.

The Trustees are confident that the company will recover from the longer term impact of the Coronavirus and with the strategic changes now in place the Charity will return to generating a surplus and that JET's Centre will continue operating as a going concern.

Reference and Administrative Details

Charity Number:	1151208
Company Number:	08139666
Registered Office:	J.E.TS Centre, Oxford Road, Waterloo, Liverpool L22 8QF

Our Advisors:

Independent Examiner:	Sefton Council for Voluntary Service (CVS)
Bankers:	HSBC, 99-101 Lord Street, Liverpool L2 6PG

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law. The trustees and officers serving during the year and since the year end were as follows:

Barry Willan

Christopher McGrory

John Erskine

Structure, Governance and Management

Governing Document

J.E.TS Centre is a company limited by guarantee governed by its Memorandum of Association dated 11th July 2012 as amended on 5th February 2013. It is registered with the Charity Commission. Anyone over the age of 16 can become a member of the Company and there are currently 3 members, each of whom agrees to contribute £10 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association the trustees are elected by members of the charitable company attending the Annual General Meeting. The longest service one third of trustees retires each year and is able to offer themselves for re-election.

Organisation

The board of trustees administers the charity. The board normally meets monthly and there are sub-committees covering development, membership, finance and audit which normally meet monthly.

Related parties and co-operation with another organisation

None of the trustees receives remuneration from their work with the charity. One trustee does provide other services to the charity for which they receive benefit. Any connection between a trustee or senior manager of the charity and any client or supplier is disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year one contractual relation with a related party was reported.

Risk Management

The trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity faces;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major risk for both the charity and the company. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank and active management of debtors and creditors balances to ensure sufficient working capital by the charity.

Attention has also been focused on non-financial risks arising from fire, health and safety of clients, food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

Trustee's Responsibilities

The trustees, who are also the directors of J.E.TS Centre for the purpose of company law, are responsible for preparing the trustee's 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 charity trustees to prepare financial statement for each financial years which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles on 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 financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

The report was approved by the board of trustees on 21st April 2023 and signed on their behalf.



Christopher J McGrory

Trustee

Independent Examiner's Report to the trustees of J.E.TS Centre

I report to the charity trustees on my examination of the financial statements of J.E.TS Centre for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 financial statements 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

As the charity'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 Institute of Chartered Accountants in England and Wales.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (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 financial statements to be reached.



Ian Wright FCA
Community Accountant
Sefton Council for Voluntary Service
Burlington House
Crosby Road North
Waterloo
Liverpool
L22 0LG
21 April 2024

J.E.TS Centre
Statement of Financial Activities
for the year ended 31 July 2023

		Unrestricted		
		funds	Total funds	Total funds
		2023	2023	2022
	Notes	£	£	£
Income and endowments				
from:				
Donations and legacies	3	500	500	13,915
Charitable activities	4	459,286	459,286	425,064
Total		459,786	459,786	438,979
Expenditure on:				
Charitable activities	5	461,293	461,293	461,941
Total		461,293	461,293	461,941
Net gains on investments		-	-	-
Net expenditure	6	(1,507)	(1,507)	(22,962)
Transfers between funds		-	-	-
Net expenditure before other gains/(losses)		(1,507)	(1,507)	(22,962)
Other gains and losses				
Net movement in funds		(1,507)	(1,507)	(22,962)
Reconciliation of funds:				
Total funds brought forward		(49,875)	(49,875)	(26,913)
Total funds carried forward		(51,382)	(51,382)	(49,875)

J.E.TS Centre
Summary Income and Expenditure Account
for the year ended 31 July 2023

	2023	2022
	£	£
Income	459,786	438,979
Gross income for the year	<u>459,786</u>	<u>438,979</u>
Expenditure	457,077	461,941
Depreciation and charges for impairment of fixed assets	4,216	-
Total expenditure for the year	<u>461,293</u>	<u>461,941</u>
Net expenditure before tax for the year	(1,507)	(22,962)
Net expenditure for the year	<u>(1,507)</u>	<u>(22,962)</u>

J.E.TS Centre
Balance Sheet
at 31 July 2023

Company No. 08139666	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	8	16,852	20,246
		<u>16,852</u>	<u>20,246</u>
Current assets			
Debtors	9	8,137	12,975
Cash at bank and in hand		21,768	30,023
		<u>29,905</u>	<u>42,998</u>
Creditors: Amount falling due within one year	10	(64,946)	(74,771)
Net current liabilities		<u>(35,041)</u>	<u>(31,773)</u>
Total assets less current liabilities		<u>(18,189)</u>	<u>(11,527)</u>
Creditors: Amounts falling due after more than one year	11	(33,193)	(38,348)
Net liabilities excluding pension asset or liability		<u>(51,382)</u>	<u>(49,875)</u>
Total net liabilities		<u>(51,382)</u>	<u>(49,875)</u>
The funds of the charity			
Restricted funds	12		
Unrestricted funds	12		
General funds		(68,234)	(70,121)
Designated funds		16,852	20,246
		<u>(51,382)</u>	<u>(49,875)</u>
Reserves	12		
Total funds		<u>(51,382)</u>	<u>(49,875)</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

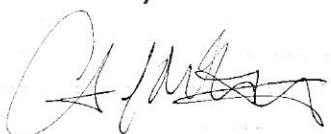
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 21 April 2024

And signed on its behalf by:

C.J. McGrory
Trustee
21 April 2024



1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity 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 note. The functional currency used is the £ Sterling.

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The functional currency used is the £ Sterling.

Preparation of the accounts on a going concern basis

At the time of approving the accounts, the trustees' have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, given the continued support of funder. The bounce back loan is repayable over 5 years. As such these accounts have been prepared under the going concern basis.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.

Grants payable All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

Governance costs These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure These are support costs not allocated to a particular activity.

Taxation

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

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Income from donations and legacies

	Unrestricted	Total	Total
		2023	2022
	£	£	£
Sefton Discretionary Grant	-	-	10,000
HMRC Job Retention Scheme	-	-	3,915
Sefton CVS	500	500	-
	<u>500</u>	<u>500</u>	<u>13,915</u>

4 Income from charitable activities

	Unrestricted	Total	Total
		2023	2022
	£	£	£
Fee income	343,948	343,948	260,803
Nursery education	115,338	115,338	164,261
	<u>459,286</u>	<u>459,286</u>	<u>425,064</u>

5 Expenditure on charitable activities

	Unrestricted	Total 2023	Total 2022
	£	£	£
<i>Expenditure on charitable activities</i>			
Fee income	93,149	93,149	86,463
<i>Admin costs</i>			
Bank loan and overdraft interest payable	-	-	1,286
Employee costs	360,033	360,033	365,072
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	4,216	4,216	5,061
<i>Support costs</i>			
Administrative expenses	3,895	3,895	4,059
	<u>461,293</u>	<u>461,293</u>	<u>461,941</u>

6 Net expenditure before transfers

	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	4,216	5,061

7 Staff costs

	2023	2022
Salaries and wages	343,897	346,541
Social security costs	10,790	13,489
Pension costs	5,346	5,042
	<u>360,033</u>	<u>365,072</u>

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

8 Tangible fixed assets

	£	£
Cost or revaluation		
At 1 August 2022	49,765	49,765
Additions	822	822
At 31 July 2023	<u>50,587</u>	<u>50,587</u>
Depreciation and impairment		
At 1 August 2022	29,519	29,519
Depreciation charge for the year	4,216	4,216
At 31 July 2023	<u>33,735</u>	<u>33,735</u>
Net book values		
At 31 July 2023	<u>16,852</u>	<u>16,852</u>
At 31 July 2022	<u>20,246</u>	<u>20,246</u>

9 Debtors

	2023	2022
	£	£
Trade debtors	8,137	12,975
	<u>8,137</u>	<u>12,975</u>

10 Creditors:

amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	6,210	6,210
Trade creditors	31,964	28,561
Other taxes and social security	14,831	28,060
Other creditors	11,730	11,730
Accruals	211	210
	<u>64,946</u>	<u>74,771</u>

11 Creditors:

amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	33,193	38,348
	<u>33,193</u>	<u>38,348</u>

12 Movement in funds

	At 1 August 2022	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 July 2023 £
Restricted funds:					
Unrestricted funds:					
General funds	(70,121)	459,786	(461,293)	3,394	(68,234)
Designated funds:					
Fixed Asset Fund	20,246	-	-	(3,394)	16,852
Total	<u>20,246</u>	<u>-</u>	<u>-</u>	<u>(3,394)</u>	<u>16,852</u>
Total funds	<u>(49,875)</u>	<u>459,786</u>	<u>(461,293)</u>	<u>-</u>	<u>(51,382)</u>

Purposes and restrictions in relation to the funds:

Designated funds:

Fixed Asset Fund Fixed Assets

13 Analysis of net assets between funds

	Unrestricted funds	Total
	£	£
Fixed assets	16,852	16,852
Net current assets	(35,041)	(35,041)
Creditors due in more than one year and provisions	(33,193)	(33,193)
	<u>(51,382)</u>	<u>(51,382)</u>

14 Reconciliation of net cash / (net debt)

	At 1 August 2022	Cash flows	At 31 July 2023
	£	£	£
Cash and cash equivalents	30,023	(8,255)	21,768
	<u>30,023</u>	<u>(8,255)</u>	<u>21,768</u>
Bank loans	(44,558)	5,155	(39,403)
	<u>(44,558)</u>	<u>5,155</u>	<u>(39,403)</u>
Net cash / (net debt)	<u>(14,535)</u>	<u>(3,100)</u>	<u>(17,635)</u>

FRS 102 requires an entity to report changes in net debt in the accounting period.

15 Commitments

Pension commitments

	2023	2022
	£	£
The pension cost charge to the company amounted to:	<u>5,346</u>	<u>5,042</u>

16 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.