

Charity registration number: 1161710

# Eastwood Neighbourhood Nursery CIO

Annual Report and Financial Statements  
for the Year Ended 31 March 2022

***'Play, learn and grow together'***

## **Eastwood Neighbourhood Nursery CIO**

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## **Eastwood Neighbourhood Nursery CIO**

### **Reference and Administrative Details**

<b>Chairman</b>	S. Condliffe, Chair
<b>Trustees</b>	S. Condliffe, Chair D Chadwick, Treasurer N Hajiani, Secretary D Condliffe M Cunningham V Brown
<b>Senior Management / Leadership Team</b>	V Brown, Manager M Cunningham, Deputy C Arnold, Finance Officer
<b>Charity Registration Number</b>	1161710
<b>Principal Office</b>	100 Franklyn Street Hanley Stoke-on-Trent ST1 3HD
<b>Independent Examiner</b>	Daryl Denson ACMA VAST The Dudson Centre Hope Street Stoke-on-Trent ST1 5DD
<b>Bankers</b>	Nat West 1 Upper Huntbatch Street Hanley Stoke on Trent ST1 1NS

# **Eastwood Neighbourhood Nursery CIO**

## **Trustees' Report**

### **Structure, governance and management**

#### ***Nature of governing document***

The nursery was registered as a charity on 22 April 1993. On the 18 May 2015 a Charitable Incorporated Organisation (CIO) was set up and the assets and operations of the original charity were transferred to the CIO on 6 April 2016. The CIO was established under a constitution which outlines the objectives and powers of the charity and is governed by the Charities Act 2006.

#### ***Recruitment and appointment of trustees***

The appointment of Trustees is governed by the constitution of the Charity and is made if new trustees are required. There are currently four trustees who are responsible for the overall management and control of the Charity. The appointment of Trustees is governed by the constitution of the Charity and is made if new trustees are required. None of the Trustees has any financial interests in the Charity.

#### ***Induction and training of trustees***

The four trustees bring specific skills, knowledge and experience into our oversight of the Charity and each trustee holds oversight for specific areas of the business of the Charity. The training and induction of new trustees is supported by both existing trustees and the management team. A new trustee is given copies of the key documents associated with the governance of the charity, the latest financial information and accounts, and we look at how roles and responsibilities are shared across the Trustees.

#### ***Organisational structure***

We have a strong leadership team in place, with a clear vision for the development of the Nursery. The leadership team has over 30 years of experience in early years childcare and preschool provision.

The day to day management of the nursery is delegated to the management committee, under the leadership of the nursery manager, with the support of the wider senior management team. They meet regularly to maintain oversight of finances, compliance with legal requirements and forward planning.

We are developing senior staff as part of succession planning to ensure the future of the Nursery remains in the best of hands.



## **Eastwood Neighbourhood Nursery CIO**

### **Trustees' Report (continued)**

#### **Relationships with related parties**

##### **Stoke on Trent City Council**

The charity is guided by Children & Young Peoples Services which is based within Stoke on Trent City Council. Our Charity is monitored by Business Officers, Development Officers and Early Years Consultants with regular visits according to the Charity's needs. We attend Collaborative and Managers Meetings with these teams for advice and support which is invaluable to us.

##### **Eastwood Neighbourhood Nursery PSFA**

Eastwood Neighbourhood Nursery PSFA was established as charity by its' constitution adopted on 2 November 2016 and registered with the Charity Commission on 26 September 2017. The PSFA fundraises for Eastwood Neighbourhood Nursery CIO and is a separate charity with its' own trustee board. Two of the management team of the CIO are trustees of both the CIO and Eastwood Neighbourhood Nursery PSFA. Another member of the management team is a trustee of Eastwood Neighbourhood Nursery PSFA.

#### **Objectives and activities**

##### **Objects and aims**

To advance for the public benefit the education and development of children by such means as the charity trustees think fit and in particular by:

- a) The provision of a day nursery providing high quality care and education for children below statutory school age which promotes their care, safety and health and wellbeing
- b) The provision of the necessary facilities for the daily care, recreation and education of children during out of school hours and school holidays.

The charity aims to give the children entrusted to our care the best start in life through quality childcare and education.

##### **What we do**

We care for children.

We provide nursery day care and preschool education for children aged 0-5 years. We also provide out of school care for children aged 5-14 years, both before and after school, and during the holidays. We are open from 7.30am to 6.00pm Monday to Friday, 50 weeks of the year.

We aim to give the children trusted into our care the best start in life through quality childcare and education. We have a crucial role in giving our children the best possible start and to achieve their full potential.

We are required by law to follow the Statutory Framework for Early Years Foundation Stage (EYFS). This provides a structure of learning, development, and care for children from birth to five years old.

## **Eastwood Neighbourhood Nursery CIO**

### **Trustees' Report (continued)**

#### ***Who we help***

We accept children from the local area, as well as children whose parents commute into the area for work and education.

We understand that sending a child to nursery can be a difficult choice or a decision dictated by financial needs. Our ambition is to create a welcoming and inclusive environment where children can thrive, make friends, and participate in a range of activities.

We want parents to have confidence that they leave their children in the hands of a competent, friendly, and nurturing staff team, and in a clean and stimulating environment.

We adopt a flexible approach to the care package each child has, which means we can respond to and meet each family's different needs, and make changes where needed.

The way we work with children focuses on their well-being. We have safeguarding policies and procedures in place to ensure that every child, regardless of their age, gender, religion, or ethnicity, are kept safe and their welfare prioritised.

We have worked with our health, social and education partners to ensure that support for children and their families is child centred, timely and co-ordinated through good communication and collaborative working.

Our manager is the Special Needs Coordinator (SENCO) who works alongside an assistant SENCO, who liaise with children's key workers, parents, speech and language therapist, Health Visitors, inclusion team and the Early Years Forum.

We work with our community partners to maintain and enhance our links with the local area. The local police and fire service are regular visitors to the Nursery and The Friends of Trentmill Nature Park enable us to offer our children first-hand experiences of nature and wildlife.

We have a community room in our nursery premises, which we offer to parents, professionals, and children to use for meetings and other activities.

We work closely with our neighbour Waterside Primary School to enhance joint working opportunities. We also work closely with Waterside and wider primary school partners to ensure that our children and parents are 'school ready'.

Our staff team are important to us. We want our staff team to be happy, well-equipped, and supported to do a great job.

We have a motivated and stable staff team. We employ 21 members of staff, with a blend of contracted hours and skill sets and minimal turnover. All our care staff are qualified to NVQ Level 2, 3, 4 and Foundation Degree. Our staff regularly attend update courses we have funded to maintain their skills and knowledge, and as part of their ongoing professional development.

We also have students and volunteers who attend our nursery on placement as a part of their training.

#### **Public Benefit**

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Eastwood Neighbourhood Nursery CIO**

### **Trustees' Report (continued)**

#### ***What others say about us***

As a provider of childcare, the nursery is registered with OFSTED. Under our terms of registration, we must ensure that the care provided meets the requirements of the statutory framework for children's learning, development and care. The Trustees are extremely proud to report that the nursery was inspected following the year end in April 2019 and awarded a rating of outstanding.

#### **About the last 12 months - Achievements and performance**

The Trustees believe the achievements and performance of the Nursery over the last 12 months have continued to be outstanding. We are a relatively small charity and we do not have the time to do everything we want to. As trustees, we continue to be amazed by the energy and resilience of our staff, and their ability to maintain a sense of humour.

At the end of the financial year, we had 88 children in our care and provided approximately, 46,000 hours of childcare over the last 12 months:

- We prepared 27 children for primary school, supporting their transition and handover to other adults who will continue their education journey.
- We supported 10 children who were identified as having specific learning or social difficulties. The support included Speech & Language, Specific Strategies for their difficulty and an Early Years Forum Referral.
- We offered continuity and certainty of childcare for children and parents through a stable staff team and safe, secure environment.
- We continued to work with local colleges to offer placements for students on childcare courses.
- We continued to value and care for the environment through the education of our children and changes to how we purchase and use our resources.
- We provided good quality toys, equipment, and resources, including maintenance of our outdoor play areas.
- We provided structured days, opportunities for play and learning, and praise, encouragement, and laughter.
- We implemented the changes to the statutory EYFS framework which became law in September 2021.

## Eastwood Neighbourhood Nursery CIO

### Trustees' Report (continued)

#### Financial review - How we have spent and managed our money

Where our money comes from

We receive parent paid fee income and funded by the local authority to provide early education for two, three and four-year-old children. We also receive pupil premium funding, which is awarded to make a difference to the most disadvantaged of our children.

We are not involved in large scaling funding. The Eastwood Neighbourhood Nursery Parents, Staff and Friends Association continues to actively fund raise on our behalf, allowing us to invest in additional resources and opportunities to enhance the experience of children in our care.

How we manage the money we receive

We are a relatively small charity, and our biggest challenges continue to be:

- Failing to generate enough income.
- Failing to effectively manage our budget and financial viability.

The sector remains challenging with staff costs increasing and local authority funding not always covering the costs of delivering funded places.

We have continued to keep fees as low as possible and staff paid a fair wage or salary. Our expenditure is focused on ensuring we have the staff, premises, and the resources to support our children to thrive in a happy, healthy, and secure environment.

Our total income from our Charitable Activities for the year was £363,944. This was an increase on the previous year by £100,192, primarily due to an increase in children attending. Expenditure for the year increased by approx. £82,979, inline with the the increase in income.

Our primary costs continue to be staff wages.

We continue to maintain oversight of our staff contracts, fee structures and sessions times and monitor and respond to changes in the funding of early years care so we can adapt if we need to. This is essential because of the nature of funding for 2, 3 and 4-year-old.

In previous years, we have been left with outstanding fees. In response to this, we strengthened our procedures and follow up, including instigation of claims through the courts where necessary. These changes continue to ensure that the level of outstanding fees is as low as possible, and our management team are commended for their continued oversight and work with parents to manage what can be emotive situations.

## **Eastwood Neighbourhood Nursery CIO**

### **Trustees' Report (continued)**

#### ***Policy on reserves***

The charity has set a reserve target for funds not committed or invested of £20,000, to be set aside for future unexpected expenditure. Most of the charity's income is committed to the day to day running of the nursery and the trustees recognise that this will not be achievable in the short term. In the meantime, we continue to monitor our expenditure to ensure that any avoidable or unnecessary costs are managed.

Our current financial position is considered satisfactory. We do not carry any significant debts and we continue to reinvest surpluses back into the nursery.

The Trustees are satisfied that the Charity continues to be financially viable and that the reported financial position in the accounts reflects the same cash flow issues experienced in previous financial years, relating to the timing of the receipt of funding from the local authority

At the year end unrestricted reserves are £58,866, (2021: £64,532) which comprises £24,921 (2021: £27,412) of fixed assets and £33,945 of net current assets (2021: £37,120).

#### ***Principal funding sources - where our money comes from***

Our principle source of income is fees for children attending nursery and the before/after school and holiday club. We qualify for local authority early years funding for 2, 3 and 4 year olds. We also received pupil premium funding, which is awarded to make a difference to the most disadvantaged of our children.

The Eastwood Neighbourhood Nursery Parents, Staff and Friends Association continues to actively fund raise on our behalf, allowing us to invest in additional resources and opportunities to enhance the experience of children when in our care.

During the year, we were also successful in being awarded funding of £3,063 from the Co-Op to add a door to our baby room to enable the babies to free flow in and outdoors.

We were also awarded two 'Discretionary Business Grants' from the local Council totalling £8,320 to help us through the early stages of the pandemic.

## Eastwood Neighbourhood Nursery CIO

### Trustees' Report (continued)

#### About the next 12 months - what we want to achieve

We want to continue to make a difference in children's lives.

Quality early years provision narrows the gap between disadvantaged and non-disadvantaged children. In Stoke on Trent, the proportion of children aged under 16 living in a household where the level of income means they cannot afford basic subsistence is 27.2%. (Official Statistics- Children in low-income families: local area statistics, financial year ending 2021, published 31 March 2022).

Our focus for the coming year includes:

- We will continue to work with our partners and families to provide high quality care and education for children.
- We will provide practical support and involve other services to address the impact of poverty and the cost of living on the lives of children and their families.
- We will maintain the quality reflected by our outstanding OFSTED rating.
- We will formalise a quality framework to support the monitoring of our performance as part of the ongoing improvement of our governance structure to help us know where we may need to focus and prioritise.
- We will review how we responded to the COVID-19 pandemic to ensure that what went well is used to inform future continuity planning and we know what needs to be done differently.
- We will continue to develop and value our staff team.
- We will continue to maintain and develop our links with our local community and organisations.
- We will develop an environmental sustainability policy.
- We will appoint a minimum of one new trustee.
- We will review our mission statement and document our ethos in terms of what we value, how we run the Nursery and what we do for children.
- We will prepare for and celebrate our 30th anniversary as a charity in 2023.

The annual report was approved by the trustees of the charity on 15/12/22 and signed on its behalf by:



S Condiffe  
Chairman and trustee

## Eastwood Neighbourhood Nursery CIO

### Independent Examiner's Report to the trustees of Eastwood Neighbourhood Nursery CIO

I report to the trustees on my examination of the accounts of Eastwood Neighbourhood Nursery CIO for the year ended 31 March 2022.

#### Responsibilities and basis of report

As the charity trustees of Eastwood Neighbourhood Nursery CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Eastwood Neighbourhood Nursery CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

Since Eastwood Neighbourhood Nursery CIO'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 CIMA, which is one of the listed bodies.

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

1. accounting records were not kept in respect of Eastwood Neighbourhood Nursery CIO as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Daryl Denson ACMA

VAST  
The Dudson Centre  
Hope Street  
Stoke-on-Trent  
ST1 5DD

Date: 15/12/2022



## Eastwood Neighbourhood Nursery CIO

### Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	352	4,013	4,365
Charitable activities	3	363,944	-	363,944
Investment income	4	4	-	4
Total income		<u>364,300</u>	<u>4,013</u>	<u>368,313</u>
<b>Expenditure on:</b>				
Charitable activities	5	<u>(369,966)</u>	<u>(15,198)</u>	<u>(385,164)</u>
Total expenditure		<u>(369,966)</u>	<u>(15,198)</u>	<u>(385,164)</u>
Net movement in funds		(5,666)	(11,185)	(16,851)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>64,532</u>	<u>253,361</u>	<u>317,893</u>
Total funds carried forward	16	<u>58,866</u>	<u>242,176</u>	<u>301,042</u>

The notes on pages 13 to 28 form an integral part of these financial statements.  
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## Eastwood Neighbourhood Nursery CIO

### Statement of Financial Activities for the Year Ended 31 March 2022 (continued)

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	58,217	4,744	62,961
Charitable activities	3	263,752	-	263,752
Investment income	4	11	-	11
Total income		<u>321,980</u>	<u>4,744</u>	<u>326,724</u>
<b>Expenditure on:</b>				
Charitable activities	5	<u>(285,550)</u>	<u>(16,265)</u>	<u>(301,815)</u>
Total expenditure		<u>(285,550)</u>	<u>(16,265)</u>	<u>(301,815)</u>
Net income/(expenditure)		36,430	(11,521)	24,909
Gross transfers between funds		<u>(41)</u>	<u>41</u>	<u>-</u>
Net movement in funds		36,389	(11,480)	24,909
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>28,143</u>	<u>264,841</u>	<u>292,984</u>
Total funds carried forward	16	<u>64,532</u>	<u>253,361</u>	<u>317,893</u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2021 is shown in note 16.

# Eastwood Neighbourhood Nursery CIO

(Registration number: 1161710)  
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	266,395	280,232
<b>Current assets</b>			
Debtors	13	6,469	2,955
Cash at bank and in hand		<u>33,505</u>	<u>39,199</u>
		39,974	42,154
<b>Creditors: Amounts falling due within one year</b>	14	<u>(5,327)</u>	<u>(4,493)</u>
<b>Net current assets</b>		<u>34,647</u>	<u>37,661</u>
<b>Net assets</b>		<u>301,042</u>	<u>317,893</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		242,176	253,361
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>58,866</u>	<u>64,532</u>
<b>Total funds</b>	16	<u>301,042</u>	<u>317,893</u>

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 15/12/22 and signed on their behalf by:



S Condliffe  
Chairman and trustee

## **Eastwood Neighbourhood Nursery CIO**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 Accounting policies**

##### **Statement of compliance**

The charity is registered as a CIO (Charitable Incorporated Organisation) with The Charity Commission for England and Wales.

The financial statements have been prepared in accordance with 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) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

Eastwood Neighbourhood Nursery CIO meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and have considered the small current assets position at the balance sheet date.

The trustees are confident that changes they have made to the structure of the nursery sessions and fees, along with increasing numbers of children, will have an ongoing positive impact on the financial position of the nursery as has been seen in the financial year ended 31 March 2021.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### **Grants receivable**

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

##### **Donated services and facilities**

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been quantified.

## **Eastwood Neighbourhood Nursery CIO**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Charitable activities**

Charitable 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.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

## Eastwood Neighbourhood Nursery CIO

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

Asset class	Depreciation method and rate
Buildings	2% per annum straight line
Leasehold improvements	10% per annum straight line
Fixtures, fittings and equipment	25% per annum reducing balance
Computers	33% per annum reducing balance

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## **Eastwood Neighbourhood Nursery CIO**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled, or expires.

# Eastwood Neighbourhood Nursery CIO

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Donations and legacies;			
Donations from individuals	352	-	352
Grants, including capital grants;			
Government grants	-	4,013	4,013
	<u>352</u>	<u>4,013</u>	<u>4,365</u>
	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from individuals	63	-	63
Grants, including capital grants;			
Government grants	58,154	1,682	59,836
Grants from other charities	-	3,062	3,062
	<u>58,217</u>	<u>4,744</u>	<u>62,961</u>

### 3 Income from charitable activities

	Unrestricted funds General £	Total 2022 £
Fees	257,929	257,929
Other Funding	106,015	106,015
	<u>363,944</u>	<u>363,944</u>
	Unrestricted funds General £	Total 2021 £
Fees	181,677	181,677
Other Funding	82,075	82,075
	<u>263,752</u>	<u>263,752</u>

# Eastwood Neighbourhood Nursery CIO

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 4 Investment income

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income; Interest receivable on bank deposits	4	4
	<u>4</u>	<u>4</u>
	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income; Interest receivable on bank deposits	11	11
	<u>11</u>	<u>11</u>

### 5 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Staff costs	287,842	1,568	289,410
Food	14,434	-	14,434
Other direct costs	12,711	2,284	14,995
Rates & utilities	9,165	-	9,165
Insurance	2,236	-	2,236
Repairs & maintenance	8,712	-	8,712
Travel expenses	258	-	258
Telephone & internet	1,280	-	1,280
Printing, postage & stationery	6,483	-	6,483
Computer programmes & apps	1,072	-	1,072
Miscellaneous	3,245	-	3,245
Depreciation	3,605	11,480	15,085
Rent - City Kids Unit	18,129	-	18,129
	<u>369,172</u>	<u>15,332</u>	<u>384,504</u>



# Eastwood Neighbourhood Nursery CIO

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Staff costs	233,540	1,273	234,813
Food	8,790	-	8,790
Other direct costs	6,928	449	7,377
Rates & utilities	9,304	-	9,304
Insurance	1,904	-	1,904
Repairs & maintenance	6,519	3,063	9,582
Travel expenses	2	-	2
Telephone & internet	982	-	982
Printing, postage & stationery	4,994	-	4,994
Computer programmes & apps	1,508	-	1,508
Miscellaneous	944	-	944
Depreciation	2,734	11,480	14,214
Rent - City Kids Unit	6,771	-	6,771
	<u>284,920</u>	<u>16,265</u>	<u>301,185</u>

## Eastwood Neighbourhood Nursery CIO

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

In addition to the expenditure analysed above, there are also governance costs of £660 (2021 - £630) which relate directly to charitable activities. See note for further details.

#### 6 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2022 £
Independent examiner fees		
Examination of the financial statements	660	660
	<u>660</u>	<u>660</u>
	Unrestricted funds General £	Total 2021 £
Independent examiner fees		
Examination of the financial statements	630	630
	<u>630</u>	<u>630</u>

#### 7 Government grants

Grant income of £4,013 (2021:£1,682) was received from Stoke-on-Trent City Council as follows:

£803 (2021:£452) SEN Funding and DLA Funding £3,210 (2021:£1,230)

Nil (2021 £8,321 ) was received from Stoke on Trent City Council for support during COVID 19.

Nil (2021:£49,833 ) was received from HMRC in respect of the Job Retention Scheme.

The amount of grants recognised in the financial statements was £4,013 (2021 - £59,836).

There were no unfulfilled conditions at the year end,

There was no other form of government assistance in the year, with the exception of the early years funding received.

#### 8 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	<u>15,085</u>	<u>14,214</u>

## **Eastwood Neighbourhood Nursery CIO**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

#### **9 Trustees remuneration and expenses**

During the year the charity made the following transactions with trustees:

##### **M Cunnington**

M Cunnington received remuneration of £17,324 (2021: £15,791) during the year.

M Cunnington is employed by the nursery as the deputy manager and this is the role for which she is paid. She was appointed as a trustee of the charity in the year ended 31 March 2019. This decision was made due to Ofsted requirements and who within the organisation is eligible to be the lead person for Ofsted. Although this was intended as a temporary measure Ofsted would still like to see the lead person as a trustee.

No pension contributions are made by the charity for M Cunnington.

The remuneration is paid under the authority of the charity's constitution.

##### **V Brown**

V Brown received remuneration of £20,156 (2021: £19,048) during the year.

V Brown is employed by the nursery as the manager and this is the role for which she is paid. She was appointed as a trustee of the charity in the year ended 31 March 2020. This decision was made due to Ofsted requirements and who within the organisation was eligible to be the lead person for Ofsted for the City Kids after school club, which runs from a different premises from the nursery. The main nursery Ofsted registration is planned to be transferred to V Brown also, but this has not yet been processed due to administration difficulties due to the Covid-19 pandemic situation.

No pension contributions are made by the charity for V Brown.

The remuneration is paid under the authority of the charity's constitution.

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

## Eastwood Neighbourhood Nursery CIO

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 10 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	276,073	226,298
Social security costs	10,321	6,289
Pension costs	3,016	2,226
	<u>289,410</u>	<u>234,813</u>

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

	2022 No	2021 No
Staff (including senior management)	<u>21</u>	<u>20</u>

Contributions to the employee pension schemes for the year totalled £3,016 (2021 - £2,226).

No employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £50,039 (2021 - £47,397).

#### 11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Eastwood Neighbourhood Nursery CIO

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 12. Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2021	319,727	14,578	3,837	338,142
Additions	-	-	1,248	1,248
At 31 March 2022	<u>319,727</u>	<u>14,578</u>	<u>5,085</u>	<u>339,390</u>
<b>Depreciation</b>				
At 1 April 2021	47,830	8,590	1,490	57,910
Charge for the year	<u>11,372</u>	<u>2,526</u>	<u>1,187</u>	<u>15,085</u>
At 31 March 2022	<u>59,202</u>	<u>11,116</u>	<u>2,677</u>	<u>72,995</u>
<b>Net book value</b>				
At 31 March 2022	<u>260,525</u>	<u>3,462</u>	<u>2,408</u>	<u>266,395</u>
At 31 March 2021	<u>271,897</u>	<u>5,988</u>	<u>2,347</u>	<u>280,232</u>

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £260,525 (2021 - £271,897) in respect of leaseholds.

#### 13 Debtors

	2022 £	2021 £
Trade debtors	5,978	2,043
Prepayments	<u>491</u>	<u>912</u>
	<u>6,469</u>	<u>2,955</u>

#### 14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	194	68
Other creditors	3,020	2,910
Pension scheme creditor	525	-
Accruals	<u>1,588</u>	<u>1,515</u>
	<u>5,327</u>	<u>4,493</u>

## Eastwood Neighbourhood Nursery CIO

### Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

#### 15 Obligations under leases and hire purchase contracts

##### Operating lease commitments

During the year £2,266 of lease payments were made. Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Other		
Within one year	2,265	2,266
Between one and five years	-	2,265
	<u>2,265</u>	<u>4,531</u>

# Eastwood Neighbourhood Nursery CIO

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 16 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<i>General</i>				
General fund	64,532	364,300	(369,966)	58,866
<b>Restricted funds</b>				
Building Fund	227,700	-	(6,900)	220,800
Pupil Premium	39	-	-	39
CCTV & Intercom System	1,607	-	(402)	1,205
Playground Project	21,106	-	(3,015)	18,091
Summerhouse & Sensory Pathway	2,407	-	(1,029)	1,378
OARF Project	2	-	-	2
Higher Needs Funding	-	803	(784)	19
New Flooring	500	-	-	500
Disability Living Allowance	-	3,210	(3,068)	142
<b>Total restricted funds</b>	<u>253,361</u>	<u>4,013</u>	<u>(15,198)</u>	<u>242,176</u>
<b>Total funds</b>	<u>317,893</u>	<u>368,313</u>	<u>(385,164)</u>	<u>301,042</u>

# Eastwood Neighbourhood Nursery CIO

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<b>General</b>					
General fund	28,143	321,980	(285,550)	(41)	64,532
<b>Restricted</b>					
Building Fund	234,600	-	(6,900)	-	227,700
Pupil Premium	39	-	-	-	39
CCTV & Intercom System	2,143	-	(536)	-	1,607
Playground Project	24,121	-	(3,015)	-	21,106
Summerhouse & Sensory Pathway	3,436	-	(1,029)	-	2,407
OARF Project	2	-	-	-	2
Higher Needs Funding	-	452	(483)	31	-
New Flooring	500	-	-	-	500
Co-Op Local Community Fund	-	3,062	(3,062)	-	-
Disability Living Allowance	-	1,230	(1,240)	10	-
<b>Total restricted funds</b>	<u>264,841</u>	<u>4,744</u>	<u>(16,265)</u>	<u>41</u>	<u>253,361</u>
<b>Total funds</b>	<u>292,984</u>	<u>326,724</u>	<u>(301,815)</u>	<u>-</u>	<u>317,893</u>



## **Eastwood Neighbourhood Nursery CIO**

### **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

The specific purposes for which the funds are to be applied are as follows:

**Buildings Fund**

Money received to finance the build of the nursery.

**Pupil Premium**

Money received to provide additional resources for pupil premium children.

**CCTV & Intercom**

Money received from Commissioner's People Power fund to purchase and install a CCTV and intercom system.

**Playground Project**

Money received from Big Lottery Awards for All, City of Stoke-on-Trent Council Community Investment Fund and donated by the Eastwood Neighbourhood Nursery PSFA to fund a new outdoor play area.

**Summerhouse & Sensory Path**

Money received from Tesco Bags of Help to fund a quiet outdoor area, the summerhouse, and sensory pathway. There was an additional donation of £122 from Eastwood Neighbourhood Nursery PSFA to fund furnishings for the summerhouse.

**QARF Project**

Money received from Stoke-on-Trent City Council to purchase resources to deliver phonics and maths re opportunity area funding.

**Higher Needs Funding**

Money received from Stoke-on-Trent City Council for an individual child attending nursery with additional needs.

**New Flooring**

Money received from the Ward Budget of Stoke-on-Trent City Council towards the purchase of new carpets.

**Co-op Local Community Fund**

Money received to refurbish the baby room.

**Disability Living Allowance**

Money received from Stoke-on-Trent City Council for a child with additional needs.

# Eastwood Neighbourhood Nursery CIO

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	24,921	241,474	266,395
Current assets	39,272	702	39,974
Current liabilities	(5,327)	-	(5,327)
Total net assets	58,866	242,176	301,042
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	27,412	252,820	280,232
Current assets	41,613	541	42,154
Current liabilities	(4,493)	-	(4,493)
Total net assets	64,532	253,361	317,893

### 18 Related party transactions

There were no related party transactions in the year.