

**HAWTHORN TREE COMMUNITY CHILDREN'S
CENTRE
(LIMITED BY GUARANTEE)**

**Company Number 09351488 (England & Wales)
Charity Number 1161751**

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS FOR THE YEAR ENDED
31 DECEMBER 2021**

Dexter & Sharpe
Chartered Certified Accountants
The Old Vicarage
Church Close
Boston
Lincolnshire
PE21 6NA

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

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HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

COMPANY INFORMATION

Directors and Trustee:

Mrs E Bursnell
Mrs S M Gaunt
Mr S P Griffiths
Mrs S M C Scott

Registered Office

Hawthorn Tree Community Children's Centre
Toot Lane
Boston
Lincolnshire
PE21 0PT

Company Number

09351488 (England & Wales)

Charity Number

1161751

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The Charity was formed to provide childcare and education facilities for children aged 0 to 11 years. The governing document is the PPA Playgroup Constitution 1992 which was adopted 16 July 2001. The charitable company was incorporated on 11 December 2014 and commenced trading on 1 May 2016, at which point all the assets and liabilities from the unincorporated charity were transferred across.

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

During the year the main source of income continued to be from the Nursery Education Grant and parents' fees.

Various fund raising activities were also held, and other small amounts of income were received as detailed in the notes to the accounts.

FINANCIAL REVIEW

The balance sheet as at 31 December 2021 shows unrestricted reserves of £961,411 and restricted reserves of £3,750. The trustees consider this to be adequate to continue the charity's current level of activity.

FUTURE PLANS

The charity will continue to provide childcare facilities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Directors and trustees

All directors of the company are also trustees of the charity, and there are no other trustees. The board has the power to appoint additional trustees as it considers fit to do so.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and, combined with an annual review of the controls over key financial systems, they believe the charity could provide sufficient resources in the event of adverse conditions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09351488 (England and Wales)

Registered Charity number

1161751

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021 Contd.....

Registered office

Hawthorn Tree Community Children's Centre
Toot Lane
Boston
Lincolnshire
PE21 0PT

Trustees

Mrs E Bursnell
Mrs S M Gaunt
Mr S P Griffiths
Mrs S M C Scott

The report was approved by the board of directors on 30 September 2022 and signed on their behalf

Mr Stuart Griffiths
Treasurer

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

I report to the trustees on my examination of the accounts of the Company for the year ended 31 December 2021 set out on pages 6 to 14.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purpose of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited this year under Part 16 of the 2006 Act and are eligible for the independent examination, I report in respect of my examination of your charity's accounts as carried out under section 45 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe:

- Account records were not kept in accordance with section 386 of the Companies Act 2006; or
- The accounts do not accord with such records; or
- The accounts do not comply with such records; or
- The accounts do comply with the relevant accounting requirements under section 386 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of the independent examination; or
- The accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.

NICOLA LENTON FCCA
Independent Examiner
Dexter & Sharpe
Chartered Certified Accountants
The Old Vicarage
Church Close
Boston
Lincolnshire
PE21 6NA

30 September 2022

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

Notes	Unrestricted Fund £	Restricted Fund £	2021 Total Funds £	2020 Total Funds £
Income and endowments from:				
3. Charitable activities	297,766	-	297,766	198,995
4. Grants	69,343	-	69,343	240,059
Investments	8	-	8	24
5. Other Income	7,553	-	7,553	19,371
Total	374,670	-	374,670	458,449
Expenditure:				
6. Charitable activities	274,031	-	274,031	220,457
7. Governance costs	1,725	-	1,725	1,451
Total	275,756	-	275,756	221,908
Net Income / (Expenditure)	98,914	-	98,914	236,541
Transfer between funds	-	-	-	-
Total	98,914	-	98,914	236,541
Reconciliation of Funds				
9. Funds brought forward	862,497	3,750	866,247	629,706
15. Total Funds Carried Forward	961,411	3,750	965,161	866,247

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes on pages 8 to 14 form part of these accounts

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE
COMPANY NUMBER: 302819 (LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 31 DECEMBER 2021

Notes	Unrestricted Fund £	Restricted Fund £	2021 Total Funds £	2020 Total Funds £
Fixed Assets				
10 Tangible Assets	865,135	-	865,135	840,879
Current Assets				
11 Debtors	15,508	-	15,508	8,443
12 Cash at Bank and in Hand	132,499	3,750	136,249	84,617
	148,007	3,750	151,757	93,060
Creditors				
13 Amounts falling due within one year	(11,731)	-	(11,731)	(17,692)
Net Current Assets	136,276	3,750	140,026	75,368
14 Amounts falling due after one year	(40,000)	-	(40,000)	(50,000)
Net Assets	961,411	3,750	965,161	866,247
15 Funds				
Unrestricted Funds	961,411	-	961,411	862,497
Restricted Funds	-	3,750	3,750	3,750
	961,411	3,750	965,161	866,247

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The financial statements were approved by the Board of Trustees on 30 September 2022 and were signed on its behalf by:

Mr Stuart Griffiths
Treasurer

The notes on pages 8 to 14 form part of these accounts

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

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

Expenditure

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

Tangible fixed assets

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

Freehold Property – Nil
Plant and Machinery – 20% Reducing balance
Play Equipment – 20% Reducing balance
Office Equipment – 20% Reducing balance
Fixtures and Fittings – 20% Reducing balance

Taxation

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

Fund accounting

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

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

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

Administration expenditure

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes costs of running the office premises, and governance costs and are allocated to expenditure on the raising of funds or charitable activities as appropriate.

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2021

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021.

	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
3. INCOME FROM CHARITABLE ACTIVITIES				
LCC-Funding – 3 yr EYE funding	151,804	-	151,804	122,061
LCC-Funding – 2 yr EYE funding	29,826	-	29,826	22,664
LCC-Funding – Fees	3,771	-	3,771	2,483
LCC-Funding – Disadvantage funding	865	-	865	5,190
LCC Vouchers	2,924	-	2,924	-
Fees	108,576	-	108,576	46,485
Photograph commission	-	-	-	112
	<u>297,766</u>	<u>-</u>	<u>297,766</u>	<u>198,995</u>
4. GRANTS				
LCC – New Build	69,313	-	69,313	226,569
LCC – Resources	-	-	-	13,000
LCC – Covid winter grant	30	-	30	490
	<u>69,343</u>	<u>-</u>	<u>69,343</u>	<u>240,059</u>
5. OTHER INCOME				
Covid-19 Grant	1,289	-	1,289	10,000
HMRC JRS	2,764	-	2,764	9,371
Apprentice Incentive	3,500	-	3,500	-
	<u>7,553</u>	<u>-</u>	<u>7,553</u>	<u>19,371</u>

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED TO 31 DECEMBER 2021

	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
6. RESOURCES EXPENDED - CHARITABLE ACTIVITIES				
Wages	213,840	-	213,840	171,850
Cleaner	235	-	235	735
Social security	6,566	-	6,566	3,035
Pension	2,623	-	2,623	1,958
Provisions and resources	21,714	-	21,714	13,780
Travelling	-	-	-	-
Electricity	6,113	-	6,113	2,752
Water	506	-	506	726
Insurance	2,969	-	2,969	2,772
Telephone and postage	995	-	995	1,450
Repairs and maintenance	5,503	-	5,503	3,936
Rent	138	-	138	2,677
Sundries	2,893	-	2,893	2,644
Professional fees	132	-	132	54
Uniforms	383	-	383	280
Course fees	31	-	31	866
Depreciation	9,390	-	9,390	10,942
	<u>274,031</u>	<u>-</u>	<u>274,031</u>	<u>220,457</u>

7. GOVERNANCE COSTS

Independent examination	1,521	-	1,521	1,451
Loan Interest	204	-	204	-
	<u>1,725</u>	<u>-</u>	<u>1,725</u>	<u>1,451</u>

8. STAFF COSTS

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

	2021 £	2020 £
Wages	213,840	171,850
Social Security	6,566	3,035
Pension	2,623	1,958
	<u>223,029</u>	<u>176,843</u>

No employees received more than £60,000 in the year.

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED TO 31 DECEMBER 2021

9. COMPARITIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £
Income and endowments from:			
Charitable activities	198,995	-	198,995
Grants	490	239,569	240,059
Investments	24	-	24
Other Income	19,371	-	19,371
Total	218,880	239,569	458,449
Expenditure:			
Charitable activities	218,104	2,353	220,457
Governance costs	1,451	-	1,451
Total	219,555	2,353	221,908
Reconciliation of Funds			
(Deficit)/Surplus for the year	(675)	237,216	236,541
Transfer between funds	237,216	(237,216)	-
Funds brought forward	625,956	3,750	629,706
Total Funds Carried Forward	862,497	3,750	866,247

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

NOTES TO THE ACCOUNTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2021

10. TANGIBLE FIXED ASSETS

	Play Equipment £	Plant and Machinery £	Freehold Property £
Cost			
At January 2021	2,126	5,315	797,070
Additions	-	220	30,462
At 31 December 2021	<u>2,126</u>	<u>5,535</u>	<u>827,532</u>
Depreciation			
At January 2021	672	1,170	-
Charge for the year	288	873	-
At 31 December 2021	<u>960</u>	<u>2,043</u>	<u>-</u>
Net Book Value			
At 31 December 2021	<u>1,166</u>	<u>3,492</u>	<u>827,532</u>
At 31 December 2020	<u>1,454</u>	<u>4,145</u>	<u>797,070</u>

	Office Equipment £	Fixtures & Fittings £	Totals £
Cost			
At January 2021	6,715	41,481	852,707
Additions	-	2,963	33,645
At 31 December 2021	<u>6,715</u>	<u>44,444</u>	<u>886,352</u>
Depreciation			
At January 2021	1,695	8,291	11,828
Charge for the year	1,003	7,225	9,389
At 31 December 2021	<u>2,698</u>	<u>15,516</u>	<u>21,217</u>
Net Book Value			
At 31 December 2021	<u>4,017</u>	<u>28,928</u>	<u>865,135</u>
At 31 December 2020	<u>5,020</u>	<u>33,190</u>	<u>840,879</u>

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED TO 31 DECEMBER 2021

	2021 £	2020 £
11. DEBTORS DUE WITHIN ONE YEAR		
Fees	11,018	3,595
PAYE	-	941
Prepayments	4,490	3,907
	<u>15,508</u>	<u>8,443</u>
12. CASH AT BANK	2021 £	2020 £
Business Account	52,489	24,307
Fundraising Account	882	881
Build Account	32,004	32,001
Reserve Account	10,019	10,018
Savings Account	4,258	4,258
Treasurers Account	1	1
Treasurers Account – Build	4	4
LCC Grant	36,574	13,145
Cash	18	2
	<u>136,249</u>	<u>84,617</u>
	2021 £	2020 £
13. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade Creditors	210	14,430
Accruals	2,889	3,262
Bounce Back Loan	8,333	-
PAYE	299	-
	<u>11,731</u>	<u>17,692</u>
14. CREDITORS AMOUNTS AFTER ONE YEAR		
Bounce Back Loan	40,000	50,000
	<u>40,000</u>	<u>50,000</u>

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED TO 31 DECEMBER 2021**

15. TOTAL FUNDS

	Unrestricted £	Restricted £	Total £
At 1 January 2021	862,497	3,750	866,247
Movement in year	98,914	-	98,914
Transfer between funds	-	-	-
At 31 December 2021	961,411	3,750	965,161

HAWTHORN TREE COMMUNITY CHILDREN'S CENTRE

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED TO 31 DECEMBER 2021

	2021 £	2020 £
Charitable Activities		
LCC-Funding – 3 yr EYE funding	151,804	122,061
LCC-Funding – 2 yr EYE funding	29,826	22,664
LCC-Funding – Fees	3,771	2,483
LCC-Funding – Disadvantage funding	865	5,190
Fees	108,576	46,485
LCC Vouchers	2,924	-
Photograph commission	-	112
	297,766	198,995
Investment Income		
Bank interest received	8	24
Other Income		
LCC Grant	69,343	240,059
Covid-19 Grant	1,289	10,000
HMRC JRS	2,764	9,371
Apprentice incentive	3,500	-
	76,896	259,430
TOTAL INCOME	374,670	458,449
Charitable Expenditure		
Wages	213,840	171,850
Cleaner	235	735
Social security	6,566	3,035
Pension	2,623	1,958
Provisions and resources	21,714	13,780
Travelling	-	-
Electricity	6,113	2,752
Water	506	726
Insurance	2,969	2,772
Telephone and postage	995	1,450
Repairs and maintenance	5,503	3,936
Rent	138	2,677
Sundries	2,893	2,644
Professional fees	132	54
Uniforms	383	280
Course fees	31	866
Depreciation	9,390	10,942
	274,031	220,457
Governance Costs		
Accountancy	1,521	1,451
Loan interest	204	-
TOTAL EXPENDITURE	275,756	221,908
SURPLUS FOR THE YEAR	98,914	236,541

