

# HAPPY CHILDREN LTD

England & Wales · Charity number 1162937

## Details

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Other names	N/A
Status	Registered
Legal form	Charitable company
Company number	<a href="#">08084979</a>
Registered	2015-07-30
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	St Mary'S Hall Northdale Road Liverpool L15 4HT
Phone	01517330333
Email	<a href="mailto:manager@happychildrennursery.com">manager@happychildrennursery.com</a>
Website	<a href="http://www.happychildrennursery.com">www.happychildrennursery.com</a>

## Activities

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**Objects:** THE CHARITY'S OBJECTS (OBJECTS) ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING THE OBJECTS OF THE ORGANISATION ARE PRIMARILY TO PROVIDE EDUCATION, CARE AND DEVELOPMENT TO PRE-SCHOOL AGE CHILDREN AND WIDER SERVICES TO SCHOOL AGE CHILDREN EG: AFTER SCHOOL AND HOLIDAY CLUBS. ADDITIONALLY, AN OBJECT IS TO ENCOURAGE PARENTS (AND THE WIDER LOCAL COMMUNITY) TO RECOGNISE AND SUPPORT THE NEEDS OF CHILDREN AS THEY DEVELOP FROM AN EDUCATIONAL, SOCIAL, CULTURAL AND PHYSICAL STANDPOINT. THE ABOVE WILL BE DELIVERED BY:- PROVIDING FACILITIES AND AN APPROPRIATELY QUALIFIED STAFFING COMPLEMENT TO ENABLE PLAY, EDUCATION AND CARE FOR CHILDREN (IN PARTICULAR VULNERABLE CHILDREN) VIA TRAINING AND SUPPORT TO PARENTS ENABLING THEM TO BECOME FULLY INVOLVED AND RESPONSIBLE IN THEIR CHILD'S ACTIVITIES- SUCH SERVICES, ACTIVITIES AND DEVELOPMENT WILL BE AVAILABLE TO ALL CHILDREN REGARDLESS OF RACE, CULTURE, FAITH OR DISABILITY- PROVIDING FACILITIES, SERVICES AND SUPPORT TO FAMILIES AND THE WIDER COMMUNITY IN ORDER THAT SUCH INDIVIDUALS / GROUPS CAN BECOME ACTIVELY ENGAGED IN THE DELIVERY OF CHILD(REN)'S NEEDS

**Activities:** Provision of child care services

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Religious Activities, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Other Defined Groups

## Geography

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- Liverpool City

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-05-31	£465,297	£273,867	-	-
2024-05-31	£363,395	£214,723	-	-
2023-05-31	£257,679	£186,397	-	-
2022-05-31	£217,141	£172,846	-	-
2021-05-31	£223,585	£149,046	-	-

## Trustees

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Name	Role	Appointed
Faiza Akram		2016-07-28
NAGEBAH HAYEL MUCKBEL OSI-EFA		2015-07-30

**HAPPY CHILDREN LTD**

England & Wales - Charity number 1162937

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# Accounts

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Charity registration number 1162937 (England and Wales)

Company registration number 08084979

**HAPPY CHILDREN LTD**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2025**



# HAPPY CHILDREN LTD

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	F Akram N H Muckbel Osi-Ef
<b>Charity number (England and Wales)</b>	1162937
<b>Company number</b>	08084979
<b>Principal address</b>	St Mary's Hall Northdale Road Liverpool L15 4HT
<b>Independent examiner</b>	Xeinadin Ground Floor, Citygate Longridge Road Preston PR2 5BQ
<b>Bankers</b>	The Co-Operative Bank PLC Business Direct PO Box 250 Skelmersdale WN8 6WT  Al-Rayan Bank PLC PO Box 12461 Birmingham B16 6AQ

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# HAPPY CHILDREN LTD

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# HAPPY CHILDREN LTD

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MAY 2025

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The trustees present their annual report and financial statements for the year ended 31 May 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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)".

#### **Objectives and activities**

The charity's objects are specifically restricted to the following: provide to provide education, care and development to pre-school age children and wider services to school age children e.g. after school and holiday clubs.

Additionally, an object is to encourage parents (and the wider local community) to recognise and support the needs of children as they develop from an educational, social, cultural and physical standpoint. The above will be delivered by:-

- Providing facilities and an appropriately qualified staffing complement to enable play, education and care for children (in particular vulnerable children) via training and support to parents enabling them to become fully involved and responsible in their child's activities
- Such services, activities and development will be available to all children regardless of race, culture, faith or disability
- Providing facilities, services and support to families and the wider community in order that such individuals / groups can become actively engaged in the delivery of child(ren's) needs.

#### **Aims and intended impact**

To provide education care and development to pre-school aged children and wider services to school age children e.g after school and holiday clubs. Additionally our objectives aim to encourage parents (and the wider local community) to recognize and support needs of children as they develop from an educational, social, cultural and physical stand point.

#### *Public benefit*

The primary purpose of the organization is to enhance the wellbeing and life chances of pre-school age children (in particular those children in disadvantage) regardless of race faith or disability. In support of this we will promote the education of the individual child needs to all those in direct contact (parents, carers) and the wider community within which the child is being brought up through its formative years.

#### **Principal activities of the year**

- Maintenance work completed on floor and around the nursery
- Manager awarded Hajj for service
- Manager participated with LA in Recruitment video's to support expansion of the sector.
- Eid party for children (Boo Zoo)
- Working with LA in delivering the expansion of childcare offer
- Worked alongside the Early Years Team to continue to develop best practice in the sector offering opportunities for other nursery staff members to visit and observe our practice
- Trained deputy and new room leader
- Stay and Play sessions for parents (children who are behind in developmental stage)

# HAPPY CHILDREN LTD

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

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### **Achievements and performance**

#### *Significant activities and achievements against objectives*

This year's achievements and performance for the nursery include the following:

Maintenance work has been completed on the floor for the whole nursery changing the flooring to a more suitable materials for the setting, including new bathrooms and freshly painted walls. The office has been renovated, and a new printer has been purchased.

The manager was honoured with a Hajj gift for their dedicated service at the nursery for over 10 years.

The manager also participated with the Local Authority in recruitment videos to support the expansion of the sector.

An Eid party, featuring "Boo Zoo," was organised for the children, providing them with exciting new experiences.

We have been working with the Local Authority to deliver the expansion of the childcare offer and exploring ways to provide more services.

Collaboration with the Early Years Team has been ongoing to continue developing best practices in the sector, offering opportunities for other nursery staff members to visit and observe our practices.

Ongoing training and coaching have been provided for the deputy and new room leader to ensure information and high standards are disseminated to all staff.

We have organised Stay and Play sessions for parents whose children are behind in their developmental stages, as well as workshops for parents focusing on parental burnout and setting boundaries.

Two apprentices have been trained to Level 3, one staff member has progressed from Level 2 to Level 3 qualifications, and the room leader has successfully completed a Master's in education and leadership.

### **Financial review**

The nursery has seen an increase in both income and costs during the year. However, overall the nursery has an excess of income over expenditure in the year of £202,021. The nursery did have reserves brought forward of £765,416. At the end of the year the balance sheet is still showing a very healthy situation in that the nursery total funds of £956,846.

### **Incoming resources**

The company received fees which amounted to income from the parents and from the city council by way of funding for the provision of the nursery. It also received an income from its new after-school provision for children between the ages of 4 - 7. The income from parents come in two forms either payment directly from the parents or by way of childcare vouchers from the parents employers. The fee income from the childcare vouchers is a tax efficient way for parents to receive their wages and pay for childcare as the vouchers are deducted before tax and national insurance.

### **Resources expended**

The charity has tried to control its costs in the year but has rewarded the hard work and efforts of the staff. This has resulted in an increase in costs overall.

#### *Reserves policy*

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets, which are the free reserves of the charity, should be between three and six months of general (unrestricted) operating costs and the Trustees consider that this policy provides sufficient funds to cover wages, redundancy, management, support and administration costs and unforeseen expenditure and to be able to continue the activities of the charity in the event of a significant drop in funding, or business interruption. The free reserves at the 31st May 2025 of £956,846 (2024: £765,416) are within the above policy. The Trustees are looking to build up reserves over the next few years to enable for the Trust to purchase its own property.

#### *Investment policy*

The Investment policy adopted by the Trustees is to maintain a high standard of the assets of the Trust and implement a programme of continual development to optimise their use in line with the Charity's objectives. In line with the nursery ethos and Islamic financing principles the nursery does not take loans that incur interest, the organisation aims to invest in a building through an outright cash payment some of our current profits will go towards the future purchase of a building.

# HAPPY CHILDREN LTD

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

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### **Plans for future periods**

The trustees constantly review the needs of the children and the nursery. We will continue to work closely with children services and safeguarding the children to ensure they receive appropriate care and education

During the forthcoming year we will be considering:

- Developing the outdoor area
- To continue to offer low cost services to parents
- To continue to offer more opportunities for the professional development of all staff
- Offer opportunities to train students and volunteers wanting to work in the Early Years Sector
- Recruitment of Administration role and leadership.

The trustees acknowledge the rewards for continuing to support staff to gain further qualifications and skills, to enhance the existing workforce and provide high quality staff and work towards all staff having a full level three qualification.

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

The governing document of the Charity which is a company limited by guarantee is the Memorandum and Articles of Association of the company which was incorporated 28<sup>th</sup> May 2012.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

F Akram

N H Muckbel Osi-Ef

### *Recruitment and appointment of trustees*

The Charity's elected Trustees are appointed at the Annual Meeting of the Trust on the basis of nominations received from the Executive Committee to the Trust's specification concerning eligibility, personal competence, specialist skills and local availability. New Trustees are inducted into the workings of the Charity including Policy and Operational Procedures.

# HAPPY CHILDREN LTD

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

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### Organisational Management

The appointed and elected Trustees of the Charity are legally responsible for the overall management and control of the Trust. The members of the Board who meet on a minimum of two occasions annually carry out the work of implementing most of their policies. One additional meeting is held specifically to approve the budgets and finalise the Financial Accounts and Trustees report for approval by the annual meeting of the Board of Trustees. The Board works under the chairmanship of the Chair of the Trust. The Board has adopted the Code of Governance published by the National Governance Hub as a means of building governance capacity and skills.

The day to day running of the Trust is delegated to the Nursery Manager who reports to the Board at the bi-annual meetings.

In the interest of liaising with Ofsted the Nursery Manager is also a director of the nursery.

### Risk Management

A formal review of the Charity's risk management processes is undertaken on an annual basis.

The key controls used by the Charity include:

- Formal agendas for the Board of Trustees, Executive Committee and all sub- Committees;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Comprehensive policies to ensure that all insurance risks are covered
- Formal written policies;
- Clear authorisation and approval levels and
- Vetting procedures are carried out for adults to safeguard the reputation of the Trust and to minimise the risk of inappropriate persons being accepted as employees or volunteers.

Systems of internal control include:

- An annual budget approved by the Trustees
- Appropriate delegation of authority and segregation of duties
- Identification and management of risks

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately safeguarded against material mismanagement or loss.

The trustees report was approved by the Board of Trustees.

N H Muckbel Osi-Ef  
**Trustee**

12 March 2026

# **HAPPY CHILDREN LTD**

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MAY 2025***

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The trustees, who are also the directors of Happy Children Ltd for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

# HAPPY CHILDREN LTD

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAPPY CHILDREN LTD

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I report to the trustees on my examination of the financial statements of Happy Children Ltd (the charity) for the year ended 31 May 2025.

### **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.

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

### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Farook Patel FCA  
**Xeinadin**  
Ground Floor, Citygate  
Longridge Road  
Preston  
PR2 5BQ  
13 March 2026

# HAPPY CHILDREN LTD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MAY 2025**

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	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Income from:</b>			
Donations and legacies	2	10,000	-
Charitable activities	3	453,209	362,010
Investments	4	2,088	1,386
<b>Total income</b>		465,297	363,396
<b>Expenditure on:</b>			
Charitable activities	5	273,867	214,724
<b>Total expenditure</b>		273,867	214,724
<b>Net income and movement in funds</b>		191,430	148,672
<b>Reconciliation of funds:</b>			
Fund balances at 1 June 2024		765,416	616,744
<b>Fund balances at 31 May 2025</b>		956,846	765,416

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# HAPPY CHILDREN LTD

## BALANCE SHEET

AS AT 31 MAY 2025

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		2025		2024	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		4,470		1,850
<b>Current assets</b>					
Debtors	11	501,756		501,472	
Cash at bank and in hand		451,951		263,140	
		<u>953,707</u>		<u>764,612</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,331)</u>		<u>(1,046)</u>	
<b>Net current assets</b>			<u>952,376</u>		<u>763,566</u>
<b>Total assets less current liabilities</b>			<u>956,846</u>		<u>765,416</u>
<b>The funds of the charity</b>					
Unrestricted funds	13		<u>956,846</u>		<u>765,416</u>
			<u>956,846</u>		<u>765,416</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2025.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 12 March 2026

F Akram  
Trustee

Company registration number 08084979 (England and Wales)

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MAY 2025**

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### 1 Accounting policies

#### Charity information

Happy Children Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Northdale Road, Liverpool, L15 4HT.

#### 1.1 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" 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2025

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	10,000	-

### 3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Charitable activities</b>		
Fees	453,209	362,010

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

### 4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	2,088	1,386

### 5 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
<b>Direct costs</b>		
Staff costs	209,788	170,886
Repairs and Maintenance	1,926	1,159
Rent	24,347	24,518
Postage and stationery	-	532
Toys, books and games	7,141	3,968
Food	2,799	1,683
Staff welfare	17,275	-
	<u>263,276</u>	<u>202,746</u>
<b>Share of support and governance costs (see note 6)</b>		
Support	10,591	11,978
	<u>273,867</u>	<u>214,724</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>273,867</u>	<u>214,724</u>

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

### 6 Support costs allocated to activities

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Depreciation	1,482	609
Insurance	1,128	1,078
Telephone	69	164
Sundries	1,865	2,516
Recruitment costs	-	625
Cleaning	816	776
Training Costs	-	1,326
Computer costs	2,279	1,698
Governance costs	2,952	3,186
	<u>10,591</u>	<u>11,978</u>
	<u>10,591</u>	<u>11,978</u>
<b>Analysed between:</b>		
Charitable activities	<u>10,591</u>	<u>11,978</u>

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

There were no trustees' expenses paid for the year ended 31 May 2025 nor for the year ended 31 May 2024.

### 8 Employees

The average monthly number of employees during the year was:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
	16	16
	<u>16</u>	<u>16</u>
<b>Employment costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	202,231	167,555
Social security costs	4,622	2,097
Other pension costs	2,935	1,234
	<u>209,788</u>	<u>170,886</u>
	<u>209,788</u>	<u>170,886</u>

There were no employees whose annual remuneration was more than £60,000.

### 9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

### 10 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 June 2024	11,212
Additions	4,102
	<hr/>
At 31 May 2025	15,314
	<hr/>
<b>Depreciation and impairment</b>	
At 1 June 2024	9,362
Depreciation charged in the year	1,482
	<hr/>
At 31 May 2025	10,844
	<hr/>
<b>Carrying amount</b>	
At 31 May 2025	4,470
	<hr/> <hr/>
At 31 May 2024	1,850
	<hr/> <hr/>

### 11 Debtors

	2025 £	2024 £
<b>Amounts falling due within one year:</b>		
Other debtors	500,495	500,495
Prepayments and accrued income	1,261	977
	<hr/>	<hr/>
	501,756	501,472
	<hr/> <hr/>	<hr/> <hr/>

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

	2025 £	2024 £
Other taxation and social security	1,368	1,083
Other creditors	(2,017)	(2,017)
Accruals and deferred income	1,980	1,980
	<hr/>	<hr/>
	1,331	1,046
	<hr/> <hr/>	<hr/> <hr/>

# HAPPY CHILDREN LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2025

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### 13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 June 2024 £	Incoming resources £	Resources expended £	At 31 May 2025 £
General funds	765,416	465,297	(273,867)	956,846
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 June 2023 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>At 31 May 2024 £</b>
General funds	616,744	363,396	(214,724)	765,416
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 14 Capital commitments

There were no capital commitments authorised or contracted for for the year ended 31 May 2025.

### 15 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

### 16 Company limited by guarantee

Happy Children Ltd is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

### 17 Control

The charity is under the control of the trustees.

**HAPPY CHILDREN LTD**

England & Wales - Charity number 1162937

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# Accounts

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REGISTERED COMPANY NUMBER: 08084979 (England and Wales)  
REGISTERED CHARITY NUMBER: 1162937

**TRUSTEES' REPORT AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2024  
FOR  
HAPPY CHILDREN LTD**

Xeinadin  
Ground Floor  
Citygate  
Longridge Road  
Preston  
PR2 5BQ

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REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MAY 2024

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<b>Trustees</b>	Faiza Akram Nagebah Hayel Muckbel Osi-Ef
<b>Directors</b>	Faiza Akram Nagebah Hayel Muckbel Osi-Ef Saeeda Aslam
<b>Registered office</b>	Greensville Trust Northdale Road Liverpool L15 4HT
<b>Registered company number</b>	08084979 (England and Wales)
<b>Registered charity number</b>	1162937
<b>Independent examiner</b>	Xeinadin Ground Floor Citygate Longridge Road Preston PR2 5BQ
<b>Bankers</b>	The Co-Operative Bank PLC Business Direct PO Box 250 Skelmersdale, WN8 6WT  Al-Rayan Bank PLC PO Box 12461 Birmingham, B16 6AQ

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 May 2024. 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 2019).

### **Objectives and activities**

#### **Objectives and aims**

#### **Charitable Objects**

The charity's objects are specifically restricted to the following: provide to provide education, care and development to pre-school age children and wider services to school age children e.g. after school and holiday clubs.

Additionally, an object is to encourage parents (and the wider local community) to recognise and support the needs of children as they develop from an educational, social, cultural and physical standpoint. The above will be delivered by:-

-Providing facilities and an appropriately qualified staffing complement to enable play, education and care for children (in particular vulnerable children) via training and support to parents enabling them to become fully involved and responsible in their child's activities

-Such services, activities and development will be available to all children regardless of race, culture, faith or disability.

-Providing facilities, services and support to families and the wider community in order that such individuals / groups can become actively engaged in the delivery of child(ren's) needs.

#### **Aims and intended impact**

To provide education care and development to pre-school aged children and wider services to school age children e.g after school and holiday clubs. Additionally our objectives aim to encourage parents (and the wider local community) to recognize and support needs of children as they develop from an educational, social, cultural and physical stand point.

#### **Public Benefit**

The primary purpose of the organization is to enhance the wellbeing and life chances of pre-school age children (in particular those children in disadvantage) regardless of race faith or disability. In support of this we will promote the education of the individual child needs to all those in direct contact (parents, carers) and the wider community within which the child is being brought up through its formative years.

#### **Principal activities of the year**

- Working with quality improvement team to help improve and address issues in the early years sector south Liverpool
- Support and completing induction for deputy manager and delivering any relevant training to her in regards to the ethos and vision of the setting.
- Nursery manager appointed as represented for the private sector Early Years
- Training gained for whole setting on Wellbeing course and NELLI PROGRAMME from educational department.
- Out sourced FIRST AID TRAINING for all staff
- Offered free childcare places to two mothers with mental health related issues from the local area
- Signed posted and supported families struggling with financial support, (food bank parcels)
- Improvements to garden wood resources such as mud kitchen, sand pit, gate leading to car park and ramp.
- Focus on Staff wellbeing day out to strengthen teams relationship and improve team building skills + meals.
- Delivered outreach childcare for 3 adult programmes (Bradford).
- Workshops for parents

## Objectives and activities

### Significant activities

There have not been any significant events since the year end.

## Achievement and performance

### Charitable activities

Efforts to enhance the outdoor environment have been ongoing, with the replacement of the pre-school mud kitchen, toddler sandpit, and gates leading to the car park, as well as the installation of a new ramp. Additionally, the floor in the pre-school area has been elevated with assistance from a joiner.

The Local Authority has conducted filming at the facility to aid in marketing and recruitment efforts for the early years sector. Since achieving an 'Outstanding' rating, the nursery manager is actively collaborating with local settings to elevate their services and disseminate exemplary practices.

Moreover, support is being provided to parents and carers of children with special educational needs, equipping them with the skills necessary to better support their children's development.

## Financial review

### Financial position

The nursery has seen an increase in both income and costs during the year. However, overall the nursery has an excess of income over expenditure in the year of £148,672. The nursery did have reserves brought forward of £616,744. At the end of the year the balance sheet is still showing a very healthy situation in that the nursery total funds of £765,416.

### Incoming resources

The company received fees which amounted to income from the parents and from the city council by way of funding for the provision of the nursery. It also received an income from its new after-school provision for children between the ages of 4 - 7. The income from parents come in two forms either payment directly from the parents or by way of childcare vouchers from the parents employers. The fee income from the childcare vouchers is a tax efficient way for parents to receive their wages and pay for childcare as the vouchers are deducted before tax and national insurance.

### Resources expended

The charity has tried to control its costs in the year but has rewarded the hard work and efforts of the staff. This has resulted in an increase in costs overall.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustees or person connected with a Trustee received any benefit from use of our childcare facilities in the year on more favourable terms than available to the general public.

### Investment policy and objectives

The Investment policy adopted by the Trustees is to maintain a high standard of the assets of the Trust and implement a programme of continual development to optimise their use in line with the Charity's objectives. In line with the nursery ethos and Islamic financing principles the nursery does not take loans that incur interest, the organisation aims to invest in a building through an outright cash payment some of our current profits will go towards the future purchase of a building.

### Reserves policy

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets, which are the free reserves of the charity, should be between three and six months of general (unrestricted) operating costs and the trustees consider that this policy provides sufficient funds to cover wages, redundancy, management, support and administration costs and unforeseen expenditure and to be able to continue the activities of the charity in the event of a significant drop in funding, or business interruption. The free reserves at the 31st May 2024 of £765,416 (2023: £616,744) are within the above policy. The trustees are looking to build up reserves over the next few years to enable for the trust to purchase its own property.

### Going concern

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no uncertainties about the trust ability to continue as a going concern over the next twelve months.

### Future plans

The trustees constantly review the needs of the children and the nursery. We will continue to work closely with children services and safeguarding the children to ensure they receive appropriate care and education.

During the forthcoming year we will be considering:

- Developing the outdoor area
- To continue to offer low cost services to parents
- To continue to offer more opportunities for the professional development of all staff
- Offer opportunities to train students and volunteers wanting to work in the Early Years Sector
- To work alongside the Quality Improvement Team to continue to develop our practice
- The Liverpool City Council is launching a continual professional development (CPD) programme to help close the gap of deprivation for disadvantaged programme. Our nursery has applied to be part of the programme.
- To train an apprentice in level 2 Early Years Practice

The trustees acknowledge the rewards for continuing to support staff to gain further qualifications and skills, to enhance the existing workforce and provide high quality staff and work towards all staff having a full level three qualification.

### Structure, governance and management

#### Governing document

The governing document of the Charity which is a company limited by guarantee is the Memorandum and Articles of Association of the company which was incorporated 28th May 2012.

#### Recruitment and Training of Trustees

The Charity's elected Trustees are appointed at the Annual Meeting of the Trust on the basis of nominations received from the Executive Committee to the Trust's specification concerning eligibility, personal competence, specialist skills and local availability. New Trustees are inducted into the workings of the Charity including Policy and Operational Procedures.

#### Organisational Management

The appointed and elected Trustees of the Charity are legally responsible for the overall management and control of the Trust. The members of the Board who meet on a minimum of two occasions annually carry out the work of implementing most of their policies. One additional meeting is held specifically to approve the budgets and finalise the Financial Accounts and Trustees report for approval by the annual meeting of the Board of Trustees. The Board works under the chairmanship of the Chair of the Trust. The Board has adopted the Code of Governance published by the National Governance Hub as a means of building governance capacity and skills.

The day to day running of the Trust is delegated to the Nursery Manager who reports to the Board at the bi-annual meetings.

In the interest of liaising with Ofsted the Nursery Manager is also a director of the nursery.

#### Risk management

A formal review of the Charity's risk management processes is undertaken on an annual basis.

The key controls used by the Charity include:

- Formal agendas for the Board of Trustees, Executive Committee and all sub- Committees;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Comprehensive policies to ensure that all insurance risks are covered
- Formal written policies;
- Clear authorisation and approval levels and
- Vetting procedures are carried out for adults to safeguard the reputation of the Trust and to minimise the risk of inappropriate persons being accepted as employees or volunteers.

**Structure, governance and management**

Systems of internal control include:

- An annual budget approved by the Trustees
- Appropriate delegation of authority and segregation of duties
- Identification and management of risks

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately safeguarded against material mismanagement or loss.

Approved by order of the board of trustees on 20 March 2025 and signed on its behalf by:

Nagebah Hayel Muckbel Osi-Ef - Trustee

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAPPY CHILDREN LTD

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### Independent examiner's report to the trustees of Happy Children Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2024.

#### Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts 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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Farook Patel FCA

Xeinadin  
Ground Floor  
Citygate  
Longridge Road  
Preston  
PR2 5BQ

20 March 2025

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MAY 2024

		<b>2024</b>	<b>2023</b>
		<b>Unrestricted</b>	<b>Total</b>
		<b>fund</b>	<b>funds</b>
		<b>£</b>	<b>£</b>
<b>Income and endowments from</b>	<b>Notes</b>		
<b>Charitable activities</b>			
Charitable activities	4	362,010	256,858
Investment income	3	1,385	821
<b>Total</b>		<u>363,395</u>	<u>257,679</u>
<b>Expenditure on</b>			
<b>Charitable activities</b>			
Charitable activities	5	214,723	186,397
<b>NET INCOME</b>		148,672	71,282
<b>Reconciliation of funds</b>			
Total funds brought forward		616,744	545,462
<b>Total funds carried forward</b>		<u><u>765,416</u></u>	<u><u>616,744</u></u>

**HAPPY CHILDREN LTD****BALANCE SHEET  
31 MAY 2024**

		<b>2024 Unrestricted fund £</b>	<b>2023 Total funds £</b>
<b>Fixed assets</b>	<b>Notes</b>		
Tangible assets	11	1,850	2,459
<b>Current assets</b>			
Debtors	12	501,472	402,277
Cash at bank and in hand		263,139	223,012
		<u>764,611</u>	<u>625,289</u>
<b>Creditors</b>			
Amounts falling due within one year	13	(1,045)	(11,004)
		<u>763,566</u>	<u>614,285</u>
<b>Net current assets</b>			
		<u>765,416</u>	<u>616,744</u>
<b>Total assets less current liabilities</b>			
		<u>765,416</u>	<u>616,744</u>
<b>NET ASSETS</b>		<u>765,416</u>	<u>616,744</u>
<b>Funds</b>	14		
Unrestricted funds		<u>765,416</u>	<u>616,744</u>
<b>Total funds</b>		<u>765,416</u>	<u>616,744</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 March 2025 and were signed on its behalf by:

Faiza Akram - Trustee

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 2019)', 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.

**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.

Fixture and fittings - 25% on 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. 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 includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

**2. Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3. Investment income**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Deposit account interest	1,385	821

**4. Income from charitable activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees	362,010	256,858

**5. Charitable activities costs**

	<b>Direct Costs (see note 6)</b>	<b>Support costs (see note 7)</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Charitable activities	202,745	11,978	214,723

**6. Direct costs of charitable activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Staff costs	170,886	138,520
Repairs and Maintenance	1,158	908
Rent	24,518	26,000
Postage and stationery	532	321
Toys, books and games	3,968	5,850
Food	1,683	2,202
	<u>202,745</u>	<u>173,801</u>

**7. Support costs**

	<b>Management</b>	<b>Governance costs</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Charitable activities	8,792	3,186	11,978

Support costs, included in the above, are as follows:

	<b>2024</b>	<b>2023</b>
	<b>Charitable activities</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Insurance	1,078	1,039
Telephone	164	172
Sundries	2,516	2,082
Recruitment costs	625	954
Cleaning	776	2,338
Training Costs	1,326	70
Computer costs	1,698	2,345
Depreciation of tangible and heritage assets	609	812
Accountancy	3,186	2,784
	<u>11,978</u>	<u>12,596</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2024**

**8. Net income/(expenditure)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2024</b>	<b>2023</b>
	£	£
Depreciation - owned assets	609	812
Hire of plant and machinery	1,158	908
Other operating leases	24,518	26,000
	<u>24,518</u>	<u>26,000</u>

**9. Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 May 2024 nor for the year ended 31 May 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 May 2024 nor for the year ended 31 May 2023.

**10. Staff costs**

	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	167,555	137,698
Social security costs	2,097	-
Other pension costs	1,234	822
	<u>170,886</u>	<u>138,520</u>

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

<b>2024</b>	<b>2023</b>
16	16
<u>16</u>	<u>16</u>

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

**11. Tangible fixed assets**

	<b>Fixtures and fittings £</b>
<b>Cost</b>	
At 1 June 2023 and 31 May 2024	<u>11,212</u>
<b>Depreciation</b>	
At 1 June 2023	8,753
Charge for year	609
At 31 May 2024	<u>9,362</u>
<b>Net book value</b>	
At 31 May 2024	<u>1,850</u>
At 31 May 2023	<u>2,459</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2024

12. Debtors: amounts falling due within one year

	2024	2023
	£	£
Other debtors	500,495	401,495
Prepayments	977	782
	<u>501,472</u>	<u>402,277</u>

13. Creditors: amounts falling due within one year

	2024	2023
	£	£
Social security and other taxes	1,082	8,937
Other creditors	(2,017)	333
Accruals and deferred income	1,980	1,734
	<u>1,045</u>	<u>11,004</u>

14. Movement in funds

	At 1.6.23	Net movement in funds	At 31.5.24
	£	£	£
<b>Unrestricted funds</b>			
General fund	616,744	148,672	765,416
	<u>616,744</u>	<u>148,672</u>	<u>765,416</u>
<b>TOTAL FUNDS</b>	<u>616,744</u>	<u>148,672</u>	<u>765,416</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	363,395	(214,723)	148,672
	<u>363,395</u>	<u>(214,723)</u>	<u>148,672</u>
<b>TOTAL FUNDS</b>	<u>363,395</u>	<u>(214,723)</u>	<u>148,672</u>

Comparatives for movement in funds

	At 1.6.22	Net movement in funds	At 31.5.23
	£	£	£
<b>Unrestricted funds</b>			
General fund	545,462	71,282	616,744
	<u>545,462</u>	<u>71,282</u>	<u>616,744</u>
<b>TOTAL FUNDS</b>	<u>545,462</u>	<u>71,282</u>	<u>616,744</u>

**14. Movement in funds - continued**

Comparative net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General fund	257,679	(186,397)	71,282
	<u>257,679</u>	<u>(186,397)</u>	<u>71,282</u>
<b>TOTAL FUNDS</b>	<u>257,679</u>	<u>(186,397)</u>	<u>71,282</u>

**15. Capital commitments**

There were no capital commitments authorised or contracted for for the year ended 31 May 2024.

**16. Related party disclosures**

There were no related party transactions for the year ended 31 May 2024.

**17. Company limited by guarantee**

Happy Children Ltd is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**18. Control**

The charity is under the control of the trustees.

**HAPPY CHILDREN LTD**

England & Wales - Charity number 1162937

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# Accounts

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**REGISTERED COMPANY NUMBER: 08084979 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1162937**

**TRUSTEES' REPORT AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023**  
**FOR**  
**HAPPY CHILDREN LTD**

Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

**HAPPY CHILDREN LTD**

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FOR THE YEAR ENDED 31 MAY 2023**

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## HAPPY CHILDREN LTD

### REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MAY 2023

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<b>Trustees</b>	Faiza Akram Nagebah Hayel Muckbel Osi-Ef
<b>Directors</b>	Faiza Akram Nagebah Hayel Muckbel Osi-Ef Saeeda Aslam Sabiya Aslam (resigned 23.2.23)
<b>Registered office</b>	Greensville Trust Northdale Road Liverpool L15 4HT
<b>Registered company number</b>	08084979 (England and Wales)
<b>Registered charity number</b>	1162937
<b>Independent examiner</b>	Riley Moss 2018 Limited Riley House 183-185 North Road Preston Lancashire PR1 1YQ
<b>Bankers</b>	The Co-Operative Bank PLC Business Direct PO Box 250 Skelmersdale, WN8 6WT  Al-Rayan Bank PLC PO Box 12461 Birmingham, B16 6AQ

## HAPPY CHILDREN LTD

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2023

---

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 May 2023. 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 2019).

#### **Objectives and activities**

##### **Objectives and aims**

##### **Charitable Objects**

The charity's objects are specifically restricted to the following: provide to provide education, care and development to pre-school age children and wider services to school age children e.g. after school and holiday clubs.

Additionally, an object is to encourage parents (and the wider local community) to recognise and support the needs of children as they develop from an educational, social, cultural and physical standpoint. The above will be delivered by:-

-Providing facilities and an appropriately qualified staffing complement to enable play, education and care for children (in particular vulnerable children) via training and support to parents enabling them to become fully involved and responsible in their child's activities

-Such services, activities and development will be available to all children regardless of race, culture, faith or disability.

-Providing facilities, services and support to families and the wider community in order that such individuals / groups can become actively engaged in the delivery of child(ren's) needs.

#### **Aims and intended impact**

To provide education care and development to pre-school aged children and wider services to school age children e.g after school and holiday clubs. Additionally our objectives aim to encourage parents (and the wider local community) to recognize and support needs of children as they develop from an educational, social, cultural and physical stand point.

#### **Public Benefit**

The primary purpose of the organization is to enhance the wellbeing and life chances of pre-school age children (in particular those children in disadvantage) regardless of race faith or disability. In support of this we will promote the education of the individual child needs to all those in direct contact (parents, carers) and the wider community within which the child is being brought up through its formative years.

#### **Principal activities of the year**

Having taken on few new staff members and changes in the role of leadership, we focused on professional development of these individuals. We also continued to strengthen our ties with parental partnership by having pray and stay sessions.

#### **Significant activities**

There have not been any significant events since the year end.

**Achievement and performance**

**Charitable activities**

The nursery was rated outstanding during our Ofsted visit. The nursery has supported two students to complete their level 3 placements. Improvements to the outdoor spaces and replacing some of the furniture due to weathering damage. Introducing and training staff on a new language screening programme WellComm which has supported a higher number of children with speech delay and making early intervention referrals.

**Financial review**

**Financial position**

The nursery has seen an increase in both income and costs during the year. However, overall the nursery has an excess of income over expenditure in the year of £71,282. The nursery did have reserves brought forward of £545,462. At the end of the year the balance sheet is still showing a very healthy situation in that the nursery total funds of £616,744.

**Incoming resources**

The company received fees which amounted to income from the parents and from the city council by way of funding for the provision of the nursery. It also received an income from its new after-school provision for children between the ages of 4 - 7. The income from parents come in two forms either payment directly from the parents or by way of childcare vouchers from the parents employers. The fee income from the childcare vouchers is a tax efficient way for parents to receive their wages and pay for childcare as the vouchers are deducted before tax and national insurance.

**Resources expended**

The charity has tried to control its costs in the year but has rewarded the hard work and efforts of the staff. This has resulted in an increase in costs overall.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustees or person connected with a Trustee received any benefit from use of our childcare facilities in the year on more favourable terms than available to the general public.

**Investment policy and objectives**

The Investment policy adopted by the Trustees is to maintain a high standard of the assets of the Trust and implement a programme of continual development to optimise their use in line with the Charity's objectives. In line with the nursery ethos and Islamic financing principles the nursery does not take loans that incur interest, the organisation aims to invest in a building through an outright cash payment some of our current profits will go towards the future purchase of a building.

**Reserves policy**

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets, which are the free reserves of the charity, should be between three and six months of general (unrestricted) operating costs and the trustees consider that this policy provides sufficient funds to cover wages, redundancy, management, support and administration costs and unforeseen expenditure and to be able to continue the activities of the charity in the event of a significant drop in funding, or business interruption. The free reserves at the 31st May 2023 of £616,744 (2022: £545,462) are within the above policy. The trustees are looking to build up reserves over the next few years to enable for the trust to purchase its own property.

**Going concern**

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no uncertainties about the trust ability to continue as a going concern over the next twelve months.

**Future plans**

The trustees constantly review the needs of the children and the nursery. We will continue to work closely with children services and safeguarding the children to ensure they receive appropriate care and education.

During the forthcoming year we will be considering:

- Replenish all wooden resources due wear and tire
- To continue to offer low cost services to parents
- To continue to offer more opportunities for the professional development of all staff
- Offer opportunities to train students and volunteers wanting to work in the Early Years Sector
- To work alongside the Quality Improvement Team to continue to develop our practice
- To work alongside The Education Department and local authorities to raise the standards in Central Liverpool
- Support the opening of another nursery
- Delivery high quality outreach childcare

The trustees acknowledge the rewards for continuing to support staff to gain further qualifications and skills, to enhance the existing workforce and provide high quality staff and work towards all staff having a full level three qualification.

**Structure, governance and management**

**Governing document**

The governing document of the Charity which is a company limited by guarantee is the Memorandum and Articles of Association of the company which was incorporated 28th May 2012.

**Recruitment and Training of Trustees**

The Charity's elected Trustees are appointed at the Annual Meeting of the Trust on the basis of nominations received from the Executive Committee to the Trust's specification concerning eligibility, personal competence, specialist skills and local availability. New Trustees are inducted into the workings of the Charity including Policy and Operational Procedures.

**Organisational Management**

The appointed and elected Trustees of the Charity are legally responsible for the overall management and control of the Trust. The members of the Board who meet on a minimum of two occasions annually carry out the work of implementing most of their policies. One additional meeting is held specifically to approve the budgets and finalise the Financial Accounts and Trustees report for approval by the annual meeting of the Board of Trustees. The Board works under the chairmanship of the Chair of the Trust. The Board has adopted the Code of Governance published by the National Governance Hub as a means of building governance capacity and skills.

The day to day running of the Trust is delegated to the Nursery Manager who reports to the Board at the bi-annual meetings.

In the interest of liaising with Ofsted the Nursery Manager is also a director of the nursery.

**Structure, governance and management**

**Risk management**

A formal review of the Charity's risk management processes is undertaken on an annual basis.

The key controls used by the Charity include:

- Formal agendas for the Board of Trustees, Executive Committee and all sub- Committees;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Comprehensive policies to ensure that all insurance risks are covered
- Formal written policies;
- Clear authorisation and approval levels and
- Vetting procedures are carried out for adults to safeguard the reputation of the Trust and to minimise the risk of inappropriate persons being accepted as employees or volunteers.

Systems of internal control include:

- An annual budget approved by the Trustees
- Appropriate delegation of authority and segregation of duties
- Identification and management of risks

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately safeguarded against material mismanagement or loss.

Approved by order of the board of trustees on 23 February 2024 and signed on its behalf by:

Nagebah Hayel Muckbel Osi-Ef - Trustee

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAPPY CHILDREN LTD

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## Independent examiner's report to the trustees of Happy Children Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2023.

### Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts 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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act;  
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Farook Patel FCA

Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

27 February 2024

**HAPPY CHILDREN LTD****STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MAY 2023**

		<b>2023</b>	<b>2022</b>
		<b>Unrestricted</b>	<b>Total</b>
		<b>fund</b>	<b>funds</b>
		<b>£</b>	<b>£</b>
<b>Income and endowments from</b>	<b>Notes</b>		
<b>Charitable activities</b>	4		
Charitable activities		256,858	216,863
Investment income	3	821	278
<b>Total</b>		<u>257,679</u>	<u>217,141</u>
<b>Expenditure on</b>			
<b>Charitable activities</b>	5		
Charitable activities		<u>186,397</u>	<u>172,846</u>
<b>NET INCOME</b>		71,282	44,295
<b>Reconciliation of funds</b>			
Total funds brought forward		545,462	501,167
<b>Total funds carried forward</b>		<u><u>616,744</u></u>	<u><u>545,462</u></u>

The notes form part of these financial statements

**HAPPY CHILDREN LTD****BALANCE SHEET  
31 MAY 2023**

		<b>2023 Unrestricted fund £</b>	<b>2022 Total funds £</b>
<b>Fixed assets</b>	<b>Notes</b>		
Tangible assets	11	2,459	3,271
<b>Current assets</b>			
Debtors	12	402,277	402,440
Cash at bank and in hand		223,012	157,708
		<u>625,289</u>	<u>560,148</u>
<b>Creditors</b>			
Amounts falling due within one year	13	(11,004)	(17,957)
		<u>614,285</u>	<u>542,191</u>
<b>Net current assets</b>			
		616,744	545,462
<b>Total assets less current liabilities</b>		<u>616,744</u>	<u>545,462</u>
<b>NET ASSETS</b>		<u>616,744</u>	<u>545,462</u>
<b>Funds</b>	14		
Unrestricted funds		616,744	545,462
<b>Total funds</b>		<u>616,744</u>	<u>545,462</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

**HAPPY CHILDREN LTD**

**BALANCE SHEET - continued**  
**31 MAY 2023**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 23 February 2024 and were signed on its behalf by:

Faiza Akram - Trustee

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2023**

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**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 2019)', 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.

**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.

Fixture and fittings - 25% on 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Resources expended**

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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2023**

**1. Accounting policies - continued**

**Resources expended**

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

**2. Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3. Investment income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deposit account interest	821	278
	<u>          </u>	<u>          </u>

**4. Income from charitable activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees	256,858	216,863
	<u>          </u>	<u>          </u>

**5. Charitable activities costs**

	<b>Direct Costs (see note 6)</b>	<b>Support costs (see note 7)</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Charitable activities	173,801	12,596	186,397
	<u>          </u>	<u>          </u>	<u>          </u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2023

6. Direct costs of charitable activities

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Staff costs	138,520	128,290
Repairs and Maintenance	908	829
Rent	26,000	24,000
Postage and stationery	321	85
Toys, books and games	5,850	3,072
Food	2,202	1,721
	<u>173,801</u>	<u>157,997</u>

7. Support costs

	<b>Management</b>	<b>Governance</b>	<b>Totals</b>
	<b>£</b>	<b>costs</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Charitable activities	<u>9,812</u>	<u>2,784</u>	<u>12,596</u>

Support costs, included in the above, are as follows:

	<b>2023</b>	<b>2022</b>
	<b>Charitable</b>	<b>Total</b>
	<b>activities</b>	<b>activities</b>
	<b>£</b>	<b>£</b>
Insurance	1,039	1,101
Telephone	172	183
Sundries	2,082	4,007
Recruitment costs	954	-
Cleaning	2,338	1,873
Training Costs	70	137
Computer costs	2,345	2,365
Depreciation of tangible and heritage assets	812	1,083
Accountancy	2,784	2,613
Professional Fees	-	1,487
	<u>12,596</u>	<u>14,849</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2023

**8. Net income/(expenditure)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	812	1,083
Hire of plant and machinery	908	829
Other operating leases	26,000	24,000
	<u>          </u>	<u>          </u>

**9. Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 May 2023 nor for the year ended 31 May 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 May 2023 nor for the year ended 31 May 2022.

**10. Staff costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	137,698	126,103
Social security costs	-	1,403
Other pension costs	822	784
	<u>          </u>	<u>          </u>
	<u>138,520</u>	<u>128,290</u>

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

<b>2023</b>	<b>2022</b>
16	14
<u>          </u>	<u>          </u>

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

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2023

11. Tangible fixed assets

	<b>Fixtures and fittings £</b>
<b>Cost</b>	
At 1 June 2022 and 31 May 2023	11,212
<b>Depreciation</b>	
At 1 June 2022	7,941
Charge for year	812
At 31 May 2023	8,753
<b>Net book value</b>	
At 31 May 2023	2,459
At 31 May 2022	3,271

12. Debtors: amounts falling due within one year

	<b>2023 £</b>	<b>2022 £</b>
Other debtors	401,495	401,495
Prepayments	782	945
	<u>402,277</u>	<u>402,440</u>

13. Creditors: amounts falling due within one year

	<b>2023 £</b>	<b>2022 £</b>
Social security and other taxes	8,937	14,155
Other creditors	333	334
Accruals and deferred income	1,734	3,468
	<u>11,004</u>	<u>17,957</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2023

14. Movement in funds

	At 1.6.22 £	Net movement in funds £	At 31.5.23 £
<b>Unrestricted funds</b>			
General fund	545,462	71,282	616,744
<b>TOTAL FUNDS</b>	<u>545,462</u>	<u>71,282</u>	<u>616,744</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	257,679	(186,397)	71,282
<b>TOTAL FUNDS</b>	<u>257,679</u>	<u>(186,397)</u>	<u>71,282</u>

Comparatives for movement in funds

	At 1.6.21 £	Net movement in funds £	At 31.5.22 £
<b>Unrestricted funds</b>			
General fund	501,167	44,295	545,462
<b>TOTAL FUNDS</b>	<u>501,167</u>	<u>44,295</u>	<u>545,462</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	217,141	(172,846)	44,295
<b>TOTAL FUNDS</b>	<u>217,141</u>	<u>(172,846)</u>	<u>44,295</u>

**15. Capital commitments**

There were no capital commitments authorised or contracted for for the year ended 31 May 2023.

**16. Related party disclosures**

There were no related party transactions for the year ended 31 May 2023.

**17. Company limited by guarantee**

Happy Children Ltd is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**18. Control**

The charity is under the control of the trustees.

**HAPPY CHILDREN LTD**

England & Wales - Charity number 1162937

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# Accounts

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**REGISTERED COMPANY NUMBER: 08084979 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1162937**

**TRUSTEES' REPORT AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022**  
**FOR**  
**HAPPY CHILDREN LTD**

Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

**HAPPY CHILDREN LTD**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2022**

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**HAPPY CHILDREN LTD**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MAY 2022**

---

<b>Trustees</b>	Faiza Akram Saeeda Aslam (director registered at Companies House) Sabiya Aslam (director registered at Companies House) Nagebah Hayel Muckbel Osi-Ef
<b>Registered office</b>	St Mary's Hall Northdale Road Liverpool L15 4HT
<b>Registered company number</b>	08084979 (England and Wales)
<b>Registered charity number</b>	1162937
<b>Independent examiner</b>	Riley Moss 2018 Limited Riley House 183-185 North Road Preston Lancashire PR1 1YQ
<b>Bankers</b>	The Co-Operative Bank PLC Business Direct PO Box 250 Skelmersdale, WN8 6WT  Al-Rayan Bank PLC PO Box 12461 Birmingham, B16 6AQ

## HAPPY CHILDREN LTD

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2022

---

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 May 2022. 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 2019).

#### **Objectives and activities**

##### **Objectives and aims**

##### **Charitable Objects**

The charity's objects are specifically restricted to the following: provide to provide education, care and development to pre-school age children and wider services to school age children e.g. after school and holiday clubs.

Additionally, an object is to encourage parents (and the wider local community) to recognise and support the needs of children as they develop from an educational, social, cultural and physical standpoint. The above will be delivered by:-

-Providing facilities and an appropriately qualified staffing complement to enable play, education and care for children (in particular vulnerable children) via training and support to parents enabling them to become fully involved and responsible in their child's activities

-Such services, activities and development will be available to all children regardless of race, culture, faith or disability.

-Providing facilities, services and support to families and the wider community in order that such individuals / groups can become actively engaged in the delivery of child(ren's) needs.

##### **Aims and intended impact**

To provide education care and development to pre-school aged children and wider services to school age children e.g after school and holiday clubs. Additionally our objectives aim to encourage parents (and the wider local community) to recognize and support needs of children as they develop from an educational, social, cultural and physical stand point.

##### **Public Benefit**

The primary purpose of the organization is to enhance the wellbeing and life chances of pre-school age children (in particular those children in disadvantage) regardless of race faith or disability. In support of this we will promote the education of the individual child needs to all those in direct contact (parents, carers) and the wider community within which the child is being brought up through its formative years.

##### **Principal activities of the year**

Supporting and strengthening parent partnership. Addressing SEN children needs due to the higher number of children attending the setting this year.

Working in collaboration with the local authority and local nurseries to raise the standard of Early Years Education.

### **Achievement and performance**

#### **Charitable activities**

The nursery manager has been selected to be part of a panel for Private Sector Early Years Representative for Central Liverpool due to the nursery having gained an outstanding grade from Ofsted. The nursery manager supports other local nurseries to raise the bar and aim for higher standards of Early Years Education. The nursery has made links with local universities to support their students placement so the student can gain experiences in an outstanding Early Years provider.

Studies have shown since covid children's language delays in the Early Years has had huge impact and Speech Therapist agencies are overwhelmed and have long waiting lists therefore the nursery has introduced a language screening programme to assess children's language and communication. Any delays detected are highlighted and targeted interventions are put in place. These are shared with parents to support their child.

The nursery delivered a 'play and stay' session for parents to upskill parent's interaction with their child/ren to support their development and bridge gaps with delays.

Nursery has taken on another an apprentice, supporting the employee to secure a job.

### **Financial review**

#### **Financial position**

The nursery has seen a small reduction in both income and costs during the year. However, overall the nursery has an excess of income over expenditure in the year of £44,295. The nursery did have reserves brought forward of £501,167. At the end of the year the balance sheet is still showing a very healthy situation in that the nursery total funds of £545,462.

#### **Incoming resources**

The company received fees which amounted to income from the parents and from the city council by way of funding for the provision of the nursery. It also received an income from its new after-school provision for children between the ages of 4 - 7. The income from parents come in two forms either payment directly from the parents or by way of childcare vouchers from the parents employers. The fee income from the childcare vouchers is a tax efficient way for parents to receive their wages and pay for childcare as the vouchers are deducted before tax and national insurance.

#### **Resources expended**

The charity has tried to control its costs in the year but has rewarded the hard work and efforts of the staff. This has resulted in an increase in costs overall.

All Trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustees or person connected with a Trustee received any benefit from use of our childcare facilities in the year on more favourable terms than available to the general public.

#### **Investment policy and objectives**

The Investment policy adopted by the Trustees is to maintain a high standard of the assets of the Trust and implement a programme of continual development to optimise their use in line with the Charity's objectives. In line with the nursery ethos and Islamic financing principles the nursery does not take loans that incur interest, the organisation aims to invest in a building through an outright cash payment some of our current profits will go towards the future purchase of a building.

### **Financial review**

#### **Reserves policy**

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets, which are the free reserves of the charity, should be between three and six months of general (unrestricted) operating costs and the trustees consider that this policy provides sufficient funds to cover wages, redundancy, management, support and administration costs and unforeseen expenditure and to be able to continue the activities of the charity in the event of a significant drop in funding, or business interruption. The free reserves at the 31st May 2022 of £545,462 (2021: £501,167) are within the above policy. The trustees are looking to build up reserves over the next few years to enable for the trust to purchase its own property.

#### **Going concern**

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no uncertainties about the trust ability to continue as a going concern over the next twelve months.

#### **Future plans**

The trustees constantly review the needs of the children and the nursery. We will continue to work closely with children services and safeguarding the children to ensure they receive appropriate care and education.

During the forthcoming year we will be considering:

- Replenish all wooden resources due wear and tire
- To continue to offer low cost services to parents
- To continue to offer more opportunities for the professional development of all staff
- Offer opportunities to train students and volunteers wanting to work in the Early Years Sector
- To work alongside the Quality Improvement Team to continue to develop our practice
- To work alongside The Education Department and local authorities to raise the standards in Central Liverpool
- Support the opening of another nursery
- Delivery high quality outreach childcare

The trustees acknowledge the rewards for continuing to support staff to gain further qualifications and skills, to enhance the existing workforce and provide high quality staff and work towards all staff having a full level three qualification.

### **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.

#### **Recruitment and Training of Trustees**

The Charity's elected Trustees are appointed at the Annual Meeting of the Trust on the basis of nominations received from the Executive Committee to the Trust's specification concerning eligibility, personal competence, specialist skills and local availability. New Trustees are inducted into the workings of the Charity including Policy and Operational Procedures.

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

#### **Organisational Management**

The appointed and elected Trustees of the Charity are legally responsible for the overall management and control of the Trust. The members of the Board who meet on a minimum of two occasions annually carry out the work of implementing most of their policies. One additional meeting is held specifically to approve the budgets and finalise the Financial Accounts and Trustees report for approval by the annual meeting of the Board of Trustees. The Board works under the chairmanship of the Chair of the Trust. The Board has adopted the Code of Governance published by the National Governance Hub as a means of building governance capacity and skills.

The day to day running of the Trust is delegated to the Nursery Manager who reports to the Board at the bi-annual meetings.

In the interest of liaising with Ofsted the Nursery Manager is also a director of the nursery.

#### **Risk management**

A formal review of the Charity's risk management processes is undertaken on an annual basis.

The key controls used by the Charity include:

- Formal agendas for the Board of Trustees, Executive Committee and all sub- Committees;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Comprehensive policies to ensure that all insurance risks are covered
- Formal written policies;
- Clear authorisation and approval levels and
- Vetting procedures are carried out for adults to safeguard the reputation of the Trust and to minimise the risk of inappropriate persons being accepted as employees or volunteers.

Systems of internal control include:

- An annual budget approved by the Trustees
- Appropriate delegation of authority and segregation of duties
- Identification and management of risks

Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately safeguarded against material mismanagement or loss.

#### **Trustees' responsibility statement**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of 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 period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**Trustees' responsibility statement - continued**

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

Approved by order of the board of trustees on 24 February 2023 and signed on its behalf by:

Nagebah Hayel Muckbel Osi-Ef - Trustee

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAPPY CHILDREN LTD

---

### Independent examiner's report to the trustees of Happy Children Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2022.

#### Responsibilities and basis of report

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts 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

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Farook Patel FCA  
Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

27 February 2023

HAPPY CHILDREN LTD

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MAY 2022

		2022 Unrestricted fund £	2021 Total funds £
<b>Income and endowments from</b>	<b>Notes</b>		
Donations and legacies	3	-	1
<b>Charitable activities</b>	5		
Charitable activities		216,863	208,201
Investment income	4	278	1,844
Other income		-	13,540
<b>Total</b>		<u>217,141</u>	<u>223,586</u>
<b>Expenditure on</b>			
<b>Charitable activities</b>	6		
Charitable activities		<u>172,846</u>	<u>149,046</u>
<b>NET INCOME</b>		44,295	74,540
<b>Reconciliation of funds</b>			
Total funds brought forward		501,167	426,627
<b>Total funds carried forward</b>		<u>545,462</u>	<u>501,167</u>

The notes form part of these financial statements

**HAPPY CHILDREN LTD****BALANCE SHEET  
31 MAY 2022**

		<b>2022</b>	<b>2021</b>
		<b>Unrestricted</b>	<b>Total</b>
		<b>fund</b>	<b>funds</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>	<b>Notes</b>		
Tangible assets	12	3,271	3,686
<b>Current assets</b>			
Debtors	13	402,440	402,483
Cash at bank and in hand		<u>157,708</u>	<u>106,679</u>
		560,148	509,162
<b>Creditors</b>			
Amounts falling due within one year	14	(17,957)	(11,681)
<b>Net current assets</b>		<u>542,191</u>	<u>497,481</u>
<b>Total assets less current liabilities</b>		545,462	501,167
<b>NET ASSETS</b>		<u>545,462</u>	<u>501,167</u>
<b>Funds</b>	15		
Unrestricted funds		<u>545,462</u>	<u>501,167</u>
<b>Total funds</b>		<u>545,462</u>	<u>501,167</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26 February 2023 and were signed on its behalf by:

Faiza Akram - Trustee

**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 2019)', 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.

**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.

Fixture and fittings - 25% on 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. 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 includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2022**

**1. Accounting policies - continued****Resources expended**

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

**2. Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**3. Donations and legacies**

	<b>2022</b>	<b>2021</b>
	£	£
Gifts	<u>-</u>	<u>1</u>

**4. Investment income**

	<b>2022</b>	<b>2021</b>
	£	£
Deposit account interest	<u>278</u>	<u>1,844</u>

**5. Income from charitable activities**

	<b>2022</b>	<b>2021</b>
	£	£
Fees	<u>216,863</u>	<u>208,201</u>

**6. Charitable activities costs**

	<b>Direct Costs (see note 7)</b>	<b>Support costs (see note 8)</b>	<b>Totals</b>
	£	£	£
Charitable activities	<u>157,997</u>	<u>14,849</u>	<u>172,846</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2022

7. Direct costs of charitable activities

	2022 £	2021 £
Staff costs	128,290	107,587
Repairs and Maintenance	829	1,215
Rent	24,000	24,000
Postage and stationery	85	511
Advertising	-	250
Toys, books and games	3,072	2,057
Food	1,721	866
Donations	-	1,000
	<u>157,997</u>	<u>137,486</u>

8. Support costs

	Management £	Governance costs £	Totals £
Charitable activities	<u>10,749</u>	<u>4,100</u>	<u>14,849</u>

Support costs, included in the above, are as follows:

	2022 Charitable activities £	2021 Total activities £
Insurance	1,101	840
Telephone	183	307
Sundries	4,007	393
Cleaning	1,873	1,218
Training Costs	137	989
Computer costs	2,365	172
Depreciation of tangible and heritage assets	1,083	1,211
Accountancy	2,613	4,414
Legal fees	-	1,380
Professional Fees	1,487	636
	<u>14,849</u>	<u>11,560</u>

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	1,083	1,211
Hire of plant and machinery	829	1,215
Other operating leases	<u>24,000</u>	<u>24,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MAY 2022**

**10. Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 May 2022 nor for the year ended 31 May 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 May 2022 nor for the year ended 31 May 2021.

**11. Staff costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	126,103	106,282
Social security costs	1,403	743
Other pension costs	<u>784</u>	<u>562</u>
	<u><u>128,290</u></u>	<u><u>107,587</u></u>

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

<b>2022</b>	<b>2021</b>
<u>14</u>	<u>12</u>

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

**12. Tangible fixed assets**

	<b>Fixtures and fittings £</b>
<b>Cost</b>	
At 1 June 2021	10,544
Additions	<u>668</u>
At 31 May 2022	<u>11,212</u>
<b>Depreciation</b>	
At 1 June 2021	6,858
Charge for year	<u>1,083</u>
At 31 May 2022	<u>7,941</u>
<b>Net book value</b>	
At 31 May 2022	<u><u>3,271</u></u>
At 31 May 2021	<u><u>3,686</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2022

<b>13. Debtors: amounts falling due within one year</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other debtors	401,495	401,495
Prepayments	945	988
	<u>402,440</u>	<u>402,483</u>

<b>14. Creditors: amounts falling due within one year</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Social security and other taxes	14,155	9,842
Other creditors	334	105
Accruals and deferred income	3,468	1,734
	<u>17,957</u>	<u>11,681</u>

<b>15. Movement in funds</b>			
	<b>At 1.6.21</b>	<b>Net movement</b>	<b>At</b>
	<b>£</b>	<b>in funds</b>	<b>31.5.22</b>
		<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General fund	501,167	44,295	545,462
<b>TOTAL FUNDS</b>	<u>501,167</u>	<u>44,295</u>	<u>545,462</u>

Net movement in funds, included in the above are as follows:

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General fund	217,141	(172,846)	44,295
<b>TOTAL FUNDS</b>	<u>217,141</u>	<u>(172,846)</u>	<u>44,295</u>

**Comparatives for movement in funds**

	<b>At 1.6.20</b>	<b>Net movement</b>	<b>At</b>
	<b>£</b>	<b>in funds</b>	<b>31.5.21</b>
		<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General fund	426,627	74,540	501,167
<b>TOTAL FUNDS</b>	<u>426,627</u>	<u>74,540</u>	<u>501,167</u>

**15. Movement in funds - continued**

Comparative net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General fund	223,586	(149,046)	74,540
<b>TOTAL FUNDS</b>	<u>223,586</u>	<u>(149,046)</u>	<u>74,540</u>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1.6.20 £</b>	<b>Net movement in funds £</b>	<b>At 31.5.22 £</b>
<b>Unrestricted funds</b>			
General fund	426,627	118,835	545,462
<b>TOTAL FUNDS</b>	<u>426,627</u>	<u>118,835</u>	<u>545,462</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General fund	440,727	(321,892)	118,835
<b>TOTAL FUNDS</b>	<u>440,727</u>	<u>(321,892)</u>	<u>118,835</u>

**16. Capital commitments**

There were no capital commitments authorised or contracted for for the year ended 31 May 2022.

**17. Related party disclosures**

There were no related party transactions for the year ended 31 May 2022.

**18. Company limited by guarantee**

Happy Children Ltd is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**19. Control**

The charity is under the control of the trustees.

**HAPPY CHILDREN LTD**

England & Wales - Charity number 1162937

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# Accounts

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**REGISTERED COMPANY NUMBER: 08084979 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1162937**

**TRUSTEES' REPORT AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2021**  
**FOR**  
**HAPPY CHILDREN LTD**

Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

**HAPPY CHILDREN LTD**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2021**

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## HAPPY CHILDREN LTD

### REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MAY 2021

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<b>Trustees</b>	Faiza Akram Saeeda Aslam (director registered at Companies House only) Sabiya Aslam Nagebah Hayel Muckbel Osi-Efa
<b>Registered office</b>	St Mary's Hall Northdale Road Liverpool L15 4HT
<b>Registered company number</b>	08084979 (England and Wales)
<b>Registered charity number</b>	1162937
<b>Independent examiner</b>	Riley Moss 2018 Limited Riley House 183-185 North Road Preston Lancashire PR1 1YQ
<b>Bankers</b>	The Co-Operative Bank PLC Business Direct PO Box 250 Skelmersdale, WN8 6WT  Al-Rayan Bank PLC PO Box 12461 Birmingham, B16 6AQ

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 May 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 2019).

**Objectives and activities  
Charitable Objects**

The charity's objects are specifically restricted to the following: to provide education, care and development to pre-school age children and wider services to school age children e.g. after school and holiday clubs.

Additionally, an object is to encourage parents (and the wider local community) to recognise and support the needs of children as they develop from an educational, social, cultural and physical standpoint. The above will be delivered by:-

" Providing facilities and an appropriately qualified staffing complement to enable play, education and care for children (in particular vulnerable children) via training and support to parents enabling them to become fully involved and responsible in their child's activities".

" Such services, activities and development will be available to all children regardless of race, culture, faith or disability".

" Providing facilities, services and support to families and the wider community in order that such individuals / groups can become actively engaged in the delivery of child(ren's) needs".

**Aims and intended impact**

To provide education care and development to pre-school aged children and wider services to school age children e.g after school and holiday clubs. Additionally our objectives aim to encourage parents (and the wider local community) to recognize and support needs of children as they develop from an educational, social, cultural and physical stand point.

**Public benefit**

The primary purpose of the organization is to enhance the wellbeing and life chances of pre-school age children (in particular those children in disadvantage) regardless of race faith or disability. In support of this we will promote the education of the individual child needs to all those in direct contact (parents, carers) and the wider community within which the child is being brought up through its formative years.

Due to Covid-19 the nursery invested in separating entrances for the different age groups to mitigate spread of the virus between staff and children.

Public activities were minimised and children were taught the importance's of minimising risk of spreading germs. The nursery closed in the first lockdown for a whole term and reopened in September.

### **Achievement and performance**

#### **Charitable activities**

Due to Covid-19, activities were limited to stop the spread of the virus. The children's over all learning was not impacted and numbers of children attending the nursery were stable. The nursery has participated in a programme to improve communication and delivered some of the training to local assigned nurseries. We have had positive feedback from primary schools of former children that were in our care who have noticed that children that attended our nursery before being transferred to their schools enter into reception at an advanced level.

We continue to be part of a collaborative group of nurseries who are working together as a consortia to enhance professional development among our practitioners. This allows us to work together with other nurseries and learn from their good practice as well as disseminate our own good practice. It also helps us work closely with the local Liverpool authority's Quality Improvement Team (QIT).

The nursery has taken on an apprentice, supporting the employee to get back into employment after rising her children.

### **Financial review**

#### **Financial position**

The nursery has seen a small reduction in both income and costs during the year. However, overall the nursery has an excess of income over expenditure in the year of £74,539. The nursery did have reserves brought forward of £426,627. At the end of the year the balance sheet is still showing a very healthy situation in that the nursery total funds of £501,166.

#### **Incoming resources**

The company received fees which amounted to income from the parents and from the city council by way of funding for the provision of the nursery. It also received an income from its new after-school provision for children between the ages of 4 - 7. The income from parents come in two forms either payment directly from the parents or by way of childcare vouchers from the parents employers. The fee income from the childcare vouchers is a tax efficient way for parents to receive their wages and pay for childcare as the vouchers are deducted before tax and national insurance.

#### **Resources expended**

The charity has tried to control its costs in the year but has rewarded the hard work and efforts of the staff. This has resulted in an increase in costs overall.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No trustees or person connected with a trustee received any benefit from use of our childcare facilities in the year on more favourable terms than available to the general public.

#### **Investment policy and objectives**

The investment policy adopted by the trustees is to maintain a high standard of the assets of the Trust and implement a programme of continual development to optimise their use in line with the charity's objectives. In line with the nursery ethos and Islamic financing principles the nursery does not take loans that incur interest, the organisation aims to invest in a building through an outright cash payment some of our current profits will go towards the future purchase of a building.

#### **Reserves policy**

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets, which are the free reserves of the charity, should be between three and six months of general (unrestricted) operating costs and the trustees consider that this policy provides sufficient funds to cover wages, redundancy, management, support and administration costs and unforeseen expenditure and to be able to continue the activities of the charity in the event of a significant drop in funding, or business interruption. The free reserves at the 31st May 2021 of £501,166 (2020: £426,627) are within the above policy. The trustees are looking to build up reserves over the next few years to enable for the trust to purchase its own property.

### **Financial review**

#### **Going concern**

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no uncertainties about the trust ability to continue as a going concern over the next twelve months.

#### **Future plans**

The trustees constantly review the needs of the children and the nursery. We will continue to work closely with children services and safeguarding the children to ensure they receive appropriate care and education. During the forthcoming year we will be considering:

" Developing the outdoor area"

" To continue to offer low cost services to parents"

" To continue to offer more opportunities for the professional development of all staff"

" Offer opportunities to train students and volunteers wanting to work in the Early Years Sector"

" To work alongside the Quality Improvement Team to continue to develop our practice"

" The Liverpool City Council is launching a continual professional development (CPD) programme to help close the gap of deprivation for disadvantaged programme. Our nursery has applied to be part of the programme"

" To train an apprentice in level 2 Early Years Practice"

The trustees acknowledge the rewards for continuing to support staff to gain further qualifications and skills, to enhance the existing workforce and provide high quality staff and work towards all staff having a full level three qualification".

### **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.

#### **Organisational structure**

The appointed and elected trustees of the charity are legally responsible for the overall management and control of the trust. The members of the board who meet on a minimum of two occasions annually carry out the work of implementing most of their policies. One additional meeting is held specifically to approve the budgets and finalise the financial accounts and trustees report for approval by the annual meeting of the board of trustees. The board works under the chairmanship of the chair of the trust. The board has adopted the code of governance published by the National Governance Hub as a means of building governance capacity and skills.

The day to day running of the trust is delegated to the nursery manager who reports to the board at the bi-annual meetings.

In the interest of liaising with Ofsted the nursery manager is also a director of the nursery.

## Structure, governance and management

### Risk management

A formal review of the charity's risk management processes is undertaken on an annual basis.

The key controls used by the charity include:

- " Formal agendas for the board of trustees, executive committee and all sub-committees;
- " Detailed terms of reference for all committees;
- " Comprehensive strategic planning, budgeting and management accounting;
- " Established organisational structure and lines of reporting;
- " Comprehensive policies to ensure that all insurance risks are covered;
- " Formal written policies;
- " Clear authorisation and approval levels and
- " Vetting procedures are carried out for adults to safeguard the reputation of the trust and to minimise the risk of inappropriate persons being accepted as employees or volunteers.

Systems of internal control include:

- " An annual budget approved by the trustees"
- " Appropriate delegation of authority and segregation of duties"
- " Identification and management of risks"

Through the risk management processes established for the trust, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately safeguarded against material mismanagement or loss.

### Trustees' responsibility statement

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of 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 period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

A resolution will be proposed for appointing Riley Moss 2018 Ltd, Chartered Accountants as the independent examiners.

Approved by order of the board of trustees on 9<sup>th</sup> May 2022 and signed on its behalf by:

Nagebah Hayel Muckbel Osi-Efa - Trustee

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAPPY CHILDREN LTD

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### **Independent examiner's report to the trustees of Happy Children Ltd ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2021.

### **Responsibilities and basis of report**

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts 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**

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Farook Patel FCA  
Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

Date: 9<sup>th</sup> May 2022

**HAPPY CHILDREN LTD****STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MAY 2021**

		<b>2021 Unrestricted fund £</b>	<b>2020 Total funds £</b>
<b>Income and endowments from</b>	<b>Notes</b>		
<b>Charitable activities</b>	4		
Charitable activities		208,201	248,113
Investment income	3	1,844	2,020
Other income		<u>13,540</u>	<u>13,554</u>
<b>Total</b>		223,585	263,687
<b>Expenditure on</b>			
<b>Charitable activities</b>	5		
Charitable activities		149,046	155,776
Other		<u>-</u>	<u>1,187</u>
<b>Total</b>		149,046	156,963
<b>NET INCOME</b>		74,539	106,724
<b>Reconciliation of funds</b>			
<b>Total funds brought forward</b>		426,627	319,903
<b>Total funds carried forward</b>		<u>501,166</u>	<u>426,627</u>

The notes form part of these financial statements

**HAPPY CHILDREN LTD****BALANCE SHEET  
31 MAY 2021**

		<b>2021 Unrestricted fund £</b>	<b>2020 Total funds £</b>
<b>Fixed assets</b>	<b>Notes</b>		
Tangible assets	11	3,686	2,783
<b>Current assets</b>			
Debtors	12	402,483	840
Cash at bank and in hand		<u>106,678</u>	<u>426,395</u>
		509,161	427,235
<b>Creditors</b>			
Amounts falling due within one year	13	(11,681)	(3,391)
		<u>                    </u>	<u>                    </u>
<b>Net current assets</b>		<u>497,480</u>	<u>423,844</u>
<b>Total assets less current liabilities</b>		501,166	426,627
		<u>                    </u>	<u>                    </u>
<b>NET ASSETS</b>		<u>501,166</u>	<u>426,627</u>
<b>Funds</b>	14		
Unrestricted funds		<u>501,166</u>	<u>426,627</u>
<b>Total funds</b>		<u>501,166</u>	<u>426,627</u>

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

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

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 9<sup>th</sup> May 2022 and were signed on its behalf by:

Faiza Akram - Trustee

The notes form part of these financial statements

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 2019)', 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.

**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.

Fixture and fittings - 25% on 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. 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 includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2021

1. Accounting policies - continued

**Resources expended**

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Investment income

	2021	2020
	£	£
Deposit account interest	<u>1,844</u>	<u>2,020</u>

4. Income from charitable activities

	2021	2020
	£	£
Fees	<u>208,201</u>	<u>248,113</u>
<b>Activity</b>		
Charitable activities		

5. Charitable activities costs

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Charitable activities	<u>137,486</u>	<u>11,560</u>	<u>149,046</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2021

6. Direct costs of charitable activities

	2021 £	2020 £
Staff costs	107,587	120,680
Repairs and Maintenance	1,215	984
Rent	24,000	24,000
Postage and stationery	511	246
Advertising	250	-
Toys, books and games	2,057	2,456
Food	866	1,580
Donations	<u>1,000</u>	<u>-</u>
	<u>137,486</u>	<u>149,946</u>

7. Support costs

	Management £	Governance costs £	Totals £
Charitable activities	<u>5,130</u>	<u>6,430</u>	<u>11,560</u>

Support costs, included in the above, are as follows:

	2021 Charitable activities £	2020 Total activities £
Insurance	840	103
Telephone	307	612
Sundry expenses	393	863
Recruitment costs	-	121
Cleaning	1,218	572
Training costs	989	(3,153)
Computer costs	172	246
Depreciation of tangible and heritage assets	1,211	928
Accountancy and legal fees	4,414	3,703
Legal fees	1,380	261
Professional Fees	<u>636</u>	<u>-</u>
	<u>11,560</u>	<u>4,256</u>

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	1,211	928
Hire of plant and machinery	1,215	984
Other operating leases	<u>24,000</u>	<u>24,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MAY 2021

**9. Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 May 2021 nor for the year ended 31 May 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 May 2021 nor for the year ended 31 May 2020.

**10. Staff costs**

	<b>2021</b>	<b>2020</b>
	£	£
Wages and salaries	106,282	117,553
Social security costs	743	2,522
Other pension costs	<u>562</u>	<u>605</u>
	<u>107,587</u>	<u>120,680</u>

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

<b>2021</b>	<b>2020</b>
<u>12</u>	<u>11</u>

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

**11. Tangible fixed assets**

	<b>Fixtures and fittings £</b>
<b>Cost</b>	
At 1 June 2020	8,430
Additions	<u>2,114</u>
At 31 May 2021	<u>10,544</u>
<b>Depreciation</b>	
At 1 June 2020	5,647
Charge for year	<u>1,211</u>
At 31 May 2021	<u>6,858</u>
<b>Net book value</b>	
At 31 May 2021	<u>3,686</u>
At 31 May 2020	<u>2,783</u>

12. Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	401,495	-
Prepayments	<u>988</u>	<u>840</u>
	<u>402,483</u>	<u>840</u>

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Social security and other taxes	9,842	1,764
Other creditors	105	127
Accruals and deferred income	<u>1,734</u>	<u>1,500</u>
	<u>11,681</u>	<u>3,391</u>

14. Movement in funds

	At 1.6.20 £	Net movement in funds £	At 31.5.21 £
<b>Unrestricted funds</b>			
General fund	426,627	74,539	501,166
	<u>426,627</u>	<u>74,539</u>	<u>501,166</u>
<b>TOTAL FUNDS</b>	<u>426,627</u>	<u>74,539</u>	<u>501,166</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	223,585	(149,046)	74,539
	<u>223,585</u>	<u>(149,046)</u>	<u>74,539</u>
<b>TOTAL FUNDS</b>	<u>223,585</u>	<u>(149,046)</u>	<u>74,539</u>

Comparatives for movement in funds

	At 1.6.19 £	Net movement in funds £	At 31.5.20 £
<b>Unrestricted funds</b>			
General fund	319,903	106,724	426,627
	<u>319,903</u>	<u>106,724</u>	<u>426,627</u>
<b>TOTAL FUNDS</b>	<u>319,903</u>	<u>106,724</u>	<u>426,627</u>

**14. Movement in funds - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	263,687	(156,963)	106,724
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>263,687</u>	<u>(156,963)</u>	<u>106,724</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.6.19 £	Net movement in funds £	At 31.5.21 £
<b>Unrestricted funds</b>			
General fund	319,903	181,263	501,166
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>319,903</u>	<u>181,263</u>	<u>501,166</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	487,272	(306,009)	181,263
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>487,272</u>	<u>(306,009)</u>	<u>181,263</u>

**15. Capital commitments**

There were no capital commitments authorised or contracted for the year ended 31 May 2021.

**16. Related party disclosures**

There were no related party transactions for the year ended 31 May 2021.

**17. Company limited by guarantee**

Happy Children Ltd is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**18. Control**

The charity is under the control of the trustees.