

# LONGTOWN CHILDCARE TRUST LIMITED

England & Wales · Charity number 1164075

## Details

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**Other names** PEAR TREE NURSERY

**Status** Registered

**Legal form** Charitable company

**Company number** [05758223](#)

**Registered** 2015-10-22

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Pear Tree Nursery  
Longtown  
Carlisle  
CA6 5UG

**Phone** 01228791005

**Email** [peartreenursery@btconnect.com](mailto:peartreenursery@btconnect.com)

## Activities

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**Objects:** TO ENHANCE THE DEVELOPMENT AND EDUCATION OF CHILDREN PRIMARILY UNDER STATUTORY SCHOOL AGE BY OFFERING APPROPRIATE PLAY, EDUCATION AND CARE FACILITIES IN AND AROUND LONGTOWN.

**Activities:** We are a day nursery providing full and part-time childcare for children from 3 months to 4 years. We provide wrap-around care for school age children and a holiday club in school holidays. We are a non-profit making organisation and are run by a voluntary board of trustees.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, People With Disabilities

## Geography

- Cumbria

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£363,976	£322,740	-	-
2024-03-31	£289,902	£310,742	-	-
2023-03-31	£294,373	£287,386	-	-
2022-03-31	£231,889	£223,709	-	-
2021-03-31	£179,333	£178,207	-	-

## Trustees

Name	Role	Appointed
Alison Blair		2018-10-10
Kathryne Lamb		2015-06-10
Lorna Hogg		2019-03-13
MRS LIZ WOOD		2014-07-29

**LONGTOWN CHILDCARE TRUST LIMITED**

England & Wales - Charity number 1164075

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# Accounts

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**Charity registration number 1164075 (England and Wales)**

**Company registration number 05758223**

**LONGTOWN CHILDCARE TRUST LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**



# LONGTOWN CHILDCARE TRUST LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs K Lamb Mrs E Wood Mrs A Blair Mrs L Hogg
<b>Key Management Personnel</b>	A Blair C Wigham C Highmore
<b>Charity number (England and Wales)</b>	1164075
<b>Company number</b>	05758223
<b>Registered office</b>	Pear Tree Nursery Mary Street Longtown Carlisle CA6 5UG
<b>Independent examiner</b>	Stuart Farrer BA(Hons), FCA, DChA Sterling House 3 Wavell Drive Rosehill Carlisle Cumbria CA1 2SA
<b>Bankers</b>	Cumberland Building Society Cumberland House Cooper Way Parkhouse Carlisle CA3 0JF  HSBC Bank Plc Agriculture 325 Kingstown Road CARLISLE Cumbria CA3 0BJ

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# LONGTOWN CHILDCARE TRUST LIMITED

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# LONGTOWN CHILDCARE TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

**FOR THE YEAR ENDED 31 MARCH 2025**

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The trustees present their annual report and financial statements for the year ended 31 March 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 Charities Act 2011, the Companies Act 2006 and "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**

To provide after school care and to be in operation if the provision offered by Longtown Day Nursery was discontinued whereby Longtown Childcare Trust would take over the management of this provision.

1. To continue to provide high quality sustainable childcare.
2. To consolidate financial security.

### *Strategies for achieving aims and objectives*

In order for the trust to achieve its objectives it must preserve its current good OFSTED inspection and maintain the experienced and efficient management team.

### *Public benefit*

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

### **Achievements and performance**

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

Longtown Childcare Trust Limited is a charity and is a company limited by guarantee. It is registered with Companies House and the Charities Commission. It provides nursery services for children from birth to school age. In addition, it provides before and after school childcare and holiday club services for primary school age children.

A profit of £41,236 was made in this financial year. This is an increase of £62,076 from the loss made last year which was £20,840.

We cut back on spending due to last years loss. 2 year olds received 15 hours per week government funded as of April 2024 and 9 month olds received theirs as of September 2024. All children will receive 30 funded hours per week as of September 2025. We get a higher hourly rate for funded children than what we would charge.

Some larger equipment we needed to buy included Sand/water table, washing machine, stackable beds, freezer, cot.

### **Financial review**

Overall, in the financial year ended 31 March 2025, Pear Tree Nursery has made a profit of £41,236 compared to last year's loss of £20,840. The total funds carried forward for this year are therefore up by this amount from the previous year.

### *Reserves policy*

The trustee's intention is to build a reserve of a maximum of 6 months regular outgoings. This is kept in a separate, interest-bearing account. The total amount of reserves at the year end was £151,817, which is all included within unrestricted funds.

# LONGTOWN CHILDCARE TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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### *Major risks*

The Trustees consider that the major risks to which the charity is exposed are:

- Risk to income (e.g. drop in fee income affecting business viability);
- Risk to financial assets;
- Loss of data;
- Risk of accidents and incidents;
- Risk to reputation and consequential loss of business and funding streams (e.g. an inadequate OFSTED inspection).

The steps taken to mitigate the risks set out above are:

- Flexibility of staff hours together with robust forward forecasting of expected take up of places;
- Internal administrative and financial controls are in place and implemented;
- Trustees regularly monitor finances;
- Records are stored in computerised and paper formats and computer data is backed up regularly;
- Insurance is in place covering business contents, employers' liability and public liability;
- All staff have up to date safeguarding, first aid and food hygiene training;
- Risk assessments and policies are in place and reviewed regularly;
- All staff, Trustees, volunteers and students have a current DBS check in place and are encouraged to join the DBS update service;
- All staff have regular supervision meetings with the manager so safeguarding, training, concerns and health issues e.g. medication can be discussed

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

The Charity is a company limited by guarantee and governed by its Memorandum and Articles of association.

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:

Mrs K Lamb  
Mrs E Wood  
Mrs A Blair  
Mrs L Hogg

### *Recruitment and appointment of trustees*

- Undertake a skills audit of existing board members
- Consider the diversity of the Board, and the representation from different sections of the community
- Produce a job description and person specification
- Compile an information pack
- Check governing documents
- Make verbal enquiries of likely candidates
- Place an advert in:
  - Parents newsletter
  - Local publications
  - Appropriate newspaper/internet site
- Check candidates' eligibility
- Interview candidates
- Appoint trustee, following up references and CRB checks
- Conduct formal induction

# LONGTOWN CHILDCARE TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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### *Organisational structure*

The decision-making powers are invested in the board of Trustees. We have a Childcare Manager and a Finance Administrator as well as a Deputy Manager/Room Supervisor and two other Room Supervisors. There are also seven childcare staff and additional support from student volunteers.

### *Induction and training of trustees*

Induction pack of information and policies which includes:

- Governing documents
- Policies
- Annual Report
- Minutes of former meetings
- Induction tour and introductions
- Individual working with Business and Childcare Manager

The trustees' report was approved by the Board of Trustees.



Mrs E Wood

Trustee



Mrs L Hogg

Trustee

Date: 24/11/2025

# **LONGTOWN CHILDCARE TRUST LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2025***

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The trustees, who are also the directors of Longtown Childcare Trust Limited 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 trust 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust 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 trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# LONGTOWN CHILDCARE TRUST LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF LONGTOWN CHILDCARE TRUST LIMITED

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I report to the trustees on my examination of the financial statements of Longtown Childcare Trust Limited (the trust) for the year ended 31 March 2025.

#### Responsibilities and basis of report

As the trustees of the trust (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 trust 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 trust'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 trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, 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 trust 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.



**Stuart Farrer BA(Hons), FCA, DChA**

Sterling House

3 Wavell Drive

Rosehill

Carlisle

Cumbria

CA1 2SA

Date: 5.12.25

# LONGTOWN CHILDCARE TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>Income from:</b>					
Donations and legacies	3	422	497	737	1,234
Charitable activities	4	361,833	287,876	-	287,876
Investments	5	1,721	1,529	-	1,529
<b>Total income</b>		<u>363,976</u>	<u>289,902</u>	<u>737</u>	<u>290,639</u>
<b>Expenditure on:</b>					
Charitable activities	6	322,740	310,742	737	311,479
<b>Total expenditure</b>		<u>322,740</u>	<u>310,742</u>	<u>737</u>	<u>311,479</u>
<b>Net income/(expenditure) and movement in funds</b>		41,236	(20,840)	-	(20,840)
<b>Reconciliation of funds:</b>					
Fund balances at 1 April 2024		<u>110,581</u>	<u>131,421</u>	<u>-</u>	<u>131,421</u>
<b>Fund balances at 31 March 2025</b>		<u>151,817</u>	<u>110,581</u>	<u>-</u>	<u>110,581</u>

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

# LONGTOWN CHILDCARE TRUST LIMITED

## BALANCE SHEET AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		34,676		37,727
<b>Current assets</b>					
Debtors	13	1,644		3,717	
Cash at bank and in hand		132,120		84,819	
		<u>133,764</u>		<u>88,536</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(10,619)</u>		<u>(12,181)</u>	
<b>Net current assets</b>			<u>123,145</u>		<u>76,355</u>
<b>Total assets less current liabilities</b>			<u>157,821</u>		<u>114,082</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(2,925)		-
Deferred income	16		(3,079)		(3,501)
<b>Net assets</b>			<u>151,817</u>		<u>110,581</u>
<b>The funds of the trust</b>					
Unrestricted funds	19		<u>151,817</u>		<u>110,581</u>
			<u>151,817</u>		<u>110,581</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 March 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 24/11/2025

  
.....  
Mrs E Wood  
Trustee

  
.....  
Mrs L Hogg  
Trustee

Company registration number 05758223 (England and Wales)

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2025*

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### 1 Accounting policies

#### Charity information

Longtown Childcare Trust Limited is a public benefit entity and a private company limited by guarantee incorporated in England and Wales. The registered office is Pear Tree Nursery, Mary Street, Longtown, Carlisle, CA6 5UG.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the trust's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The trust is a Public Benefit Entity as defined by FRS 102.

The trust 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 entity

The financial statements have been prepared under the historical cost convention. 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 trust 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 trust.

#### 1.4 Income

Income is recognised when the trust 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 trust 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 trust 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.

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 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:

Leasehold land and buildings	10% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance
Computers	25% straight line

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 trust 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 trust 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 trust's balance sheet when the trust 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.

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

(Continued)

#### **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.

#### **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 trust'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 trust 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 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**LONGTOWN CHILDCARE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**3 Income from donations and legacies**

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Grants	422	-	422	497	737	1,234
	<u>422</u>	<u>-</u>	<u>422</u>	<u>497</u>	<u>737</u>	<u>1,234</u>
<b>Grants</b>						
Other	422	-	422	497	737	1,234
	<u>422</u>	<u>-</u>	<u>422</u>	<u>497</u>	<u>737</u>	<u>1,234</u>

**4 Income from charitable activities**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Nursery Fees</b>		
Services provided under contract	361,833	287,876
	<u>361,833</u>	<u>287,876</u>

**5 Income from investments**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	1,721	1,529
	<u>1,721</u>	<u>1,529</u>

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

**6 Expenditure on charitable activities**

	<b>Charitable Expenditure 2025 £</b>	<b>Charitable Expenditure 2024 £</b>
<b>Direct costs</b>		
Staff costs	250,577	237,941
Rates	20,146	25,128
Insurance	1,419	1,347
Staff Training Fees	673	1,075
Cleaning	2,890	2,583
Food and Consumables	17,066	15,149
Sundry	4,335	3,990
	297,106	287,213
<b>Share of support and governance costs (see note 7)</b>		
Support	23,064	21,775
Governance	2,570	2,491
	322,740	311,479
<b>Analysis by fund</b>		
Unrestricted funds	322,740	310,742
Restricted funds	-	737
	322,740	311,479

**7 Support costs allocated to activities**

	<b>2025 £</b>	<b>2024 £</b>
Depreciation	6,484	6,209
Sundry Expenses	4,469	5,831
Cleaning	7,575	6,070
Repairs and Maintenance	1,792	1,127
Printing, Postage and Stationery	1,168	716
Bank Charges	785	697
Telephone	791	1,125
Governance costs	2,570	2,491
	25,634	24,266
<b>Analysed between:</b>		
Charitable Expenditure	25,634	24,266

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

<b>8</b>	<b>Net movement in funds</b>	<b>2025</b>	<b>2024</b>
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable to the charity's independent examiner:		
	- for the independent examination of the charity's financial statements	685	665
	- for other financial services	1,947	1,924
	Depreciation of owned tangible fixed assets	6,484	6,209
		6,484	6,209

**9 Trustees**

One trustee has been paid remuneration or has received other benefits from employment with the trust. The trustee only receives remuneration in respect of services they provide undertaking the roles of Nursery Manager under their contract of employment and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Blair (Nursery Manager and Trustee):

- Remuneration £20,000 - £24,999 (2024: £20,000 - £24,999)
- Employer's pension contributions paid £0 - £4,999 (2024: £0 - £4,999)

No trustee expenses have been incurred.

**10 Employees**

The average monthly number of employees during the year was:

	2025		2024
	Number		Number
	14		15
	14		15

	2025		2024
	£		£
<b>Employment costs</b>			
Wages and salaries	239,098		224,212
Social security costs	7,174		9,258
Other pension costs	4,305		4,471
	250,577		237,941

**Key Management Personnel**

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £84,216 (2024: £77,511).

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

**10 Employees** **(Continued)**

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

**11 Taxation**

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

**12 Tangible fixed assets**

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2024	58,536	8,449	40,948	3,130	111,063
Additions	-	-	862	2,572	3,434
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	58,536	8,449	41,810	5,702	114,497
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>					
At 1 April 2024	33,183	7,367	31,555	1,232	73,337
Depreciation charged in the year	3,845	162	1,478	999	6,484
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2025	37,028	7,529	33,033	2,231	79,821
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>					
At 31 March 2025	21,508	920	8,777	3,471	34,676
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2024	25,353	1,082	9,393	1,899	37,727
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**13 Debtors**

	<b>2025</b>	<b>2024</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,644	3,717
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2025</b>	<b>2024</b>
	£	£
Other taxation and social security	3,824	3,797
Trade creditors	1,876	4,844
Other creditors	928	991
Accruals	3,991	2,549
	<hr/>	<hr/>
	10,619	12,181
	<hr/> <hr/>	<hr/> <hr/>

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

**15 Creditors: amounts falling due after more than one year**

	Notes	2025 £	2024 £
Deferred income	16	2,925	-
		<u>2,925</u>	<u>-</u>

**16 Deferred income**

	2025 £	2024 £
Arising from government grants	3,079	3,501
Other deferred income	2,925	-
	<u>6,004</u>	<u>3,501</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Non-current liabilities	2,925	-
Shown as deferred income on the face of the balance sheet	3,079	3,501
	<u>6,004</u>	<u>3,501</u>
Movements in the year:		
Deferred income at 1 April 2024	3,501	3,998
Released from previous periods	(422)	(497)
Resources deferred in the year	2,925	-
	<u>6,004</u>	<u>3,501</u>

**17 Retirement benefit schemes**

	2025 £	2024 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	4,305	4,471
	<u>4,305</u>	<u>4,471</u>

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund.

**LONGTOWN CHILDCARE TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2025**

**18 Restricted funds**

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

<b>Previous year:</b>	<b>At 1 April 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Pupil premium	-	737	(737)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**19 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.

	<b>At 1 April 2024</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 March 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	110,581	363,976	(322,740)	151,817
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 April 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	131,421	289,902	(310,742)	110,581
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**20 Analysis of net assets between funds**

	<b>Unrestricted funds 2025</b>
	<b>£</b>
<b>At 31 March 2025:</b>	
Tangible assets	34,676
Current assets/(liabilities)	123,145
Long term liabilities	(2,925)
Provisions and deferred income	(3,079)
	<u>          </u>
	<u>151,817</u>

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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**20 Analysis of net assets between funds**

**(Continued)**

	<b>Unrestricted funds 2024 £</b>
<b>At 31 March 2024:</b>	
Tangible assets	37,727
Current assets/(liabilities)	76,355
Provisions and deferred income	(3,501)
	<hr/>
	110,581
	<hr/> <hr/>

**21 Related party transactions**

Other than as already disclosed in note 9, there were no other disclosable transactions with the related parties (2024: Other than as already disclosed in note 9, there were no other disclosable transactions with the related parties).



**LONGTOWN CHILDCARE TRUST LIMITED**

England & Wales - Charity number 1164075

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# Accounts

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Charity registration number 1164075 (England and Wales)

Company registration number 05758223

**LONGTOWN CHILDCARE TRUST LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

# LONGTOWN CHILDCARE TRUST LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs K Lamb Mrs E Wood Mrs A Blair Mrs L Hogg
<b>Key Management Personnel</b>	A Blair C Wigham C Highmore
<b>Charity number (England and Wales)</b>	1164075
<b>Company number</b>	05758223
<b>Registered office</b>	Pear Tree Nursery Mary Street Longtown Carlisle CA6 5UG
<b>Independent examiner</b>	Stuart Farrer BA(Hons), FCA, DChA Sterling House 3 Wavell Drive Rosehill Carlisle Cumbria CA1 2SA
<b>Bankers</b>	Cumberland Building Society Cumberland House Cooper Way Parkhouse Carlisle CA3 0JF  HSBC Bank Plc Agriculture 325 Kingstown Road CARLISLE Cumbria CA3 0BJ

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# LONGTOWN CHILDCARE TRUST LIMITED

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Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 16

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**LONGTOWN CHILDCARE TRUST LIMITED**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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The trustees present their annual report and financial statements for the year ended 31 March 2024.

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 Charities Act 2011, the Companies Act 2006 and "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**

To provide after school care and to be in operation if the provision offered by Longtown Day Nursery was discontinued whereby Longtown Childcare Trust would take over the management of this provision.

1. To continue to provide high quality sustainable childcare.
2. To consolidate financial security.

*Strategies for achieving aims and objectives*

In order for the trust to achieve its objectives it must preserve its current good OFSTED inspection and maintain the experienced and efficient management team.

*Public benefit*

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

**Achievements and performance**

*Significant activities and achievements against objectives*

Longtown Childcare Trust Limited is a charity and is a company limited by guarantee. It is registered with Companies House and the Charities Commission. It provides nursery services for children from birth to school age. In addition, it provides before and after school childcare and holiday club services for primary school age children.

A loss of £20,840 was made in this financial year. This is a decrease of £27,827 from the profit made last year which was £6,987.

We are at a greater loss this year due to having two members of staff on maternity leave and being overstaffed on their return. Our playground has been improved with a new fenced area to include a shelter. We have had an extra toilet built into the Preschool room which has made a huge improvement. We have updated our computers and telephones to stay up to date with current software.

As of April & September 2024, most of our children are now funded through the new government funding scheme for working parents. We receive a higher rate for this per hour than what we would charge.

**Financial review**

Overall, in the financial year ended 31 March 2024, Pear Tree Nursery has made a loss of £20,840 compared to last year's profit of £6,987. The total funds carried forward for this year are therefore down by this amount from the previous year.

*Reserves policy*

The trustee's intention is to build a reserve of a maximum of 6 months regular outgoings. This is kept in a separate, interest-bearing account. The total amount of reserves at the year end was £110,581, which is all included within unrestricted funds.

# LONGTOWN CHILDCARE TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

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### *Major risks*

The Trustees consider that the major risks to which the charity is exposed are:

- Risk to income (e.g. drop in fee income affecting business viability);
- Risk to financial assets;
- Loss of data;
- Risk of accidents and incidents;
- Risk to reputation and consequential loss of business and funding streams (e.g. an inadequate OFSTED inspection).

The steps taken to mitigate the risks set out above are:

- Flexibility of staff hours together with robust forward forecasting of expected take up of places;
- Internal administrative and financial controls are in place and implemented;
- Trustees regularly monitor finances;
- Records are stored in computerised and paper formats and computer data is backed up regularly;
- Insurance is in place covering business contents, employers' liability and public liability;
- All staff have up to date safeguarding, first aid and food hygiene training;
- Risk assessments and policies are in place and reviewed regularly;
- All staff, Trustees, volunteers and students have a current DBS check in place and are encouraged to join the DBS update service;
- All staff have regular supervision meetings with the manager so safeguarding, training, concerns and health issues e.g. medication can be discussed

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

The Charity is a company limited by guarantee and governed by its Memorandum and Articles of association.

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:

Mrs K Lamb

Mrs E Wood

Mrs A Blair

Mrs L Hogg

### *Recruitment and appointment of trustees*

- Undertake a skills audit of existing board members
- Consider the diversity of the Board, and the representation from different sections of the community
- Produce a job description and person specification
- Compile an information pack
- Check governing documents
- Make verbal enquiries of likely candidates
- Place an advert in:
  - Parents newsletter
  - Local publications
  - Appropriate newspaper/internet site
- Check candidates' eligibility
- Interview candidates
- Appoint trustee, following up references and CRB checks
- Conduct formal induction

# LONGTOWN CHILDCARE TRUST LIMITED

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

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### *Organisational structure*

The decision-making powers are invested in the board of Trustees. We have a Childcare Manager and a Finance Administrator as well as a Deputy Manager/Room Supervisor and two other Room Supervisors. There are also seven childcare staff and additional support from student volunteers.

### *Induction and training of trustees*

Induction pack of information and policies which includes:

- Governing documents
- Policies
- Annual Report
- Minutes of former meetings
- Induction tour and introductions
- Individual working with Business and Childcare Manager

The trustees' report was approved by the Board of Trustees.

Mrs E Wood  
**Trustee**

Mrs L Hogg  
**Trustee**

17 December 2024

# **LONGTOWN CHILDCARE TRUST LIMITED**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2024***

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The trustees, who are also the directors of Longtown Childcare Trust Limited 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 trust 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust 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 trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**LONGTOWN CHILDCARE TRUST LIMITED**

**INDEPENDENT EXAMINER'S REPORT**

**TO THE TRUSTEES OF LONGTOWN CHILDCARE TRUST LIMITED**

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I report to the trustees on my examination of the financial statements of Longtown Childcare Trust Limited (the trust) for the year ended 31 March 2024.

**Responsibilities and basis of report**

As the trustees of the trust (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 trust 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 trust'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 trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, 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 trust 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.

**Stuart Farrer BA(Hons), FCA, DChA**

Sterling House  
3 Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA  
18 December 2024

# LONGTOWN CHILDCARE TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £
<b>Income from:</b>					
Donations and legacies	3	497	737	1,234	934
Charitable activities	4	287,876	-	287,876	292,681
Investments	5	1,529	-	1,529	758
<b>Total income</b>		289,902	737	290,639	294,373
<b>Expenditure on:</b>					
Charitable activities	6	310,742	737	311,479	287,386
<b>Total expenditure</b>		310,742	737	311,479	287,386
<b>Net income/(expenditure) and movement in funds</b>		(20,840)	-	(20,840)	6,987
<b>Reconciliation of funds:</b>					
Fund balances at 1 April 2023		131,421	-	131,421	124,434
<b>Fund balances at 31 March 2024</b>		110,581	-	110,581	131,421

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

# LONGTOWN CHILDCARE TRUST LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2024

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	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Tangible assets	12		37,727		37,746
<b>Current assets</b>					
Debtors	13	3,717		2,923	
Cash at bank and in hand		84,819		107,052	
		<u>88,536</u>		<u>109,975</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(12,181)</u>		<u>(12,302)</u>	
<b>Net current assets</b>			<u>76,355</u>		<u>97,673</u>
<b>Total assets less current liabilities</b>			114,082		135,419
Deferred income	15		<u>(3,501)</u>		<u>(3,998)</u>
<b>The funds of the trust</b>					
Unrestricted funds	18		<u>110,581</u>		<u>131,421</u>
			<u>110,581</u>		<u>131,421</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 March 2024.

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 17 December 2024

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

Company registration number 05758223 (England and Wales)

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024

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#### 1 Accounting policies

##### Charity information

Longtown Childcare Trust Limited is a public benefit entity and a private company limited by guarantee incorporated in England and Wales. The registered office is Pear Tree Nursery, Mary Street, Longtown, Carlisle, CA6 5UG.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The trust is a Public Benefit Entity as defined by FRS 102.

The trust 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 entity

The financial statements have been prepared under the historical cost convention. 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 trust 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 trust.

##### 1.4 Income

Income is recognised when the trust 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 trust 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 trust 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.

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 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:

Leasehold land and buildings	10% straight line
Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance
Computers	25% straight line

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 trust 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 trust 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 trust's balance sheet when the trust 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.

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

(Continued)

#### **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.

#### **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 trust'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 trust 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 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

**3 Income from donations and legacies**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Grants	497	737	1,234	934	-	934
	<u>497</u>	<u>737</u>	<u>1,234</u>	<u>934</u>	<u>-</u>	<u>934</u>
<b>Grants</b>						
Grants Amortisation	-	-	-	584	-	584
Government grant income - CJRS	-	-	-	350	-	350
Other	497	737	1,234	-	-	-
	<u>497</u>	<u>737</u>	<u>1,234</u>	<u>934</u>	<u>-</u>	<u>934</u>

**4 Income from charitable activities**

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Nursery Fees</b>		
Services provided under contract	287,876	292,681
	<u>287,876</u>	<u>292,681</u>

**5 Income from investments**

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	1,529	758
	<u>1,529</u>	<u>758</u>

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### 6 Expenditure on charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
<b>Direct costs</b>		
Staff costs	237,941	214,786
Rates	25,128	26,429
Insurance	1,347	1,214
Staff Training Fees	1,075	225
Cleaning	2,583	2,091
Food and Consumables	15,149	17,051
Sundry	3,990	6,127
	287,213	267,923
<b>Share of support and governance costs (see note 7)</b>		
Support	21,775	16,834
Governance	2,491	2,629
	311,479	287,386
	311,479	287,386
<b>Analysis by fund</b>		
Unrestricted funds	310,742	287,386
Restricted funds	737	-
	311,479	287,386
	311,479	287,386

### 7 Support costs allocated to activities

	2024 £	2023 £
Depreciation	6,209	5,534
Sundry Expenses	5,831	6,590
Cleaning	6,070	2,481
Repairs and Maintenance	1,127	1,040
Printing, Postage and Stationery	716	551
Bank Charges	697	-
Telephone	1,125	638
Governance costs	2,491	2,629
	24,266	19,463
	24,266	19,463
<b>Analysed between:</b>		
Charitable Expenditure	24,266	19,463
	24,266	19,463

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

<b>8</b>	<b>Net movement in funds</b>	<b>2024</b>	<b>2023</b>
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable to the charity's independent examiner:		
	- for the independent examination of the charity's financial statements	665	2,495
	- for other financial services	1,924	-
	Depreciation of owned tangible fixed assets	6,209	5,534
		<u>          </u>	<u>          </u>

## 9 Trustees

One trustee has been paid remuneration or has received other benefits from employment with the trust. The trustee only receives remuneration in respect of services they provide undertaking the roles of Nursery Manager under their contract of employment and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Blair (Nursery Manager and Trustee):

- Remuneration £20,000 - £24,999 (2023: £15,000 - £19,999)
- Employer's pension contributions paid £0 - £4,999 (2023: £0 - £4,999)

No trustee expenses have been incurred.

## 10 Employees

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
	15	17
	<u>          </u>	<u>          </u>

<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	224,212	203,256
Social security costs	9,258	7,903
Other pension costs	4,471	3,627
	<u>          </u>	<u>          </u>
	237,941	214,786
	<u>          </u>	<u>          </u>

### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £77,511 (2023: £58,524).

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### 10 Employees

(Continued)

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

### 11 Taxation

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

### 12 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2023	56,856	8,449	38,548	1,020	104,873
Additions	1,680	-	2,400	2,110	6,190
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	58,536	8,449	40,948	3,130	111,063
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>					
At 1 April 2023	29,338	7,176	29,935	678	67,127
Depreciation charged in the year	3,845	191	1,620	553	6,209
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2024	33,183	7,367	31,555	1,231	73,336
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>					
At 31 March 2024	25,353	1,082	9,393	1,899	37,727
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2023	27,518	1,273	8,613	342	37,746
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### 13 Debtors

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	3,717	1,901
Prepayments and accrued income	-	1,022
	<hr/>	<hr/>
	3,717	2,923
	<hr/> <hr/>	<hr/> <hr/>

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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

	2024	2023
	£	£
Other taxation and social security	3,797	4,210
Trade creditors	4,844	5,284
Other creditors	991	976
Accruals and deferred income	2,549	1,832
	<u>12,181</u>	<u>12,302</u>

### 15 Government grants

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Shown as deferred income on the face of the balance sheet	<u>3,501</u>	<u>3,998</u>
Movements in the year:		
Deferred income at 1 April 2023	3,998	4,582
Released from previous periods	(497)	(584)
Deferred income at 31 March 2024	<u>3,501</u>	<u>3,998</u>

### 16 Retirement benefit schemes

	2024	2023
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>4,471</u>	<u>3,627</u>

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund.

### 17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
Pupil premium	-	737	(737)	-
	<u>-</u>	<u>737</u>	<u>(737)</u>	<u>-</u>

# LONGTOWN CHILDCARE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 18 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 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
General funds	131,421	289,902	(310,742)	110,581
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 April 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 March 2023</b>
	£	£	£	£
General funds	124,434	294,373	(287,386)	131,421
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 19 Analysis of net assets between funds

	<b>Unrestricted funds 2024</b>
	<b>£</b>
<b>At 31 March 2024:</b>	
Tangible assets	37,727
Current assets/(liabilities)	76,355
Provisions and deferred income	(3,501)
	<u>          </u>
	110,581
	<u>          </u>
	<b>Unrestricted funds 2023</b>
	<b>£</b>
<b>At 31 March 2023:</b>	
Tangible assets	37,746
Current assets/(liabilities)	97,673
Provisions and deferred income	(3,998)
	<u>          </u>
	131,421
	<u>          </u>

#### 20 Related party transactions

Other than as already disclosed in note 9, there were no other disclosable transactions with the related parties (2023: Trustee Mrs A Blair's child attended the nursery. The trustee did not receive any special rates or discounts).

**LONGTOWN CHILDCARE TRUST LIMITED**

England & Wales - Charity number 1164075

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# Accounts

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COMPANY REGISTRATION NUMBER: 05758223

CHARITY REGISTRATION NUMBER: 1164075

**Longtown Childcare Trust Limited**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2023**

**SAINT & CO**

Chartered accountants  
Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

# Longtown Childcare Trust Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

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Statement of financial activities (including income and expenditure account)	<b>8</b>
Statement of financial position	<b>9</b>
Notes to the financial statements	<b>10</b>

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

#### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Registered charity name</b>	Longtown Childcare Trust Limited
<b>Charity registration number</b>	1164075
<b>Company registration number</b>	05758223
<b>Principal office and registered office</b>	Pear Tree Nursery Mary Street Longtown Carlisle Cumbria CA6 5UG

<b>THE TRUSTEES</b>	Mrs K Lamb Mrs E Wood Mrs A Blair Mrs L Hogg
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<b>KEY MANAGEMENT PERSONNEL</b>	A Blair C Wigham C Highmore
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<b>BANKERS</b>	HSBC Bank Plc 325 Kingstown Road Carlisle Cumbria CA3 0BJ
	Cumberland Building Society Cumberland House Cooper Way Carlisle CA3 0JF

<b>INDEPENDENT EXAMINER</b>	Mr Stuart Farrer FCA Saint & Co Chartered Accountants Sterling House Wavell Drive Rosehill Carlisle Cumbria CA1 2SA
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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Charity is a company limited by guarantee and governed by its Memorandum and Articles of association.

##### **Power for appointment of Trustees**

The power of appointing new Trustees is in accordance with the governing document.

##### **Method of appointing Trustees**

- Undertake a skills audit of existing board members
- Consider the diversity of the Board, and the representation from different sections of the community
- Produce a job description and person specification
- Compile an information pack
- Check governing documents
- Make verbal enquiries of likely candidates
- Place an advert in:
  - Parents newsletter
  - Local publications
  - Appropriate newspaper/internet site
- Check candidates' eligibility
- Interview candidates
- Appoint trustee, following up references and CRB checks
- Conduct formal induction

##### **Organisation**

The decision-making powers are invested in the board of Trustees. We have a Childcare Manager and a Finance Administrator as well as a Deputy Manager/Room Supervisor and two other Room Supervisors. There are also seven childcare staff and additional support from student volunteers.

##### **Training and induction of Trustees**

Induction pack of information and policies which includes:

- Governing documents
  - Policies
  - Annual Report
  - Minutes of former meetings
  - Induction tour and introductions
  - Individual working with Business and Childcare Manager
-

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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#### OBJECTIVES AND ACTIVITIES

##### Objectives and policies

To provide after school care and to be in operation if the provision offered by Longtown Day Nursery was discontinued whereby Longtown Childcare Trust would take over the management of this provision.

##### Aims

1. To continue to provide high quality sustainable childcare.
2. To consolidate financial security.

##### Factors relevant to the charity being able to achieve its objectives

In order for the trust to achieve its objectives it must preserve its current good OFSTED inspection and maintain the experienced and efficient management team.

##### Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives.

#### ACHIEVEMENTS AND PERFORMANCE

Longtown Childcare Trust Limited is a charity and is a company limited by guarantee. It is registered with Companies House and the Charities Commission. It provides nursery services for children from birth to school age. In addition, it provides before and after school childcare and holiday club services for primary school age children.

A surplus of £6,987 was made in this financial year. This is a decrease of £1,193 from the profit made last year which was £8,180.

Air conditioning was installed in July 2022 at a cost of £15,433.13 This has made a huge improvement in summer months for staff and children.

We are working on improving the playground so that the children have a better variety of activities.

The nursery is much busier than previous years and is at full capacity.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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#### FINANCIAL REVIEW

##### Review of performance

Overall, in the financial year 2022 - 2023, Pear Tree Nursery has made a surplus of £6,987 compared to last year's profit of £8,180. The total funds carried forward for this year are therefore up by this amount from the previous year.

##### Reserves policy

The trustee's intention is to build a reserve of a maximum of 6 months regular outgoings. This is kept in a separate, interest-bearing account. The total amount of reserves at the year end was £131,421, which is all included within unrestricted funds.

##### Accounts presentation

The accounts have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

##### Risk recognition

The Trustees consider that the major risks to which the charity is exposed are:

- Risk to income (e.g. drop in fee income affecting business viability);
- Risk to financial assets;
- Loss of data;
- Risk of accidents and incidents;
- Risk to reputation and consequential loss of business and funding streams (e.g. an inadequate OFSTED inspection).

The steps taken to mitigate the risks set out above are:

- Flexibility of staff hours together with robust forward forecasting of expected take up of places;
- Internal administrative and financial controls are in place and implemented;
- Trustees regularly monitor finances;
- Records are stored in computerised and paper formats and computer data is backed up regularly;
- Insurance is in place covering business contents, employers' liability and public liability;
- All staff have up to date safeguarding, first aid and food hygiene training;
- Risk assessments and policies are in place and reviewed regularly;
- All staff, Trustees, volunteers and students have a current DBS check in place and are encouraged to join the DBS update service;
- All staff have regular supervision meetings with the manager so safeguarding, training, concerns and health issues e.g. medication can be discussed

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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#### PLANS FOR FUTURE PERIODS

A fee increase is due to take place in January 2024. The amount is still to be finalised between management and trustees.

Holiday clubs will be capped due to lack of space.

We still await an Ofsted inspection which is overdue due to them running behind after covid.

#### CHARITY TRUSTEES' RESPONSIBILITIES STATEMENT

The Charity trustees (who are also the directors of Longtown Childcare Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the Charity trustees to prepare accounts for each financial year. Under that law the Charity trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Charity trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the profit or loss of the charitable company for that period.

In preparing these accounts, the Charity 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 accounting estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Charity trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

#### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 10<sup>th</sup> October 2023 and signed on behalf of the board of trustees by:

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Independent Examiner's Report to the Trustees of Longtown Childcare Trust Limited

Year ended 31 March 2023

---

I report to the trustees on my examination of the financial statements of Longtown Childcare Trust Limited ('the charity') for the year ended 31 March 2023.

#### RESPONSIBILITIES AND BASIS OF REPORT

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

Having satisfied myself that the 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 the 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 the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), 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 charity as required by section 386 of the 2006 Act; or
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 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 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Independent Examiner's Report to the Trustees of Longtown Childcare Trust Limited (continued)

**Year ended 31 March 2023**

---

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.

Mr Stuart Farrer FCA  
Independent Examiner

Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

12<sup>th</sup> October 2023

**Longtown Childcare Trust Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 March 2023**

		<b>2023</b>		2022
	Note	Unrestricted funds £	<b>Total funds £</b>	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	934	<b>934</b>	3,090
Charitable activities	6	292,681	<b>292,681</b>	228,574
Investment income	7	758	<b>758</b>	225
<b>Total income</b>		<u>294,373</u>	<u><b>294,373</b></u>	<u>231,889</u>
<b>Expenditure</b>				
Expenditure on charitable activities	8,9	287,386	<b>287,386</b>	223,709
<b>Total expenditure</b>		<u>287,386</u>	<u><b>287,386</b></u>	<u>223,709</u>
<b>Net income and net movement in funds</b>		<u>6,987</u>	<u><b>6,987</b></u>	<u>8,180</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		124,434	<b>124,434</b>	116,253
<b>Total funds carried forward</b>		<u>131,421</u>	<u><b>131,421</b></u>	<u>124,434</u>

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

The notes on pages 10 to 21 form part of these financial statements.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	14	37,746	26,983
<b>CURRENT ASSETS</b>			
Debtors	15	2,922	5,759
Cash at bank and in hand		107,053	102,570
		<u>109,975</u>	<u>108,329</u>
<b>CREDITORS: amounts falling due within one year</b>	16	<u>(12,302)</u>	<u>(6,297)</u>
<b>NET CURRENT ASSETS</b>		<u>97,673</u>	<u>102,032</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>135,419</u>	<u>129,015</u>
<b>CREDITORS: amounts falling due after more than one year</b>	17	<u>(3,998)</u>	<u>(4,582)</u>
<b>NET ASSETS</b>		<u><u>131,421</u></u>	<u><u>124,433</u></u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted funds		<u>131,421</u>	<u>124,434</u>
<b>Total charity funds</b>	21	<u><u>131,421</u></u>	<u><u>124,434</u></u>

For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 10<sup>th</sup> October 2023, and are signed on behalf of the board by:

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

The notes on pages 10 to 21 form part of these financial statements.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2023

---

#### 1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Pear Tree Nursery, Mary Street, Longtown, Carlisle, Cumbria, CA6 5UG.

#### 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. ACCOUNTING POLICIES

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Disclosure exemptions

The charity has taken advantage of the disclosure exemptions permitted by the Charities SORP 2019 (FRS102) regarding inclusion of a Statement of Cash Flows as the Charity is a small charity as defined in Update Bulletin 1 of the Charities SORP (FRS102).

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

---

#### 3. ACCOUNTING POLICIES *(continued)*

##### **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.

##### **Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Management judgement is required for determining the extent of recoverability of accounts receivable at each balance sheet date.

##### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees do not consider there to be any key sources of estimation uncertainty.

##### **Debtors**

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

##### **Creditors and provisions**

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

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

---

#### 3. ACCOUNTING POLICIES *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities 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.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on 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.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

All items of capital nature above £250 are capitalised. Items below this value go through the Statement of Financial Activities.

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	10% straight line
Plant & Machinery	-	15% reducing balance
Fixtures & Fittings	-	15% reducing balance
Computer Equipment	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants relating to revenue expenditure are recognised in income in the year in which the expenditure is incurred.

Grants relating to fixed assets are included as deferred income and are amortised to the statement of financial activities over the expected useful life of the asset to which they relate.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

#### 3. ACCOUNTING POLICIES *(continued)*

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. LIMITED BY GUARANTEE

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

#### 5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
<b>GRANTS</b>				
Grant Amortisation	584	<b>584</b>	809	809
Government grant income - CJRS	350	<b>350</b>	2,281	2,281
	<u>934</u>	<u><b>934</b></u>	<u>3,090</u>	<u>3,090</u>

#### 6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Nursery Fees	292,681	–	<b>292,681</b>
Pupil Premium	–	–	–
	<u>292,681</u>	<u>–</u>	<u><b>292,681</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Nursery Fees	225,015	–	225,015
Pupil Premium	–	3,559	3,559
	<u>225,015</u>	<u>3,559</u>	<u>228,574</u>

#### 7. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	758	<b>758</b>	225	225

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Nursery costs	284,757	–	<b>284,757</b>
Support costs	2,629	–	<b>2,629</b>
	<u>287,386</u>	<u>–</u>	<u><b>287,386</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Nursery costs	216,003	3,559	219,562
Support costs	4,147	–	4,147
	<u>220,150</u>	<u>3,559</u>	<u>223,709</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Nursery costs	284,757	–	<b>284,757</b>	219,560
Governance costs	–	2,629	<b>2,629</b>	4,149
	<u>284,757</u>	<u>2,629</u>	<u><b>287,386</b></u>	<u>223,709</u>
<b>Nursery costs</b>				
			<b>2023</b>	2022
			£	£
Direct Wages			<b>203,256</b>	162,022
Employer's NIC			<b>7,903</b>	5,103
Pension costs			<b>3,627</b>	2,683
Rates & water			<b>2,092</b>	2,812
Light & heat			<b>24,337</b>	13,933
Repairs & maintenance			<b>1,040</b>	558
Insurance			<b>1,214</b>	1,147
Legal and professional			<b>562</b>	819
Telephone			<b>638</b>	756
Printing, stationery and postage			<b>551</b>	403
Depreciation			<b>5,534</b>	4,114
Sundry Expenses			<b>6,590</b>	3,138
Cleaning materials and expenses			<b>2,481</b>	1,620
Service charge			<b>2,500</b>	2,500
Waste disposal			<b>2,091</b>	2,249
Activity materials			<b>3,065</b>	2,121
Food and consumables			<b>17,051</b>	13,506
Other staff costs			<b>225</b>	76
			<u><b>284,757</b></u>	<u>219,560</u>
<b>Governance costs</b>				
			<b>2023</b>	2022
			£	£
Governance costs - accountancy fees			<b>2,495</b>	2,973
Bank charges			<b>366</b>	176
Bad debts			<b>(232)</b>	1,000
			<u><b>2,629</b></u>	<u>4,149</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 10. NET INCOME

Net income is stated after charging/(crediting):

	<b>2023</b>	2022
	£	£
Depreciation of tangible fixed assets	<b><u>5,534</u></b>	<u>4,114</u>

#### 11. INDEPENDENT EXAMINATION FEES

	<b>2023</b>	2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<b>550</b>	535
Other financial services	<b><u>1,945</u></b>	<u>2,438</u>
	<b><u>2,495</u></b>	<u>2,973</u>

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 12. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2023</b>	2022
	£	£
Wages and salaries	<b>203,256</b>	162,022
Social security costs	<b>7,903</b>	5,103
Employer contributions to pension plans	<b>3,627</b>	2,683
	<b><u>214,786</u></b>	<u>169,808</u>

The average head count of employees during the year was 17 (2022: 14).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

#### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £58,524 (2022:£40,185).

#### 13. TRUSTEE REMUNERATION AND EXPENSES

One trustee has been paid remuneration or has received other benefits from employment with the trust. The trustee only receives remuneration in respect of services they provide undertaking the roles of Nursery Manager under their contract of employment and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Blair (Nursery Manager and Trustee):

- Remuneration £15,000 - £19,999 (2022: £10,000 - £14,999)
- Employer's pension contributions paid £0 - £4,999 (2022: £0 - £4,999)

No trustee expenses have been incurred.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

#### 14. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>					
At 1 April 2022	41,423	8,449	38,140	564	<b>88,576</b>
Additions	15,433	–	408	456	<b>16,297</b>
<b>At 31 March 2023</b>	<u>56,856</u>	<u>8,449</u>	<u>38,548</u>	<u>1,020</u>	<u><b>104,873</b></u>
<b>Depreciation</b>					
At 1 April 2022	25,661	6,952	28,416	564	<b>61,593</b>
Charge for the year	3,677	224	1,519	114	<b>5,534</b>
<b>At 31 March 2023</b>	<u>29,338</u>	<u>7,176</u>	<u>29,935</u>	<u>678</u>	<u><b>67,127</b></u>
<b>Carrying amount</b>					
<b>At 31 March 2023</b>	<u>27,518</u>	<u>1,273</u>	<u>8,613</u>	<u>342</u>	<u><b>37,746</b></u>
At 31 March 2022	<u>15,762</u>	<u>1,497</u>	<u>9,724</u>	<u>–</u>	<u>26,983</u>

#### 15. DEBTORS

	2023 £	2022 £
Trade debtors	1,900	5,310
Prepayments and accrued income	1,022	125
Other debtors	–	324
	<u>2,922</u>	<u>5,759</u>

#### 16. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,284	3,818
Accruals and deferred income	1,832	1,820
Social security and other taxes	4,210	–
Other creditors	976	659
	<u>12,302</u>	<u>6,297</u>

#### 17. CREDITORS: amounts falling due after more than one year

	2023 £	2022 £
Accruals and deferred income	<u>3,998</u>	<u>4,582</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2023

#### 18. DEFERRED INCOME

	2023	2022
	£	£
At 1 April 2022	4,582	5,391
Amount released to income	<u>(584)</u>	<u>(809)</u>
<b>At 31 March 2023</b>	<b><u>3,998</u></b>	<b><u>4,582</u></b>

The above deferred income figure relates to capital grants received which are being amortised over the same period as the assets the grants were used to buy.

#### 19. PENSIONS AND OTHER POST RETIREMENT BENEFITS

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,627 (2022: £2,683).

#### 20. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2023	2022
	£	£
Recognised in creditors:		
Deferred government grants due after more than one year	<u>3,998</u>	<u>4,582</u>
Recognised in income from donations and legacies:		
Government grants income	<u>350</u>	<u>2,281</u>

#### 21. ANALYSIS OF CHARITABLE FUNDS

##### Unrestricted funds

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
General funds	<u>124,434</u>	<u>294,373</u>	<u>(287,386)</u>	<u>131,421</u>

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	<u>116,253</u>	<u>228,330</u>	<u>(220,149)</u>	<u>124,434</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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#### 22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	37,746	<b>37,746</b>
Current assets	109,975	<b>109,217</b>
Creditors less than 1 year	(12,302)	<b>(12,302)</b>
Creditors greater than 1 year	(3,998)	<b>(3,998)</b>
<b>Net assets</b>	<u>131,421</u>	<u><b>131,421</b></u>

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	26,983	26,983
Current assets	108,329	108,329
Creditors less than 1 year	(6,297)	(6,297)
Creditors greater than 1 year	(4,582)	(4,582)
<b>Net assets</b>	<u>124,433</u>	<u>124,433</u>

#### 23. RELATED PARTIES

Trustee Mrs A Blair has a child who currently attends the nursery. The trustee does not receive any special rates or discounts.

**LONGTOWN CHILDCARE TRUST LIMITED**

England & Wales - Charity number 1164075

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# Accounts

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COMPANY REGISTRATION NUMBER: 05758223

CHARITY REGISTRATION NUMBER: 1164075

**Longtown Childcare Trust Limited**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2022**

**SAINT & CO**

Chartered Accountants  
Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

# Longtown Childcare Trust Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2022

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Statement of financial activities (including income and expenditure account)	<b>7</b>
Statement of financial position	<b>8</b>
Notes to the financial statements	<b>9</b>

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

#### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered charity name** Longtown Childcare Trust Limited

**Charity registration number** 1164075

**Company registration number** 05758223

**Principal office and registered office** Pear Tree Nursery  
Mary Street  
Longtown  
Carlisle  
Cumbria  
CA6 5UG

**THE TRUSTEES** Mrs K Lamb  
Mrs E Wood  
Mrs A Blair  
Mrs L Hogg

**KEY MANAGEMENT PERSONNEL** A Blair  
C Wigham  
C Highmore

**BANKERS** HSBC Bank Plc  
325 Kingstown Road  
Carlisle Cumbria  
CA3 0BJ

Cumberland Building Society  
Cumberland House  
Cooper Way  
Carlisle  
CA3 0JF

**INDEPENDENT EXAMINER** Mr Stuart Farrer FCA  
Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Charity is a company limited by guarantee and governed by its Memorandum and Articles of association.

##### **Power for appointment of Trustees**

The power of appointing new Trustees is in accordance with the governing document.

##### **Method of appointing Trustees**

- Undertake a skills audit of existing board members
- Consider the diversity of the Board, and the representation from different sections of the community
- Produce a job description and person specification
- Compile an information pack
- Check governing documents
- Make verbal enquiries of likely candidates
- Place an advert in:
  - Parents newsletter
  - Local publications
  - Appropriate newspaper/internet site
- Check candidates' eligibility
- Interview candidates
- Appoint trustee, following up references and CRB checks
- Conduct formal induction

##### **Organisation**

The decision-making powers are invested in the board of Trustees. We have a Childcare Manager and a Finance Administrator as well as a Deputy Manager/Room Supervisor and two other Room Supervisors. There are also seven childcare staff and additional support from student volunteers.

##### **Training and induction of Trustees**

Induction pack of information and policies which includes:

- Governing documents
  - Policies
  - Annual Report
  - Minutes of former meetings
  - Induction tour and introductions
  - Individual working with Business and Childcare Manager.
-

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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#### OBJECTIVES AND ACTIVITIES

##### Objectives and policies

To provide after school care and to be in operation if the provision offered by Longtown Day Nursery was discontinued whereby Longtown Childcare Trust would take over the management of this provision.

##### Aims

1. To continue to provide high quality sustainable childcare.
2. To consolidate financial security.

##### Factors relevant to the charity being able to achieve its objectives

In order for the trust to achieve its objectives it must preserve its current good OFSTED inspection and maintain the experienced and efficient management team.

##### Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives.

#### ACHIEVEMENTS AND PERFORMANCE

Longtown Childcare Trust Limited is a charity and is a company limited by guarantee. It is registered with Companies House and the Charities Commission. It provides nursery services for children from birth to school age. In addition, it provides before and after school childcare and holiday club services for primary school age children.

A surplus of £8,180 was made in this financial year. This is an increase from the profit made last year of £1,126. The surplus has increased due to effects of Covid-19 having less of an effect on this years accounts than previously when the nursery had been closed for four months due to Covid-19, which meant a much lower occupancy last year.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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#### FINANCIAL REVIEW

##### Review of performance

Overall, in the financial year 2021 - 2022, Pear Tree Nursery has made a surplus of £8,180 compared to last years loss of £1,126. The total funds carried forward for this year are therefore up by this amount from the previous year.

##### Reserves policy

The trustee's intention is to build a reserve of a maximum of 6 months regular outgoings. This is kept in a separate, interest-bearing account. The total amount of reserves at the year end was £124,433, which is all included within unrestricted funds.

##### Accounts presentation

The accounts have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

##### Risk recognition

The Trustees consider that the major risks to which the charity is exposed are:

- Risk to income (e.g. drop in fee income affecting business viability);
- Risk to financial assets;
- Loss of data;
- Risk of accidents and incidents;
- Risk to reputation and consequential loss of business and funding streams (e.g. an inadequate OFSTED inspection).

The steps taken to mitigate the risks set out above are:

- Flexibility of staff hours together with robust forward forecasting of expected take up of places;
- Internal administrative and financial controls are in place and implemented;
- Trustees regularly monitor finances;
- Records are stored in computerised and paper formats and computer data is backed up regularly;
- Insurance is in place covering business contents, employers' liability and public liability;
- All staff have up to date safeguarding, first aid and food hygiene training;
- Risk assessments and policies are in place and reviewed regularly;
- All staff, Trustees, volunteers and students have a current DBS check in place and are encouraged to join the DBS update service;
- All staff have regular supervision meetings with the manager so safeguarding, training, concerns and health issues e.g. medication can be discussed.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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#### PLANS FOR FUTURE PERIODS

We are looking in to upgrading our second playground for our older children as this has never been done.

Another toilet is needed in our pre school room to cope with the amount of children which has greatly increased.

Plans are going ahead for the air conditioning to be fitted in July.

#### CHARITY TRUSTEES' RESPONSIBILITIES STATEMENT

The Charity trustees (who are also the directors of Longtown Childcare Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the Charity trustees to prepare accounts for each financial year. Under that law the Charity trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Charity trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the profit or loss of the charitable company for that period.

In preparing these accounts, the Charity 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 accounting estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Charity trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

#### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 29 November 2022 and signed on behalf of the board of trustees by:

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Independent Examiner's Report to the Trustees of Longtown Childcare Trust Limited

Year ended 31 March 2022

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I report to the trustees on my examination of the financial statements of Longtown Childcare Trust Limited ('the charity') for the year ended 31 March 2022.

#### RESPONSIBILITIES AND BASIS OF REPORT

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

Having satisfied myself that the 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 the 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 charity as required by section 386 of the 2006 Act; or
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 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 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 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.

Mr Stuart Farrer FCA  
Independent Examiner

Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

30 November 2022

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**Longtown Childcare Trust Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 March 2022**

		<b>2022</b>		2021	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	3,090	–	<b>3,090</b>	24,266
Charitable activities	6	225,015	3,559	<b>228,574</b>	154,506
Investment income	7	225	–	<b>225</b>	561
<b>Total income</b>		<u>228,330</u>	<u>3,559</u>	<u><b>231,889</b></u>	<u>179,333</u>
<b>Expenditure</b>					
Expenditure on charitable activities	8,9	220,150	3,559	<b>223,709</b>	178,207
<b>Total expenditure</b>		<u>220,150</u>	<u>3,559</u>	<u><b>223,709</b></u>	<u>178,207</u>
<b>Net income and net movement in funds</b>		<u>8,180</u>	<u>–</u>	<u><b>8,180</b></u>	<u>1,126</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		116,253	–	<b>116,253</b>	115,127
<b>Total funds carried forward</b>		<u>124,433</u>	<u>–</u>	<u><b>124,433</b></u>	<u>116,253</u>

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

The notes on pages 9 to 20 form part of these financial statements.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	14	26,983	31,097
<b>CURRENT ASSETS</b>			
Debtors	15	5,759	4,911
Cash at bank and in hand		102,570	92,946
		<u>108,329</u>	<u>97,857</u>
<b>CREDITORS: amounts falling due within one year</b>	16	<u>(6,297)</u>	<u>(7,310)</u>
<b>NET CURRENT ASSETS</b>		<u>102,032</u>	<u>90,547</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>129,015</u>	<u>121,644</u>
<b>CREDITORS: amounts falling due after more than one year</b>	17	<u>(4,582)</u>	<u>(5,391)</u>
<b>NET ASSETS</b>		<u>124,433</u>	<u>116,253</u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted funds		124,433	116,253
<b>Total charity funds</b>	21	<u>124,433</u>	<u>116,253</u>

For the year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 29 November 2022, and are signed on behalf of the board by:

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

Company registration number: 05758223

The notes on pages 9 to 20 form part of these financial statements.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2022

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#### 1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Pear Tree Nursery, Mary Street, Longtown, Carlisle, Cumbria, CA6 5UG.

#### 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP 2019 (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

#### 3. ACCOUNTING POLICIES

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Disclosure exemptions

The charity has taken advantage of the disclosure exemptions permitted by the Charities SORP 2019 (FRS102) regarding inclusion of a Statement of Cash Flows as the Charity is a small charity as defined in Update Bulletin 1 of the Charities SORP (FRS102).

##### 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.

##### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Management judgement is required for determining the extent of recoverability of accounts receivable at each balance sheet date.

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees do not consider there to be any key sources of estimation uncertainty.

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Debtors

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

##### Creditors and provisions

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

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities 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.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on 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.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

All items of capital nature above £250 are capitalised. Items below this value go through the Statement of Financial Activities.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	10% straight line
Plant & Machinery	-	15% reducing balance
Fixtures & Fittings	-	15% reducing balance
Computer Equipment	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants relating to revenue expenditure are recognised in income in the year in which the expenditure is incurred.

Grants relating to fixed assets are included as deferred income and are amortised to the statement of financial activities over the expected useful life of the asset to which they relate.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. LIMITED BY GUARANTEE

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

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 5. DONATIONS AND LEGACIES

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
<b>GRANTS</b>				
Grant Amortisation	809	<b>809</b>	952	952
Government grant income - CJRS	2,281	<b>2,281</b>	23,314	23,314
	<u>3,090</u>	<u><b>3,090</b></u>	<u>24,266</u>	<u>24,266</u>

#### 6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2022 £</b>
Nursery Fees	225,015	–	<b>225,015</b>
Pupil Premium	–	3,559	<b>3,559</b>
	<u>225,015</u>	<u>3,559</u>	<u><b>228,574</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Nursery Fees	147,068	–	147,068
Pupil Premium	–	7,438	7,438
	<u>147,068</u>	<u>7,438</u>	<u>154,506</u>

#### 7. INVESTMENT INCOME

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	225	<b>225</b>	561	561
	<u>225</u>	<u><b>225</b></u>	<u>561</u>	<u>561</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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#### 8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Nursery costs	216,003	3,559	219,562
Support costs	4,147	–	4,147
	<u>220,150</u>	<u>3,559</u>	<u>223,709</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Nursery costs	167,939	7,438	175,377
Support costs	2,830	–	2,830
	<u>170,769</u>	<u>7,438</u>	<u>178,207</u>

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total funds 2022	Total fund 2021
	£	£	£	£
Nursery costs	219,560	–	219,560	175,377
Governance costs	–	4,149	4,149	2,830
	<u>219,560</u>	<u>4,149</u>	<u>223,709</u>	<u>178,207</u>
<b>Nursery costs</b>			<b>2022</b>	<b>2021</b>
			£	£
Direct Wages			162,022	137,966
Employer's NIC			5,103	1,403
Pension costs			2,683	1,860
Rates & water			2,812	1,767
Light & heat			13,933	10,382
Repairs & maintenance			558	335
Insurance			1,147	994
Legal and professional			819	410
Telephone			756	865
Printing, stationery and postage			403	429
Depreciation			4,114	4,616
Sundry Expenses			3,138	2,902
Cleaning materials and expenses			1,620	1,107
Service charge			2,500	2,500
Waste disposal			2,249	1,442
Activity materials			2,121	795
Food and consumables			13,506	5,580
Other staff costs			76	24
			<u>219,560</u>	<u>175,377</u>
<b>Governance costs</b>			<b>2022</b>	<b>2021</b>
			£	£
Governance costs - accountancy fees			2,973	2,697
Bank charges			176	133
Bad debts			1,000	–
			<u>4,149</u>	<u>2,830</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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#### 10. NET INCOME

Net income is stated after charging/(crediting):

	<b>2022</b>	2021
	£	£
Depreciation of tangible fixed assets	<b><u>4,114</u></b>	<u>4,616</u>

#### 11. INDEPENDENT EXAMINATION FEES

	<b>2022</b>	2021
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<b>535</b>	510
Other financial services	<b><u>2,438</u></b>	<u>2,187</u>
	<b><u>2,973</u></b>	<u>2,697</u>

#### 12. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>162,022</b>	137,966
Social security costs	<b>5,103</b>	1,403
Employer contributions to pension plans	<b><u>2,683</u></b>	<u>1,860</u>
	<b><u>169,808</u></b>	<u>141,229</u>

The average head count of employees during the year was 14 (2021: 15).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £40,185 (2021:£31,381).

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2022

#### 13. TRUSTEE REMUNERATION AND EXPENSES

One trustee has been paid remuneration or has received other benefits from employment with the trust. The trustee only receives remuneration in respect of services they provide undertaking the roles of Nursery Manager under their contract of employment and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Blair (Nursery Manager and Trustee):

- Remuneration £10,000 - £14,999 (2021: £15,000 - £19,999)
- Employer's pension contributions paid £0 - £4,999 (2021: £0 - £4,999)

No trustee expenses have been incurred.

#### 14. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>					
<b>At 1 April 2021 and 31 March 2022</b>	<u>41,423</u>	<u>8,449</u>	<u>38,140</u>	<u>564</u>	<u>88,576</u>
<b>Depreciation</b>					
At 1 April 2021	23,527	6,689	26,699	564	57,479
Charge for the year	<u>2,134</u>	<u>263</u>	<u>1,717</u>	<u>-</u>	<u>4,114</u>
<b>At 31 March 2022</b>	<u>25,661</u>	<u>6,952</u>	<u>28,416</u>	<u>564</u>	<u>61,593</u>
<b>Carrying amount</b>					
<b>At 31 March 2022</b>	<u>15,762</u>	<u>1,497</u>	<u>9,724</u>	<u>-</u>	<u>26,983</u>
At 31 March 2021	<u>17,896</u>	<u>1,760</u>	<u>11,441</u>	<u>-</u>	<u>31,097</u>

#### 15. DEBTORS

	2022 £	2021 £
Trade debtors	5,310	4,350
Prepayments and accrued income	125	561
Other debtors	<u>324</u>	<u>-</u>
	<u>5,759</u>	<u>4,911</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

**16. CREDITORS: amounts falling due within one year**

	<b>2022</b>	2021
	£	£
Trade creditors	<b>3,818</b>	4,251
Accruals and deferred income	<b>1,820</b>	1,584
Social security and other taxes	–	1,126
Other creditors	<b>659</b>	349
	<b><u>6,297</u></b>	<u>7,310</u>

**17. CREDITORS: amounts falling due after more than one year**

	<b>2022</b>	2021
	£	£
Accruals and deferred income	<b><u>4,582</u></b>	<u>5,391</u>

**18. DEFERRED INCOME**

	<b>2022</b>	2021
	£	£
At 1 April 2021	<b>5,391</b>	6,343
Amount released to income	<b>(809)</b>	(952)
<b>At 31 March 2022</b>	<b><u>4,582</u></b>	<u>5,391</u>

The above deferred income figure relates to capital grants received which are being amortised over the same period as the assets the grants were used to buy.

**19. PENSIONS AND OTHER POST RETIREMENT BENEFITS**

**Defined contribution plans**

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,683 (2021: £1,860).

**20. GOVERNMENT GRANTS**

The amounts recognised in the financial statements for government grants are as follows:

	<b>2022</b>	2021
	£	£
Recognised in creditors:		
Deferred government grants due after more than one year	<b><u>4,582</u></b>	<u>5,391</u>
Recognised in income from donations and legacies:		
Government grants income	<b><u>2,281</u></b>	<u>23,314</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

#### 21. ANALYSIS OF CHARITABLE FUNDS

##### Unrestricted funds

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	116,253	228,330	(220,150)	<b>124,433</b>

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
General funds	115,127	171,895	(170,769)	116,253

##### Restricted funds

	At 1 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Restricted Fund	–	3,559	(3,559)	–

	At 1 April 2020	Income	Expenditure	At 31 March 2021
	£	£	£	£
Restricted Fund	–	7,438	(7,438)	–

#### 22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	26,983	<b>26,983</b>
Current assets	108,329	<b>108,329</b>
Creditors less than 1 year	(6,297)	<b>(6,297)</b>
Creditors greater than 1 year	(4,582)	<b>(4,582)</b>
<b>Net assets</b>	<b>124,433</b>	<b>124,433</b>

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	31,097	31,097
Current assets	97,857	97,857
Creditors less than 1 year	(7,310)	(7,310)
Creditors greater than 1 year	(5,391)	(5,391)
<b>Net assets</b>	<b>116,253</b>	<b>116,253</b>

# Longtown Childcare Trust Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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## 23. RELATED PARTIES

Trustee Mrs E Wood currently has children who attend the holiday club provided at the nursery. The trustee does not receive any special rates or discounts.

**LONGTOWN CHILDCARE TRUST LIMITED**

England & Wales - Charity number 1164075

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# Accounts

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COMPANY REGISTRATION NUMBER: 05758223

CHARITY REGISTRATION NUMBER: 1164075

**Longtown Childcare Trust Limited**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2021**

**SAINT & CO**

Chartered Accountants  
Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

# Longtown Childcare Trust Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2021

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Statement of financial activities (including income and expenditure account)	<b>7</b>
Statement of financial position	<b>8</b>
Notes to the financial statements	<b>9</b>

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

#### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered charity name** Longtown Childcare Trust Limited

**Charity registration number** 1164075

**Company registration number** 05758223

**Principal office and registered office** Pear Tree Nursery  
Mary Street  
Longtown  
Carlisle  
Cumbria  
CA6 5UG

**THE TRUSTEES** Mrs K Lamb  
Mrs E Wood  
Mrs A Blair  
Mrs L Hogg

**KEY MANAGEMENT PERSONNEL** A Blair  
C Wigham

**BANKERS** HSBC Bank Plc  
325 Kingstown Road  
Carlisle Cumbria  
CA3 0BJ

Cumberland Building Society  
Cumberland House  
Cooper Way  
Carlisle  
CA3 0JF

**INDEPENDENT EXAMINER** Mr Stuart Farrer FCA  
Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Charity is a company limited by guarantee and governed by its Memorandum and Articles of Association.

##### **Power for appointment of Trustees**

The power of appointing new Trustees is in accordance with the governing document.

##### **Method of appointing Trustees**

- Undertake a skills audit of existing board members
- Consider the diversity of the Board, and the representation from different sections of the community
- Produce a job description and person specification
- Compile an information pack
- Check governing documents
- Make verbal enquiries of likely candidates
- Place an advert in:
  - Parents newsletter
  - Local publications
  - Appropriate newspaper/internet site
- Check candidates' eligibility
- Interview candidates
- Appoint trustee, following up references and CRB checks
- Conduct formal induction

##### **Organisation**

The decision-making powers are invested in the board of Trustees. We have a Childcare Manager and a Finance Administrator as well as a Deputy Manager/Room Supervisor and two other Room Supervisors. There are also seven childcare staff and additional support from student volunteers.

##### **Training and induction of Trustees**

Induction pack of information and policies which includes:

- Governing documents
- Policies
- Annual Report
- Minutes of former meetings
- Induction tour and introductions
- Individual working with Business and Childcare Manager.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and policies**

To provide after school care and to be in operation if the provision offered by Longtown Day Nursery was discontinued whereby Longtown Childcare Trust would take over the management of this provision.

##### **Aims**

1. To continue to provide high quality sustainable childcare.
2. To consolidate financial security.

##### **Factors relevant to the charity being able to achieve its objectives**

In order for the trust to achieve its objectives it must preserve its current good OFSTED inspection and maintain the experienced and efficient management team.

##### **Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives.

#### **ACHIEVEMENTS AND PERFORMANCE**

Longtown Childcare Trust Limited is a charity and is a company limited by guarantee. It is registered with Companies House and the Charities Commission. It provides nursery services for children from birth to school age. In addition, it provides before and after school childcare and holiday club services for primary school age children.

A surplus of £1,126 was made in this financial year. This is an increase from the loss made last year of £7,405. The surplus has not yet recovered to the level of previous years due to the setting being closed for four months due to Covid-19, then when reopening we were unable to share settings. This meant a much lower occupancy as we could not allow school children that we usually care for into the setting.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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#### FINANCIAL REVIEW

##### Review of performance

Overall, in the financial year 2020 - 2021, Pear Tree Nursery has made a surplus of £1,126 compared to last years loss of £7,405. The total funds carried forward for this year are therefore up by this amount from the previous year.

##### Reserves policy

The trustee's intention is to build a reserve of a maximum of 6 months regular outgoings. This is kept in a separate, interest-bearing account. The total amount of reserves at the year end was £116,253, which is all included within unrestricted funds.

##### Accounts presentation

The accounts have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

##### Risk recognition

The Trustees consider that the major risks to which the charity is exposed are:

- Risk to income (e.g. drop in fee income affecting business viability);
- Risk to financial assets;
- Loss of data;
- Risk of accidents and incidents;
- Risk to reputation and consequential loss of business and funding streams (e.g. an inadequate OFSTED inspection).

The steps taken to mitigate the risks set out above are:

- Flexibility of staff hours together with robust forward forecasting of expected take up of places;
- Internal administrative and financial controls are in place and implemented;
- Trustees regularly monitor finances;
- Records are stored in computerised and paper formats and computer data is backed up regularly;
- Insurance is in place covering business contents, employers' liability and public liability;
- All staff have up to date safeguarding, first aid and food hygiene training;
- Risk assessments and policies are in place and reviewed regularly;
- All staff, Trustees, volunteers and students have a current DBS check in place and are encouraged to join the DBS update service;
- All staff have regular supervision meetings with the manager so safeguarding, training, concerns and health issues e.g. medication can be discussed.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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#### PLANS FOR FUTURE PERIODS

We are going to look into some kind of cooling/air conditioning system. This is due to the temperatures becoming too high in rooms over the summer and having to run several fans all day. Unfortunately the fans do not have the required effect of reducing the temperature. Therefore we need to look into something more effective to keep within the health & safety guidelines.

We plan to increase nursery fees as of September 2021. Due to worldwide inflation we felt this was the time to increase fees.

#### CHARITY TRUSTEES' RESPONSIBILITIES STATEMENT

The Charity trustees (who are also the directors of Longtown Childcare Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and regulations.

Company law requires the Charity trustees to prepare accounts for each financial year. Under that law the Charity trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Charity trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the profit or loss of the charitable company for that period.

In preparing these accounts, the Charity 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 accounting estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Charity trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

#### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 7 December 2021 and signed on behalf of the board of trustees by:

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Independent Examiner's Report to the Trustees of Longtown Childcare Trust Limited

Year ended 31 March 2021

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I report to the trustees on my examination of the financial statements of Longtown Childcare Trust Limited ('the charity') for the year ended 31 March 2021.

#### RESPONSIBILITIES AND BASIS OF REPORT

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

Having satisfied myself that the 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 the 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 charity as required by section 386 of the 2006 Act; or
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 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 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 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.

Mr Stuart Farrer FCA  
Independent Examiner

Saint & Co Chartered Accountants  
Sterling House  
Wavell Drive  
Rosehill  
Carlisle  
Cumbria  
CA1 2SA

Date: .....

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**Longtown Childcare Trust Limited**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 31 March 2021**

		<b>2021</b>		2020	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	24,266	–	<b>24,266</b>	2,491
Charitable activities	6	147,068	7,438	<b>154,506</b>	196,614
Investment income	7	561	–	<b>561</b>	87
<b>Total income</b>		<u>171,895</u>	<u>7,438</u>	<u><b>179,333</b></u>	<u>199,192</u>
<b>Expenditure</b>					
Expenditure on charitable activities	8,9	170,769	7,438	<b>178,207</b>	206,597
<b>Total expenditure</b>		<u>170,769</u>	<u>7,438</u>	<u><b>178,207</b></u>	<u>206,597</u>
<b>Net income/(expenditure) and net movement in funds</b>					
		<u>1,126</u>	<u>–</u>	<u><b>1,126</b></u>	<u>(7,405)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		115,127	–	<b>115,127</b>	122,532
<b>Total funds carried forward</b>		<u>116,253</u>	<u>–</u>	<u><b>116,253</b></u>	<u>115,127</u>

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

The notes on pages 9 to 19 form part of these financial statements.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2021

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	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	14	31,097	35,713
<b>CURRENT ASSETS</b>			
Debtors	15	4,911	3,416
Cash at bank and in hand		92,946	93,314
		<u>97,857</u>	<u>96,730</u>
<b>CREDITORS: amounts falling due within one year</b>	16	<u>(7,310)</u>	<u>(10,973)</u>
<b>NET CURRENT ASSETS</b>		<u>90,547</u>	<u>85,757</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>121,644</u>	<u>121,470</u>
<b>CREDITORS: amounts falling due after more than one year</b>	17	<u>(5,391)</u>	<u>(6,343)</u>
<b>NET ASSETS</b>		<u>116,253</u>	<u>115,127</u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted funds		116,253	115,127
<b>Total charity funds</b>	21	<u>116,253</u>	<u>115,127</u>

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 7 December 2021, and are signed on behalf of the board by:

Mrs E Wood  
Trustee

Mrs L Hogg  
Trustee

Company registration number: 05758223

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The notes on pages 9 to 19 form part of these financial statements.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 March 2021

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#### 1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Pear Tree Nursery, Mary Street, Longtown, Carlisle, Cumbria, CA6 5UG.

#### 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP 2019 (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

#### 3. ACCOUNTING POLICIES

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Disclosure exemptions

The charity has taken advantage of the disclosure exemptions permitted by the Charities SORP 2019 (FRS102) regarding inclusion of a Statement of Cash Flows as the Charity is a small charity as defined in Update Bulletin 1 of the Charities SORP (FRS102).

##### 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.

##### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Management judgement is required for determining the extent of recoverability of accounts receivable at each balance sheet date.

##### Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees do not consider there to be any key sources of estimation uncertainty.

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Debtors

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

##### Creditors and provisions

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

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities 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.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on 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.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

All items of capital nature above £250 are capitalised. Items below this value go through the Statement of Financial Activities.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	10% straight line
Plant & Machinery	-	15% reducing balance
Fixtures & Fittings	-	15% reducing balance
Computer Equipment	-	25% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 3. ACCOUNTING POLICIES *(continued)*

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants relating to revenue expenditure are recognised in income in the year in which the expenditure is incurred.

Grants relating to fixed assets are included as deferred income and are amortised to the statement of financial activities over the expected useful life of the asset to which they relate.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. LIMITED BY GUARANTEE

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

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 5. DONATIONS AND LEGACIES

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
<b>GRANTS</b>				
Grant Amortisation	952	<b>952</b>	1,120	1,120
Government grant income - CJRS	<u>23,314</u>	<b><u>23,314</u></b>	<u>1,371</u>	<u>1,371</u>
	<u>24,266</u>	<b><u>24,266</u></b>	<u>2,491</u>	<u>2,491</u>

#### 6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2021 £</b>
Nursery Fees	147,068	–	<b>147,068</b>
Pupil Premium	–	7,438	<b>7,438</b>
	<u>147,068</u>	<u>7,438</u>	<b><u>154,506</u></b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Nursery Fees	190,407	–	190,407
Pupil Premium	–	6,207	6,207
	<u>190,407</u>	<u>6,207</u>	<u>196,614</u>

#### 7. INVESTMENT INCOME

	Unrestricted Funds £	<b>Total Funds 2021 £</b>	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	<u>561</u>	<b><u>561</u></b>	<u>87</u>	<u>87</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Nursery costs	167,939	7,438	175,377
Support costs	2,830	–	2,830
	<u>170,769</u>	<u>7,438</u>	<u>178,207</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Nursery costs	198,881	6,207	205,088
Support costs	1,509	–	1,509
	<u>200,390</u>	<u>6,207</u>	<u>206,597</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken		Total funds 2021 £	Total fund 2020 £
	directly £	Support costs £		
Nursery costs	175,377	–	<b>175,377</b>	205,088
Governance costs	–	2,830	<b>2,830</b>	1,509
	<u>175,377</u>	<u>2,830</u>	<u><b>178,207</b></u>	<u>206,597</u>
<b>Nursery costs</b>				
			<b>2021</b>	<b>2020</b>
			£	£
Direct Wages			<b>137,966</b>	149,928
Employer's NIC			<b>1,403</b>	4,254
Pension costs			<b>1,860</b>	2,193
Rates & water			<b>1,767</b>	2,142
Light & heat			<b>10,382</b>	14,646
Repairs & maintenance			<b>335</b>	2,656
Insurance			<b>994</b>	678
Legal and professional			<b>410</b>	220
Telephone			<b>865</b>	902
Printing, stationery and postage			<b>429</b>	724
Depreciation			<b>4,616</b>	3,727
Sundry Expenses			<b>2,902</b>	5,089
Cleaning materials and expenses			<b>1,107</b>	821
Service charge			<b>2,500</b>	2,500
Waste disposal			<b>1,442</b>	1,612
Activity materials			<b>795</b>	1,783
Food and consumables			<b>5,580</b>	10,709
Other staff costs			<b>24</b>	504
			<u><b>175,377</b></u>	<u>205,088</u>
<b>Governance costs</b>				
			<b>2021</b>	<b>2020</b>
			£	£
Governance costs - accountancy fees			<b>2,697</b>	2,165
Bank charges			<b>133</b>	75
Bad debts			<b>–</b>	(731)
			<u><b>2,830</b></u>	<u>1,509</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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#### 10. NET INCOME/(EXPENDITURE)

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

	<b>2021</b>	2020
	£	£
Depreciation of tangible fixed assets	<b><u>4,616</u></b>	<u>3,727</u>

#### 11. INDEPENDENT EXAMINATION FEES

	<b>2021</b>	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<b>510</b>	500
Other financial services	<b><u>2,187</u></b>	<u>1,665</u>
	<b><u>2,697</u></b>	<u>2,165</u>

#### 12. STAFF COSTS

The average head count of employees during the year was 15 (2020: 14).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

##### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £31,381 (2020:£22,307).

#### 13. TRUSTEE REMUNERATION AND EXPENSES

During the current period and previous period the Trustees received no remuneration.

No trustee expenses have been incurred.

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# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2021

#### 14. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>					
<b>At 1 April 2020 and 31 March 2021</b>	<u>41,423</u>	<u>8,449</u>	<u>38,140</u>	<u>564</u>	<u>88,576</u>
<b>Depreciation</b>					
At 1 April 2020	21,432	6,378	24,489	564	<b>52,863</b>
Charge for the year	2,095	311	2,210	–	<b>4,616</b>
<b>At 31 March 2021</b>	<u>23,527</u>	<u>6,689</u>	<u>26,699</u>	<u>564</u>	<u>57,479</u>
<b>Carrying amount</b>					
<b>At 31 March 2021</b>	<u>17,896</u>	<u>1,760</u>	<u>11,441</u>	<u>–</u>	<u>31,097</u>
At 31 March 2020	<u>19,991</u>	<u>2,071</u>	<u>13,651</u>	<u>–</u>	<u>35,713</u>

#### 15. DEBTORS

	2021 £	2020 £
Trade debtors	4,350	3,416
Prepayments and accrued income	561	–
	<u>4,911</u>	<u>3,416</u>

#### 16. CREDITORS: amounts falling due within one year

	2021 £	2020 £
Trade creditors	4,251	6,348
Accruals and deferred income	1,584	1,554
Social security and other taxes	1,126	2,436
Other creditors	349	635
	<u>7,310</u>	<u>10,973</u>

#### 17. CREDITORS: amounts falling due after more than one year

	2021 £	2020 £
Accruals and deferred income	<u>5,391</u>	<u>6,343</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 18. DEFERRED INCOME

	2021	2020
	£	£
At 1 April 2020	6,343	7,463
Amount released to income	<u>(952)</u>	<u>(1,120)</u>
<b>At 31 March 2021</b>	<b><u>5,391</u></b>	<b><u>6,343</u></b>

The above deferred income figure relates to capital grants received which are being amortised over the same period as the assets the grants were used to buy.

#### 19. PENSIONS AND OTHER POST RETIREMENT BENEFITS

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,860 (2020: £2,193).

#### 20. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in creditors:		
Deferred government grants due after more than one year	<u>5,391</u>	<u>6,343</u>
Recognised in income from donations and legacies:		
Government grants income	<u>23,314</u>	<u>1,371</u>

#### 21. ANALYSIS OF CHARITABLE FUNDS

##### Unrestricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
General funds	<u>115,127</u>	<u>171,895</u>	<u>(170,769)</u>	<u>–</u>	<b><u>116,253</u></b>

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
General funds	<u>117,928</u>	<u>192,985</u>	<u>(200,390)</u>	<u>4,604</u>	<u>115,127</u>

# Longtown Childcare Trust Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

#### 21. ANALYSIS OF CHARITABLE FUNDS *(continued)*

##### Restricted funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Restricted Fund	–	7,438	(7,438)	–	–

	At 1 April 2019	Income	Expenditure	Transfers	At 31 March 2020
	£	£	£	£	£
Restricted Fund	4,604	6,207	(6,207)	(4,604)	–

#### 22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	31,097	31,097
Current assets	97,857	97,857
Creditors less than 1 year	(7,310)	(7,310)
Creditors greater than 1 year	(5,391)	(5,391)
<b>Net assets</b>	<b>116,253</b>	<b>116,253</b>

	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	35,713	35,713
Current assets	96,730	96,730
Creditors less than 1 year	(10,973)	(10,973)
Creditors greater than 1 year	(6,343)	(6,343)
<b>Net assets</b>	<b>115,127</b>	<b>115,127</b>

#### 23. RELATED PARTIES

Trustee Mrs E Wood currently has children who attend the nursery. They do not receive any special rates or discounts.