

Company registration number: CE011911

Charity registration number: 1175448

# Little Oaks Nursery, Acomb

(A Charitable Incorporated Organisation)

Annual Report and Financial Statements

for the Year Ended 29 August 2022



## **Little Oaks Nursery, Acomb**

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## **Little Oaks Nursery, Acomb**

### **Reference and Administrative Details**

**Trustees**

A Wilson  
A Tidswell  
A R Johnson  
R Webb  
L Phillipson  
L Taylor  
C Fergus  
J Wilson  
E L Thompson

**Charity Registration Number**

1175448

**Company Registration Number**

CE011911

**Registered Office**

The charity is incorporated in England & Wales.

Acomb First School  
Bishops Hill  
Acomb  
Hexham  
NE46 4PL

**Accountants**

TyneRede Accountancy Ltd  
Lloyds House  
Bellingham  
Northumberland  
NE48 2AZ

## Little Oaks Nursery, Acomb

### Strategic Report for the Year Ended 29 August 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 29 August 2022, in compliance with s414C of the Companies Act 2006.

#### Achievements and performance

During 2021-22, the charity was continuing to deal with the impact of covid and lockdowns which not only impacted revenue but also potential to fundraise. Against the odds, the charity was able to proceed with their annual Christmas fundraiser online rather than in person and had a very successful return. The charity invested in a new kitchen to support before and after school clubs during 2021-22. The clubs started during lockdown and had started to bring in more revenue.

#### Financial review

The income generated from session fees and fundraising events was £109,440

The resources expended on charitable activities was £110,203

We continue to review both funding and fundraising opportunities.

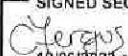
The trustees are assessed and major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

As part of the major risks review the trustees continue to consider the impact of changes to other similar settings and the potential opening of a new nursery local to our setting. The manager and trustees have been in regular communication with those in charge of these settings and do not see this to be a current threat to our future. We continue to review and discuss both internally and externally.

#### Policy on reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. Approximately £15,000 is held in a Reserve account to cover two to three months of fixed costs (staffing and rent) as well as possible redundancy pay of the nursery ever had to suddenly close.

The strategic report was approved by the trustees of the charity on ..... and signed on its behalf by:

SIGNED SECURELY  
  
19/06/2023 at 12:45:10 PM UTC

C Fergus  
Trustee

SIGNED SECURELY  
19/06/2023  
19/06/2023 at 12:45:10 PM UTC

# **Little Oaks Nursery, Acomb**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 29 August 2022.

### **Objectives and activities**

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

The principal activity of the charity is that of a pre-school nursery. The objectives are to enhance the development of children under the statutory school age.

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

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

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

Little Oaks Nursery, Acomb, registered as a charity on 27th September 1994 and then incorporated as a company limited by guarantee on 19th April 2006. On 30th August 2018, the charity converted to a charitable incorporated organisation (CIO). On this date the entire funds held by Little Oaks (Acomb) Ltd were transferred to Little Oaks Nursery, Acomb.

Trustees are appointed by the Board of Trustees and serve continuously until such time as they step down or are voted out of office.

The CIO has regular management committee meetings once a month. The trustees and Co-opted Members of the committee attend these meetings to discuss the position of Little Oaks Nursery, with specific reference to numbers of children, activities, finances and any fundraising events which need organisation.

### **Financial instruments**

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

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

#### ***Cash flow risk***

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

## Little Oaks Nursery, Acomb

### Trustees' Report

#### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

#### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Little Oaks Nursery, Acomb for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

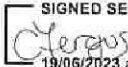
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SIGNED SECURELY  
19/06/2023

19/06/2023 at 12:45:10 PM UTC

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

SIGNED SECURELY  
  
19/06/2023 at 12:45:10 PM UTC

C Fergus  
Trustee

## **Little Oaks Nursery, Acomb**

### **Independent Examiner's Report to the trustees of Little Oaks Nursery, Acomb ("the Company")**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 29 August 2022.

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

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

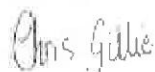
Having satisfied myself that the accounts of Little Oaks Nursery, Acomb are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011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

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

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

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

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



.....  
Christopher Gillie  
FCCA  
Lloyds Bank House  
Bellingham  
Northumberland  
NE48 2EH

19 June 2023

# Little Oaks Nursery, Acomb

## Statement of Financial Activities for the Year Ended 29 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £	
<b>Income and Endowments from:</b>				
Donations and legacies	3	2,204	2,204	
Charitable activities		109,440	109,440	
Total income		111,644	111,644	
<b>Expenditure on:</b>				
Charitable activities	4	(110,203)	(110,203)	
Total expenditure		(110,203)	(110,203)	
Net income		1,441	1,441	
Net movement in funds		1,441	1,441	
<b>Reconciliation of funds</b>				
Total funds brought forward		42,854	42,854	
Total funds carried forward	12	44,295	44,295	
	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>
<b>Income and Endowments from:</b>				
Donations and legacies	3	8,122	64,221	72,343
Charitable activities		23,740	-	23,740
Total income		31,862	64,221	96,083
<b>Expenditure on:</b>				
Charitable activities	4	(24,913)	(64,221)	(89,134)
Total expenditure		(24,913)	(64,221)	(89,134)
Net income		6,949	-	6,949
Net movement in funds		6,949	-	6,949
<b>Reconciliation of funds</b>				
Total funds brought forward		35,905	-	35,905
Total funds carried forward	12	42,854	-	42,854

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2021 is shown in note 12.

The notes on pages 8 to 12 form an integral part of these financial statements.



**Little Oaks Nursery, Acomb**  
**(Registration number: CE011911)**  
**Balance Sheet as at 29 August 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	8	2,421	2,491
<b>Current assets</b>			
Debtors	9	2,270	1,213
Cash at bank and in hand	10	41,384	40,410
		43,654	41,623
<b>Creditors: Amounts falling due within one year</b>	11	(1,780)	(1,260)
<b>Net current assets</b>		41,874	40,363
<b>Net assets</b>		44,295	42,854
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		44,295	42,854
<b>Total funds</b>	12	44,295	42,854

For the financial year ending 29 August 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 charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 6 to 12 were approved by the trustees, and authorised for issue on 19/06/2023 and signed on their behalf by:

SIGNED SECURELY  
19/06/2023 at 12:45:10 PM UTC  
SIGNED SECURELY  
  
19/06/2023 at 12:45:10 PM UTC  
C Fergus  
Trustee

The notes on pages 8 to 12 form an integral part of these financial statements.

## **Little Oaks Nursery, Acomb**

### **Notes to the Financial Statements for the Year Ended 29 August 2022**

#### **1 Charity status**

The charity is limited by share capital, incorporated in England & Wales.

The address of its registered office is:

Acomb First School  
Bishops Hill  
Acomb  
Hexham  
NE46 4PL

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Little Oaks Nursery, Acomb meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

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

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

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

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Little Oaks Nursery, Account

### Notes to the Financial Statements for the Year Ended 29 August 2022

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

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

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Taxation**

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

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

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

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance basis
Outdoor equipment	15% reducing balance basis

## Little Oaks Nursery, Acomb

### Notes to the Financial Statements for the Year Ended 29 August 2022

#### Trade debtors

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

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

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Fund structure

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

### 3 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations from individuals	2,204	2,204	122
	<u>2,204</u>	<u>2,204</u>	<u>122</u>

### 4 Expenditure on charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Note			
Allocated support costs	110,203	110,203	89,134
	<u>110,203</u>	<u>110,203</u>	<u>89,134</u>

## Little Oaks Nursery, Acomb

### Notes to the Financial Statements for the Year Ended 29 August 2022

#### 5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

#### 6 Staff costs

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Staff Numbers	<u>6</u>	<u>6</u>

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

#### 7 Taxation

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

#### 8 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 30 August 2021	5,014	5,014
Additions	<u>475</u>	<u>475</u>
At 29 August 2022	<u>5,489</u>	<u>5,489</u>
<b>Depreciation</b>		
At 30 August 2021	2,523	2,523
Charge for the year	<u>545</u>	<u>545</u>
At 29 August 2022	<u>3,068</u>	<u>3,068</u>
<b>Net book value</b>		
At 29 August 2022	<u>2,421</u>	<u>2,421</u>
At 29 August 2021	<u>2,491</u>	<u>2,491</u>

# Little Oaks Nursery, Acomb

## Notes to the Financial Statements for the Year Ended 29 August 2022

### 9 Debtors

	2022 £	2021 £
Trade debtors	1,770	713
Prepayments	500	500
	<u>2,270</u>	<u>1,213</u>

### 10 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	102	11
Cash at bank	41,282	40,399
	<u>41,384</u>	<u>40,410</u>

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

	2022 £	2021 £
Other creditors	400	-
Accruals	1,380	1,260
	<u>1,780</u>	<u>1,260</u>

### 12 Funds

	Balance at 30 August 2021 £	Incoming resources £	Resources expended £	Balance at 29 August 2022 £
<b>Unrestricted funds</b>				
General	<u>42,854</u>	<u>111,644</u>	<u>(110,203)</u>	<u>44,295</u>
	<b>Balance at 30 August 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 29 August 2021 £</b>
<b>Unrestricted funds</b>				
General	35,905	31,862	(24,913)	42,854
<b>Restricted funds</b>	<u>-</u>	<u>64,221</u>	<u>(64,221)</u>	<u>-</u>
<b>Total funds</b>	<u>35,905</u>	<u>96,083</u>	<u>(89,134)</u>	<u>42,854</u>

# Little Oaks Nursery, Acomb

## Detailed Statement of Financial Activities for the Year Ended 29 August 2022

	Total 2022 £	Total 2021 £
<b><i>Donations and legacies</i></b>		
Donations & Gifts	2,204	122
Grants receivable	-	64,221
Grants receivable	-	8,000
	<u>2,204</u>	<u>72,343</u>
<b><i>Charitable activities</i></b>		
Services Income	33,222	23,740
Service Income - Funding	76,218	-
	<u>109,440</u>	<u>23,740</u>
<b><i>Charitable activities</i></b>		
Consumables & Food	(5,677)	(3,364)
Repairs and maintenance	(4,531)	(140)
Licences & Subscriptions	(1,264)	(305)
Sundry expenses	(485)	(927)
Accountancy fees	(2,015)	(1,260)
Bank charges	(53)	-
Wages and salaries	-	(64,221)
Wages and salaries	(88,647)	(10,932)
Staff training	(96)	(271)
Rent	(6,000)	(6,195)
Insurance	(890)	(877)
Depreciation of fixtures and fittings	(545)	(642)
	<u>(110,203)</u>	<u>(89,134)</u>