

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 2023



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 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 29 August 2023, in compliance with s414C of the Companies Act 2006.

Financial review

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:

.....
C Fergus
Trustee

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 2023.

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 2002 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.

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

.....
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 2023.

Responsibilities and basis of report

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

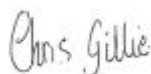
Having satisfied myself that the accounts of Little Oaks Nursery, Acomb are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('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

Date:.....

Little Oaks Nursery, Acomb

Statement of Financial Activities for the Year Ended 29 August 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	3	6,433	6,433
Charitable activities		119,441	119,441
Investment income	4	<u>179</u>	<u>179</u>
Total income		<u>126,053</u>	<u>126,053</u>
Expenditure on:			
Charitable activities	5	<u>(124,788)</u>	<u>(124,788)</u>
Total expenditure		<u>(124,788)</u>	<u>(124,788)</u>
Net income		<u>1,265</u>	<u>1,265</u>
Net movement in funds		1,265	1,265
Reconciliation of funds			
Total funds brought forward		<u>44,295</u>	<u>44,295</u>
Total funds carried forward	14	<u>45,560</u>	<u>45,560</u>
	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	3	2,204	2,204
Charitable activities		<u>109,440</u>	<u>109,440</u>
Total income		<u>111,644</u>	<u>111,644</u>
Expenditure on:			
Charitable activities	5	<u>(110,203)</u>	<u>(110,203)</u>
Total expenditure		<u>(110,203)</u>	<u>(110,203)</u>
Net income		<u>1,441</u>	<u>1,441</u>
Net movement in funds		1,441	1,441
Reconciliation of funds			
Total funds brought forward		<u>42,854</u>	<u>42,854</u>
Total funds carried forward	14	<u>44,295</u>	<u>44,295</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 14.

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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	3,411	2,421
Current assets			
Debtors	10	3,530	2,270
Cash at bank and in hand	11	<u>40,365</u>	<u>41,384</u>
		43,895	43,654
Creditors: Amounts falling due within one year	12	<u>(1,746)</u>	<u>(1,780)</u>
Net current assets		<u>42,149</u>	<u>41,874</u>
Net assets		<u><u>45,560</u></u>	<u><u>44,295</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>45,560</u>	<u>44,295</u>
Total funds	14	<u><u>45,560</u></u>	<u><u>44,295</u></u>

For the financial year ending 29 August 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 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 and signed on their behalf by:

.....
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 2023

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, Acomb

Notes to the Financial Statements for the Year Ended 29 August 2023

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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.

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

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.

Little Oaks Nursery, Acomb

Notes to the Financial Statements for the Year Ended 29 August 2023

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 2023 £	Total 2022 £
Donations and legacies;			
Donations from individuals	6,433	6,433	2,204
	6,433	6,433	2,204
	6,433	6,433	2,204

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	179	179
	179	179
Total for 2023	179	179

5 Expenditure on charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Note			
Allocated support costs	124,788	124,788	110,203
	124,788	124,788	110,203
	124,788	124,788	110,203

Little Oaks Nursery, Acomb

Notes to the Financial Statements for the Year Ended 29 August 2023

6 Trustees remuneration and expenses

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

7 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:

	2023 No	2022 No
Staff Numbers	<u>6</u>	<u>6</u>

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

8 Taxation

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

9 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 30 August 2022	5,489	5,489
Additions	<u>1,680</u>	<u>1,680</u>
At 29 August 2023	<u>7,169</u>	<u>7,169</u>
Depreciation		
At 30 August 2022	3,068	3,068
Charge for the year	<u>690</u>	<u>690</u>
At 29 August 2023	<u>3,758</u>	<u>3,758</u>
Net book value		
At 29 August 2023	<u>3,411</u>	<u>3,411</u>
At 29 August 2022	<u>2,421</u>	<u>2,421</u>

Little Oaks Nursery, Acomb

Notes to the Financial Statements for the Year Ended 29 August 2023

10 Debtors

	2023 £	2022 £
Trade debtors	3,030	1,770
Prepayments	500	500
	<u>3,530</u>	<u>2,270</u>

11 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	1,830	102
Cash at bank	38,535	41,282
	<u>40,365</u>	<u>41,384</u>

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	546	400
Accruals	1,200	1,380
	<u>1,746</u>	<u>1,780</u>

13 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £1,500 (2022 - £1,500).

14 Funds

	Balance at 30 August 2022 £	Incoming resources £	Resources expended £	Balance at 29 August 2023 £
Unrestricted funds				
General	<u>44,295</u>	<u>126,053</u>	<u>(124,788)</u>	<u>45,560</u>

	Balance at 30 August 2021 £	Incoming resources £	Resources expended £	Balance at 29 August 2022 £
Unrestricted funds				
General	<u>42,854</u>	<u>111,644</u>	<u>(110,203)</u>	<u>44,295</u>

Little Oaks Nursery, Acomb

Detailed Statement of Financial Activities for the Year Ended 29 August 2023

	Total 2023 £	Total 2022 £
<i>Donations and legacies</i>		
Donations & Gifts	6,433	2,204
	<u>6,433</u>	<u>2,204</u>
<i>Charitable activities</i>		
Services Income	48,733	33,222
Service Income - Funding	70,708	76,218
	<u>119,441</u>	<u>109,440</u>
<i>Investment income</i>		
Interest on cash deposits	179	-
	<u>179</u>	<u>-</u>
<i>Charitable activities</i>		
Consumables & Food	(8,654)	(5,677)
Repairs and maintenance	(2,203)	(4,531)
Licences & Subscriptions	(154)	(1,264)
Sundry expenses	(1,066)	(485)
Accountancy fees	(1,538)	(2,015)
Bank charges	(122)	(53)
Wages and salaries	(102,560)	(88,647)
Staff training	(750)	(96)
Rent	(6,060)	(6,000)
Insurance	(991)	(890)
Depreciation of fixtures and fittings	(690)	(545)
	<u>(124,788)</u>	<u>(110,203)</u>

This page does not form part of the statutory financial statements.