

ST PAUL'S CHILDCARE
UNAUDITED REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021
Charity Registration No. 1175452

ST PAUL'S CHILDCARE
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FOR THE YEAR ENDED 31 DECEMBER 2021

CONTENTS

Page	
3-5	Trustees' Annual Report
6	Statement of Trustees responsibilities
7-8	Independent Examiner's Report
9	Statement of Financial Activities
10	Balance Sheet
11-14	Notes on Accounts

St Paul's Childcare Trustees Annual Report for the year ended 31 December 2021

Objectives and Activities

The objective of St Paul's Childcare (a Charitable Incorporated Organisation number 1175452) is the advancement of the development and education of children and young people in accordance with Christian principles and practice in such a way as the charity trustees think fit. The Charity meets the requirements of the Public Benefit provisions of the Charities Act 2011.

To facilitate this St Paul's Childcare is responsible for overseeing a Breakfast Club, a Nursery and an After School Club, which are registered with Ofsted (Number 2509646) and has a current grading of Outstanding. St Paul's Childcare paid rent to both the PCC of Tupsley, St. Paul's Church and St. Paul's Church of England School for the hire of their facilities in order to achieve its aims. As part of the charity's response to Covid 19 the trustees agreed to stop renting the facilities provided by St Paul's school during the year.

Achievements and Performance

St Paul's Childcare CIO began operating on 1st April 2019 and this report covers the year to 31st December 2021. Prior to that date the Childcare operated within the structure of the PCC of St Paul's (charity number 1134258).

Plans for future

The trustees are committed to ensure that there is continual improvement of the childcare setting both in terms of the infrastructure and in terms of the continued development of the skills and training of the employees.

Financial Review

The year to 31st December 2021 showed a deficit of £ 24,234 (2020 surplus of £77,324). The unrestricted reserves of the Charity were £58,204 (2020 £82,438) at the year end. Cash reserves stood at £51,804 (2020 £100,103) at the year end.

In common with other Childcare settings, Covid has had a significant effect on the charity's operations this year as it did in 2020. Whilst St Paul's Childcare benefitted from support from the local authority and government schemes during the year this was £9,393 lower than was received in 2020. This reduction in support was as a result of the government scaling back the benefits available from the Coronavirus Job Retention Scheme. There was a small reduction in income from parent paid nursery, breakfast club and after school club in comparison to 2020.

The results for the year were materially affected by redundancy costs of £49,822 (2020 Nil). These costs resulted from a re-structure of the charity and a subsequent reduction in employees to cope with reduced demand of the charity's services due to Covid 19.

St Paul's Childcare Trustees Annual Report for the year ended 31 December 2021 (cont.)

Reserves policy

It is the policy of St Paul's Childcare to hold in reserve the equivalent of 3 months running costs, including staff wages and rent. The trustees calculate this to be in the region of £70,000 at the year end. As at the balance sheet date the charity is approximately £18,000 short of this level. The trustees have responded to this shortfall in reserves by carrying out a re-structuring which involved making a number of employees redundant and reducing rent costs. As a result of these changes as at the date of signing these accounts the reserves are now in excess of three months running costs.

Structure, governance and management

The method of the appointment of trustees is set out in the Constitution. They are responsible for making decisions on all matters of general concern and importance to the organisation including deciding on how the funds are to be spent.

Recruitment and Appointment of Trustees

Trustees are recruited either from members of the PCC of St Paul's Church or because the trustee has specialist skills that are of value to the operation of the childcare setting. One of the trustees is also the current manager of the setting and is paid a salary on normal commercial terms. New trustees go through an induction process which is determined by the incumbent trustees to familiarise themselves with the ethics and organisation of the setting.

Reference and administrative information

Registered Charity name St Paul's Childcare

Registered Charity number 1175452

Registered/Principal office c/o St Paul's Church, Community Centre, Church Road, Tupsley, Hereford, HR1 1RT

Governing document CIO- Foundation Registered 30 Oct 2017 (England and Wales)

Trustees Rev. Preb. N P Armstrong
Mrs C Evans
Mrs K E Bishop resigned 18 October 2021
Mrs C Rushton appointed 18 October 2021
Mrs R Burrow
Mrs D J Hartland
Mrs H J Wheadon-Griffiths

Bankers Lloyds TSB Bank plc
8 High Town
Hereford HR1 2AE

**St Paul's Childcare
Trustees Annual Report
for the year ended 31 December 2021 (cont.)**

Independent examiners

Haines Watts Hereford Limited
Chartered Accountants
3rd Floor, Broadway House
32-35 Broad Street
Hereford HR4 9AR

Risk Management

The Trustees continue to monitor the major risks which the charity faces and has established systems to reduce those risks. Risks are reviewed at least annually. The main risks include the health and safety of clients and employees alongside the financial viability of the organisation.

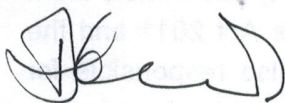
Fund raising

The charity normally undertakes several fund-raising activities during the year including cakes sales, sponsored walks and Christmas fares. The amount of money raised is immaterial in comparison with that generated providing childcare. All monies raised are used to provide additional items for the benefit of the children in the setting. As a result of Covid no fund raising activities took place during the year.

Independent Examiners

Haines Watts Hereford Limited have agreed to offer themselves for re-appointment as independent examiners of the charity.

On behalf of the board of Trustees



Mrs D J Hartland - Chair

Date 11.10.2022.

**St Paul's Childcare
Trustees Annual Report
for the year ended 31 December 2021 (cont.)**

Statement of Trustees' Responsibilities

The trustees are responsible for preparing The Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), FRS102 and the Charities SORP (FRS 102).

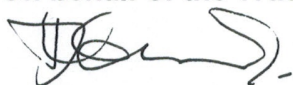
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period.

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 (FRS 102) -second edition October 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in a business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

On behalf of the Trustees



Mrs D J Hartland. Chair of trustees.

Independent Examiner's Report to the Trustees of St Paul's Childcare

I report on the accounts of the charity for the year ended 31 December 2021.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name: Sophie Powell

Relevant professional qualification or body: FCCA

ON BEHALF OF HAINES WATTS HEREFORD LIMITED

Chartered Accountants

3rd Floor

Broadway House

32-35 Broad Street

Hereford

HR4 9AR

18.10.2022 -

St Paul's Childcare

**Statement of Financial Activities
(including Income and Expenditure Account)
For the year ended 31 December 2021**

	<i>Note</i>	Unrestricted Fund £	Total Funds 2021 £	Total Funds 2020 £
Income from charitable activities				
Childcare Income		283,088	283,088	285,268
Other Income	3	46,193	46,193	137,086
Total income		<u>329,281</u>	<u>329,281</u>	<u>422,354</u>
Expenditure				
Expenditure on charitable activities	4	353,515	353,515	345,030
Total expenditure		<u>353,515</u>	<u>353,515</u>	<u>345,030</u>
Net income/(expenditure) and net movement in funds for the year		(24,234)	(24,234)	77,324
Reconciliation of funds				
Total funds brought forward		82,438	82,438	5,114
Total funds carried forward		<u>58,204</u>	<u>58,204</u>	<u>82,438</u>

All activities are classed as continuing
The notes on pages 11 to 14 form part of the accounts

St Paul's Childcare

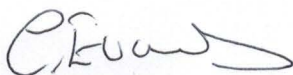
Balance Sheet

At 31 December 2021

	Note	2021 £	2020 £
Current Assets			
Cash at bank and in hand		51,804	100,103
Debtors	8	<u>8,777</u>	<u>1,119</u>
		60,581	101,222
Liabilities			
Creditors falling due within one year	9/10	(2,377)	(18,784)
Total assets less current liabilities		<u>58,204</u>	<u>82,438</u>
The funds of the charity			
Unrestricted funds	12	<u>58,204</u>	<u>82,438</u>
		<u>58,204</u>	<u>82,438</u>

The notes on pages 11 to 14 form part of these accounts

The accounts on pages 9 to 14 were approved by the governing body and authorised for issue on and are signed on their behalf by



Mrs C Evans



Mrs D J Hartland (Chair)

St Paul's Childcare

Notes on the accounts

For the year ended 31 December 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation /uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

St Paul's Childcare is a Charitable Incorporated Organisation (CIO) registered in England and Wales. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the UK Generally Accepted Accounting Practice.

St Paul's Childcare 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 note(s).

b) Preparation of accounts on a going concern basis.

The trustees consider the funds available will enable the charity to operate for more than one year and on that basis the charity is a going concern. Despite the COVID-19 outbreak in 2020, the charity, with the help of Government grants remained solvent. Whilst reserves and cash fell during 2021 from the start of 2022 cash has increased significantly and the reserves have strengthened. Numbers of children attending the setting increased in 2021 and numbers are looking strong for the new term in September 2022.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are donations which the donor has specified are to be used solely for particular areas of the charity's work or for particular activities carried out by the charity. Endowment funds are not available for spending on day to day activities but income generated forms part of unrestricted income.

e) Expenditure and irrecoverable VAT

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

f) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel and governance costs which support the charity's activities.

St Paul's Childcare

Notes on the accounts

For the year ended 31 December 2021

g) Tangible fixed assets

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

Plant and other equipment is depreciated the year after purchase - 33.33% straight line.

h) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

i) 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.

2 Legal status of the charity

The Charity is a Charitable Incorporated Organisation (CIO) registered on 30 Oct 2017.

The Charity started trading on 1 April 2019.

St Paul's Childcare

Notes on the accounts

For the year ended 31 December 2021

	2021 £	2020 £
3 Analysis of other income		
Coronavirus Job Retention Scheme Grant	11,180	55,586
Herefordshire Council Grant	35,013	-
Starting Capital from St Paul's Tupsley PCC written off	-	81,500
	<u>46,193</u>	<u>137,086</u>
4 Analysis of expenditure on charitable activities		
Childcare staff costs	310,566	294,616
Rent	26,373	27,317
Nursery expenses	6,021	11,494
Support costs (Note 5)	10,555	11,603
	<u>353,515</u>	<u>345,030</u>
5 Support costs		
IT and website costs	3,573	4,917
Licences and insurance	853	862
Office administration	3,981	2,319
Independent examination	1,296	2,100
Training costs	852	1,405
	<u>10,555</u>	<u>11,603</u>

6 Trustees remuneration and expenses

During the year one of the trustees, Mrs Wheadon-Griffiths was employed by the charity. Mrs Wheadon-Griffiths was employed as the setting manager and received remuneration of £26,167 for 2021 (2020 of £11,338). The settings previous manager and a former trustee Mrs S Clayton received remuneration of £11,815 in 2020. During the year one trustee, Mrs Wheadon-Griffiths received reimbursement of expenses totalling £1,230. All these re-imbrused expenses related to expediture for the sole benefit and use of St Paul's Childcare. In the previous year four trustees had reimbursed expenses of £1,229. All the expenses related to items that were bought on behalf of St Paul's Childcare and used by the charity.

	2021 £	2020 £
7 Staff costs		
Gross wages	245,833	281,647
Employers National Insurance costs	11,763	10,230
Redundancy costs	49,822	-
Employers contributions to a defined contribution pension scheme	3,148	2,739
	<u>310,566</u>	<u>294,616</u>

Staff numbers

	2021	2020
Nursery, breakfast club and after school club	18	24
Management and administration	3	3
	<u>21</u>	<u>27</u>

No employees were paid over £60,000 in the current year or previous period. During the year redundancy payments of £49,822 were paid (2020 £nil) none were outstanding at year end.

St Paul's Childcare

Notes on the accounts

For the year ended 31 December 2021

	2021 £	2020 £
8 Debtors		
Trade debtors	<u>8,777</u>	<u>1,119</u>
	2021 £	2020 £
9 Creditors: amounts falling due in one year		
Accruals	1,296	17,723
Fees in advance	<u>1,081</u>	<u>1,061</u>
	<u>2,377</u>	<u>18,784</u>

10 Related Party Transactions

Rev. Armstrong, Mrs Hartland, Mrs Bishop and Mrs Burrow are also trustees of St Paul's Church PCC Tupsley. During the year St Paul's Childcare paid rent to the PCC of £22,869 (2020 £20,629).

Rev. Armstrong and Mrs Burrow are directors of St Paul's School. During the year St Paul's Childcare paid rent of £3,504 (2020 £6,688) to St Paul's School. During the year the rental agreement was terminated.

At the year end the charity owed St Paul's PCC £Nil (2020 £2,408) and St Paul's School £Nil (2020 £896) in respect of rent.

In 2020 St Paul's Childcare had a balance of starting capital of £81,500 from St Paul's Church PCC of Tupsley. This starting capital was written off during 2020, therefore the balance in 2021 was nil.

11 Unrestricted funds

	Balance 1 January 2021 £	Income £	Expenditure £	Balance 31 December 2021 £
General fund	<u>82,438</u>	<u>329,281</u>	<u>353,515</u>	<u>58,204</u>

12 Analysis of net assets between funds

	Unrestricted funds £	Total £
Tangible fixed assets	-	-
Fixed asset investments	-	-
Net current assets	<u>58,204</u>	<u>58,204</u>
	<u>58,204</u>	<u>58,204</u>

13 Post balance Sheet Events

There were no significant post balance sheet events.