

ST PAUL'S CHILDCARE
UNAUDITED REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022
Charity Registration No. 1175452

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FOR THE YEAR ENDED 31 DECEMBER 2022

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St Paul's Childcare Trustees Annual Report for the year ended 31 December 2022

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 Good. St Paul's Childcare paid rent to the PCC of Tupsley, St. Paul's Church for the hire of its facilities in order to achieve its aims.

Achievements and Performance

St Paul's Childcare CIO began operating on 1st April 2019 and this report covers the year to 31st December 2022. 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 its employees.

Financial Review

The year to 31st December 2022 showed a surplus of £ 41,742 (2021 deficit of £24,234). The unrestricted reserves of the Charity were £99,946 (2021 £58,204) at the year end. Cash reserves stood at £100,363 (2021 £51,804) at the year end.

In common with other Childcare settings, Covid has had a significant effect on the charity's operations for several years. Since Covid restrictions have been removed, St Paul's Childcare income has now exceeded the pre Covid period. The trustees continue to keep a tight control over the charity's costs and have kept the number of employees to at least the minimum level to ensure the correct ratios of employees to children in the setting. The trustees are also committed to ensuring that employees continue to be up to date with best practice and there has and will be additional investment in employee training and development.

**St Paul's Childcare
Trustees Annual Report
for the year ended 31 December 2022 (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 £75,000 at the year end. As at the balance sheet date the charity has reserves of approximately £25,000 in excess of this level. The trustees are happy at this stage to have reserves in excess of this level as they are concerned about the very high level of inflation in the UK economy. This inflation is expected to increase the costs that affect the charity in future years.

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 C Rushton
- 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 2022 (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.

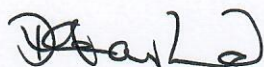
Fund raising

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. Following the removal of Covid restrictions the charity resumed fundraising activities during 2022 and as a result raised £2,082 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

Date17.7.2023

**St Paul's Childcare
Trustees Annual Report
for the year ended 31 December 2022 (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 2022.

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.

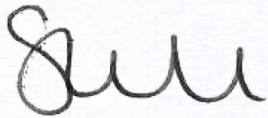
Basis of independent examiner's report

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

25 August 2023

St Paul's Childcare

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 December 2022

	<i>Note</i>	Unrestricted Fund £	Total Funds 2022 £	Total Funds 2021 £
Income from charitable activities				
Childcare Income		336,659	336,659	283,088
Other Income	3	3,082	3,082	46,193
Total income		<u>339,741</u>	<u>339,741</u>	<u>329,281</u>
Expenditure				
Expenditure on charitable activities	4	297,999	297,999	353,515
Total expenditure		<u>297,999</u>	<u>297,999</u>	<u>353,515</u>
Net income/(expenditure) and net movement in funds for the year		41,742	41,742	(24,234)
Reconciliation of funds				
Total funds brought forward		58,204	58,204	82,438
Total funds carried forward		<u>99,946</u>	<u>99,946</u>	<u>58,204</u>

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

St Paul's Childcare

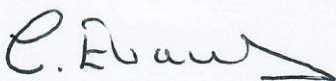
Balance Sheet

At 31 December 2022

	Note	2022 £	2021 £
Current Assets			
Cash at bank and in hand		100,363	51,804
Debtors	8	<u>4,006</u>	<u>8,777</u>
		104,369	60,581
Liabilities			
Creditors falling due within one year	9	(4,423)	(2,377)
Total assets less current liabilities		<u>99,946</u>	<u>58,204</u>
 The funds of the charity			
Unrestricted funds	12	<u>99,946</u>	<u>58,204</u>
		<u>99,946</u>	<u>58,204</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

17th July 2023



Mrs D J Hartland (Chair)

17.7.2023.

St Paul's Childcare

Notes on the accounts

For the year ended 31 December 2022

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. Cash reserves have continued to improve during 2022 and into 2023.

Numbers of children attending the setting increased in 2022 and numbers are looking strong for the new term in September 2023.

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 2022

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 2022

	2022 £	2021 £
3 Analysis of other income		
Fundraising	2,082	-
Apprentice Incentive	1,000	-
Coronavirus Job Retention Scheme Grant	-	11,180
Herefordshire Council Grant	-	35,013
	<u>3,082</u>	<u>46,193</u>
4 Analysis of expenditure on charitable activities		
Childcare staff costs	249,360	310,566
Rent	27,378	26,373
Nursery expenses	8,349	6,021
Support costs (Note 5)	12,912	10,555
	<u>297,999</u>	<u>353,515</u>
5 Support costs		
IT and website costs	2,697	3,573
Licences and insurance	866	853
Office administration	4,317	3,981
Independent examination	1,980	1,296
Training costs	3,052	852
	<u>12,912</u>	<u>10,555</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 £31,040 for 2022 (2021 of £26,167).

During the year one trustee, Mrs Wheadon-Griffiths received reimbursement of expenses totalling £2,465 (2021 £1,230). All these re-imbursed expenses related to expenditure for the sole benefit and use of St Paul's Childcare.

	2022 £	2021 £
7 Staff costs		
Gross wages	238,073	245,833
Employers National Insurance costs	7,723	11,763
Redundancy costs	-	49,822
Employers contributions to a defined contribution pension scheme	3,564	3,148
	<u>249,360</u>	<u>310,566</u>

Staff numbers

	2022	2021
Nursery, breakfast club and after school club	15	18
Management and administration	3	3
	<u>18</u>	<u>21</u>

No employees were paid over £60,000 in the current year or previous year.

St Paul's Childcare

Notes on the accounts

For the year ended 31 December 2022

	2022 £	2021 £
8 Debtors		
Trade debtors	<u>4,006</u>	<u>8,777</u>
	2022 £	2021 £
9 Creditors: amounts falling due in one year		
Accruals	2,874	1,296
Fees in advance	<u>1,549</u>	<u>1,081</u>
	<u>4,423</u>	<u>2,377</u>

10 Related Party Transactions

Rev. Armstrong, Mrs Hartland 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 £27,378 (2021 £22,869).

Rev. Armstrong and Mrs Burrow are directors of St Paul's School. During the year St Paul's Childcare paid rent of £Nil (2021 £3,504) to St Paul's School. During 2021 the rental agreement was terminated.

At the year end the charity owed St Paul's PCC £Nil (2021 £Nil) in respect of rent.

11 Unrestricted funds

	Balance 1 January 2021 £	Income £	Expenditure £	Balance 31 December 2022 £
General fund	<u>58,204</u>	<u>339,741</u>	<u>297,999</u>	<u>99,946</u>

12 Analysis of net assets between funds

	Unrestricted funds £	Total £
Tangible fixed assets	-	-
Fixed asset investments	-	-
Net current assets	<u>99,946</u>	<u>99,946</u>
	<u>99,946</u>	<u>99,946</u>

13 Post balance Sheet Events

There were no significant post balance sheet events.