

CARMEL PLAYGROUP AND TODDLERS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



CARMEL PLAYGROUP AND TODDLERS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Julie Biggadike	(Appointed 29 April 2021)
	Lowri Pope	(Appointed 24 May 2021)
	Michelle Simpson	(Appointed 24 May 2021)
	Rebecca Farrel-Jones	(Appointed 24 May 2021)
	Catherine Kelly	(Appointed 24 May 2021)
	Carley Jones	(Appointed 24 May 2021)
	Lauren Smith	(Appointed 24 May 2021)
Charity number	1177864	
Principal address	Ysgol Bro Carmel Carmel Road Carmel Holywell Clwyd United Kingdom CH8 8NU	
Independent examiner	Azets Audit Services Brynford House 21 Brynford Street Holywell Flintshire United Kingdom CH8 7RD	

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CARMEL PLAYGROUP AND TODDLERS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

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 charity's constitution, the Charities Act 2011 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

The charity's objects are to enhance the development and education of children in Wales, for the public benefit, by encouraging parents to understand and provide for their needs through high quality childcare provision and there has been no change in these during the year.

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

The charity meets the Charity Commission's public benefit criteria under both the advancement of education, the advancement of citizenship or community development headings.

Achievements and performance

Carmel Playgroup and Toddlers was dormant for the year ended 31 August 2019 and began formal operations from the new school term in September 2019 for children's education.

Financial review

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 sufficient to continue the charitable activities of the charity should income and fund raising activities fall short. Any surplus funds which are not likely to be needed to pay for activities will be placed on deposit to earn interest.

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

Structure, governance and management

The charity's governing document is its constitution and the charity was registered, with the Charity Commission, as a Charitable Incorporated Organisation (CIO) on 9 April 2018.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs E Warbrick	(Resigned 24 May 2021)
Mrs S C Cheffings	(Resigned 24 May 2021)
Mrs G Jones	(Resigned 24 May 2021)
Julie Biggadike	(Appointed 29 April 2021)
Lowri Pope	(Appointed 24 May 2021)
Michelle Simpson	(Appointed 24 May 2021)
Rebecca Farrel-Jones	(Appointed 24 May 2021)
Catherine Kelly	(Appointed 24 May 2021)
Carley Jones	(Appointed 24 May 2021)
Lauren Smith	(Appointed 24 May 2021)

The Board of Trustees is responsible for the strategic direction and policy of the charity. The day to day running of the charity is delegated to paid staff and volunteers.

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

CARMEL PLAYGROUP AND TODDLERS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trustee

Dated: 29 June 2022

CARMEL PLAYGROUP AND TODDLERS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CARMEL PLAYGROUP AND TODDLERS

I report to the trustees on my examination of the financial statements of Carmel Playgroup and Toddlers (the charity) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Melanie Langton-Davies ACA FCCA
Azets Audit Services

Brynford House
21 Brynford Street
Holywell
Flintshire
CH8 7RD
United Kingdom

Dated: 29 June 2022

CARMEL PLAYGROUP AND TODDLERS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income:</u>			
Early entitlement and assisted places	3	29,691	24,769
Fees and fundraising	4	4,132	9,021
Investments	5	1	12
Other income	6	13,439	6,560
Total income		<u>47,263</u>	<u>40,362</u>
<u>Expenditure on:</u>			
Charitable activities	7	<u>43,729</u>	<u>38,594</u>
Net income for the year/ Net movement in funds		3,534	1,768
Fund balances at 1 September 2020		<u>20,974</u>	<u>19,206</u>
Fund balances at 31 August 2021		<u><u>24,508</u></u>	<u><u>20,974</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

CARMEL PLAYGROUP AND TODDLERS

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		25,006		21,362	
Creditors: amounts falling due within one year	10	<u>(498)</u>		<u>(388)</u>	
Net current assets			<u>24,508</u>		<u>20,974</u>
Income funds					
Unrestricted funds			<u>24,508</u>		<u>20,974</u>
			<u>24,508</u>		<u>20,974</u>

The financial statements were approved by the Trustees on 29 June 2022

Trustee

CARMEL PLAYGROUP AND TODDLERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Carmel Playgroup and Toddlers is a Charitable Incorporated Organisation governed by its constitution.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 charity 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 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 charity.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

CARMEL PLAYGROUP AND TODDLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 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.

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 charity's contractual obligations expire or are discharged or cancelled.

1.6 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity'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.

CARMEL PLAYGROUP AND TODDLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

3 Early entitlement and assisted places

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Early entitlement and assisted places	29,691	24,769

4 Fees and fundraising

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Fees	4,132	7,202
Fundraising	-	1,819
Fees and fundraising	4,132	9,021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Bank deposit interest	1	12

6 Other income

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Government grants	9,386	-
Grants - Job Retention Scheme	4,053	6,560
	13,439	6,560

CARMEL PLAYGROUP AND TODDLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Charitable activities

	Charitable Expenditure Heading 1 2021 £	Charitable Expenditure Heading 1 2020 £
Staff costs	37,999	33,163
Memberships	35	112
Rent	-	834
Expenses and resources	360	686
Telephone	539	580
Outings and activities	-	156
Equipment	2,179	791
Insurance	491	479
Snacks	1,131	799
Computer software	119	119
Payroll and administration	480	480
Sundry expenses	-	35
Accountancy	396	360
	<u>43,729</u>	<u>38,594</u>
	<u>43,729</u>	<u>38,594</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	4	5
	<u>4</u>	<u>5</u>
Employment costs	2021 £	2020 £
Wages and salaries	37,804	33,163
Social security costs	195	-
	<u>37,999</u>	<u>33,163</u>
	<u>37,999</u>	<u>33,163</u>

CARMEL PLAYGROUP AND TODDLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	103	27
Accruals and deferred income	395	361
	<u>498</u>	<u>388</u>

11 Related party transactions

There were no disclosable related party transactions during the year.