



First Steps Nursery
Reports and Accounts for Year End August 2020
Charity number: 1181057

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Charity Number: 1181057

Trustees Annual report for the year ended 31st August 2020

The trustees present their annual report and financial statements of the charity for the year ended 31st August 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (second edition) and Financial Reporting Standard FRS 102.

Objectives, Activities & Achievements

The Charity's object is to advance the development and education of mainly, but not exclusively, pre-school children, by offering appropriate play, education and care facilities through the medium of Welsh and English and by encouraging parents to understand and provide for the needs of their children.

The Charity provides childcare through the medium of Welsh and English at several different locations throughout Rhondda Cynon Taff and offers a variety of different services from sessional care, wrap-around to full day care.

The charities settings are registered for the Childcare offer and several of them are also ESTYN and Flying Start registered so that children within the community are able to access funded places.

The Charity currently has 9 nurseries located across Rhondda Cynon Taff. It provides quality childcare to children in the local communities providing sessional care, full day care and wrap around services. The newest nursery is a full day care that will operate from 7:30am-6:00pm 50 weeks of the year.

The charity is working with a local Welsh school to provide a wraparound service every afternoon from the school due to the school only being able to take the nursery children in for half day in September. The service will ensure that children remain in the school all day supporting working parents in the area.

Risk Policy

The Trustees has considered all major risks and has taken the appropriate action to mitigate these risks. The charity keeps a risk assessment form on all activities.

Trustees

The following served as trustees during the year:

- Sian Mererid Boswell
- Glesni Haf Ayres
- Mari Wyn Roberts

Office Address:

- 18 Main Road
- Tonteg
- CF38 1PN

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Trustee pay

The trustees consider the board of trustees and the chief executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis.

All trustees give of their time freely and no trustee remuneration was paid in the year. No expenses were paid to the trustees.

Legal Status

The organisation is a Constituted Charitable Incorporated Organisation and is registered with the Charity Commission (Charity number: 1181057).

Organisational Structure

The day to day running of the charity is the responsibility of its employees, with support from CCID management, who are experienced in childcare. Major decisions are dealt with at the meetings of the management committee. The members of the management Committee, who constitute the charity's trustees, are usually local residence, parents/guardians of past and present children who attend the nursery or someone who has an interest in improving the quality of pre-school education.

Review of the past year

As a result of sustained effort on the part of the trustees, senior management team and charity's employees, the Charity's financial position showed a healthy situation at the balance sheet date.

Reserves Policy

The Charity's policy on reserves is that ideally up to six months reserves are maintained at any one time in the current account. This is sufficient to meet all outstanding expenditure. With expenditure amounting to £619,192 per annum – six months would equate to £309,596, slightly higher than the current reserves of £290,650.

The charity, in future, will also create a reserve fund to support future protects such as opening new nurseries or improving the facilities of existing nurseries.

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Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be 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 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 to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

This report was approved by the Trustees on 27/5/2021

Signed on behalf of Trustees



Sian Mererid Boswell

First Steps Nursery**Charity Number: 1181057****Statement of Financial Activities for year ending 31st August 2020**

	Notes	Unrestricted Income £	Restricted Income £	2020 £
Income				
Donations	2	1,752	128,041	129,793
Charitable activities	3	718,181	-	718,181
Other Income	4	61,831	-	61,831
Investment Income	5	37	-	37
Total Income		781,801	128,041	909,842
Expenditure				
Cost of Sales	6	21,741	-	21,741
Employment Costs	6	492,610	-	492,610
Premises Cost	6	76,802	-	76,802
General Expenses	6	28,039	-	28,039
Total Expenditure		619,192	-	619,192
Net Movement on Funds		162,609	128,041	290,650

No separate income and expenditure statement has been prepared.

The notes on pages 9 to 11 form a full part of these accounts.

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Balance Sheet as at 31st August 2020

	Notes	2020	
		£	£
Fixed Assets	7		42,011
Current Assets			
Debtors	8	150,935	
Cash in hand and at bank		103,926	
		<u>254,861</u>	
Creditors: amounts falling due within one year	9	(6,222)	
Net Current Assets			248,639
Net Assets			<u>290,650</u>
Capital and reserves			
Unrestricted funds	10	162,609	
Restricted funds	11	128,041	
		<u>290,650</u>	

Approved by the Charity on 29/5/2021 and signed on their behalf by



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Statement of Cashflows as at 31st August 2020

	2020 £
<i>Cash flow from operating activities</i>	
Net cash provided by operating activities	103,926
Cash at beginning of year	-
Cash at end of year	<u>103,926</u>

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Notes and Accounting Policies

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Charities Statement of Recommended Practice (SORP) and FRS 102.

(b) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

The trust constitutes a public benefit entity as defined by FRS 102.

(c) Income

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 income receivable can be measured reliably.

(d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

(e) Fixed assets

All fixed assets are initially recorded at cost.

(f) Depreciation

Depreciation is calculated to write off the cost of an asset over the useful economic life of that asset as follows:

- Improvements: Straight line depreciation over 5 years
- Furniture & Equipment: Straight line depreciation over 5 years

2. Donations

	Unrestricted Income £	Restricted Income £	2020 £
Donation on assets from previous run entities (transferred into the charity)	-	128,041	128,041
Fundraising income	1,752	-	1,752
TOTAL	1,752	128,041	129,793

First Steps Nursery**Charity Number: 1181057****Notes and Accounting Policies (continued)****3. Charitable Activities Income**

	Unrestricted Income	Restricted Income	2020
	£	£	£
Fees	53,363	-	53,363
Rhondda Cynon Taf County Borough Council	598,526	-	598,526
Grants	66,292	-	66,292
	<u>718,181</u>	<u>-</u>	<u>718,181</u>

4. Other income

	Unrestricted Income	Restricted Income	2020
	£	£	£
Job Retention Scheme	61,475	-	61,475
Other	356	-	356
	<u>61,831</u>	<u>-</u>	<u>61,831</u>

5. Investment income

	Unrestricted Income	Restricted Income	2020
	£	£	£
Bank interest	37	-	37
	<u>37</u>	<u>-</u>	<u>37</u>

6. Charitable Expenditure

	2020
	£
Cost of Sales	
General Purchases	21,741
 Employment costs	
	2020
	£
Wages & Salaries	489,911
Staff training	728
Staff welfare	1,294
Staff checks	<u>677</u>

492,610

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Notes and Accounting Policies (continued)

	2020
Premises costs	£
Rent	68,334
Power, Heat, Light	2,283
Cleaning	6,185
	<u>76,802</u>

General administrative expenses

Phone & Internet	4,635
Memberships & subscriptions	499
Insurance	2,423
Repair & Maintenance	2,976
Health & Safety	4,257
Depreciation	10,503
Advertising	2,354
Gocardless	83
Sundry expenses	309
	<u>28,039</u>

7. Tangible Fixed Assets

	Nursery Improvements £	Furniture & Equipment £
As at 1 September 2019	-	-
Additions	47,171	9,434
As at 31 August 2020	<u>47,171</u>	<u>9,434</u>
Depreciation Charge for Year	<u>5342</u>	<u>1069</u>
Net Book Value Carried Forward	<u>41,829</u>	<u>8,365</u>
Net Book Value Brought Forward	<u>-</u>	<u>-</u>

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Notes and Accounting Policies (continued)

8. Debtors

	2020
	£
Staff Loan	2,805
Grants due from RCT	25,094
Management company debtor	70,381
Other Debtors	52,655
	<u>150,935</u>

9. Creditors: Amounts falling due within 1 year

	2020
	£
Taxation & social security costs	4,297
Fees due	1,230
Other creditors	695
	<u>6,222</u>

10. Unrestricted Funds

	Balance September 2019	Incoming	Outgoing	Transfers	Balance 31 August 2020
	£	£	£	£	£
General Funds	-	781,801	619,192	-	162,609
	<u>-</u>	<u>781,801</u>	<u>619,192</u>	<u>-</u>	<u>162,609</u>

11. Restricted Funds

	Balance September 2019	Incoming	Outgoing	Transfers	Balance 31 August 2020
	£	£	£	£	£
Transfer from previous entities	-	128,041		-	128,041
	<u>-</u>	<u>128,041</u>			<u>128,041</u>