

Charity registration number 1181239

Company registration number CE015965 (England and Wales)

MUNCHKINS AT YSGOL LLANBEDR
(A CHARITABLE INCORPORATED ORGANISATION)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024



MUNCHKINS AT YSGOL LLANBEDR

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Dick	(Appointed 31 August 2023)
	A Marshall	(Appointed 16 November 2023)
	A L Brereton	(Appointed 16 November 2023)
	Ms A Mullen-Hurst	(Appointed 16 January 2025)
Charity number	1181239	
Company number	CE015965	
Registered office	Llanbedr Controlled School Llanbedr-Dyffryn-Clwyd Ruthin Denbighshire United Kingdom LL15 1SU	
Accountants	Azets Audit Services First Floor Unit 55 Ffordd William Morgan St Asaph Business Park St Asaph United Kingdom LL17 0JG	

MUNCHKINS AT YSGOL LLANBEDR

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MUNCHKINS AT YSGOL LLANBEDR

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

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 deed of trust, 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)".

Background Information

Munchkins at Ysgol at Llanbedr was formed in December 2018 to offer quality, accessible preschool childcare.

Objectives and activities

The object of the CIO is 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. The aim of Munchkins at Ysgol Llanbedr is to provide quality, accessible full day care and out of school childcare, offering a range of play activities in a welcoming atmosphere.

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

Munchkins is the on-site wrap around care provision for Ysgol Llanbedr. It caters for children aged 2 years and upwards. It has the use of its own building and has access to school facilities, including school meals and to excellent outdoor facilities and school resources. The children who attend also take part in school activities, events and celebrations which eases their transition into school at nursery age.

Munchkins provides a playgroup, after-school and holiday care. It provides a facility for children living in a rural area to have access to structured and unstructured play activities and to socialise and develop friendship groups.

It benefits families in the area and strengthens community links in a rural area by providing care facilities enabling parents/carers to access childcare provision close to home.

The trustees and members support the administration of Munchkins at Ysgol Llanbedr on a voluntary basis, including raising funds for the setting.

Achievements and performance

Munchkins at Ysgol Llanbedr was formed in December 2018 to offer quality, accessible pre-school, after-school and holiday childcare and continues to provide these facilities.

During the spring of 2024 Munchkins began to work with Denbighshire County Council Early Education to prepare to provide Early Education funded places to children who turned three in time to access 12.5 hours of funded education in the summer term of 2024.

This would allow them to access Early Education grants in order to improve the learning environment and to become more sustainable and access mandatory training through the local authority.

Munchkins is preparing to work with the local authority supported staff to provide an enhanced learning environment for the children in their care to access a range of quality resources.

At the end of March 2024 staff were fully prepared to enhance the provision of the children across the setting and had built good working relationships with Local Authority Early Education to continue this beyond the end of the year this report covers.

MUNCHKINS AT YSGOL LLANBEDR

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Main objectives were:

- To ensure compliance with Care Inspectorate Wales and Charity Commission: The new trustees have worked to ensure that the setting is compliant and remains sustainable.
- To provide Early Education funded places within the setting: At the end of the period for the report the setting was ready to join the Denbighshire County Council Early Education scheme to enhance the provision for all children.
- To enhance the environment: resources were being upgraded to meet provide engaging and stimulating activities for the children.

Financial review

Income

This is derived from contributions and grants. Unrestricted incoming resources amounted to £71,537 (2023: £83,739). Total restricted incoming resources amounted to £400 (2023: Nil)

Expenditure

Expenditure for the year ended 31st March 2024 was monitored, controlled and increased as appropriate.

Total Unrestricted resources expended amounted to £92,983 (2023; £80,418).

Total restricted resources expended amounted to £400 (2023; Nil).

Trustees are doing all they can to keep the charity continuing as a going concern. We have had support grants from Early Years Wales and local charities to help us to continue. Trustees/members continue to raise funds and the position has improved. We continue to monitor incoming fees and staffing costs to ensure that we remain financially viable.

To support Munchkins during a challenging financial period the following organisations made loans to Munchkins. This helped Munchkins to meet staffing costs. As the financial position of Munchkins improved, these funds were held in reserve, at 31.3.24, to be repaid when possible:

Ysgol Llanbedr School fund: £2,000

Puddleducks All Day Care (Vale of Clwyd Federation: Ysgol Trefnant): £8,893

Principal sources of funds:

- ☐ Sessional fees paid directly by parents/carers.
- ☐ Welsh Government Childcare Offer
- ☐ Employee Childcare Vouchers (Edenred/Sodexo)
- ☐ National Savings HMRC Payments – Childcare tax credits
- ☐ Fundraising events/Go Fund Me

When the new trustees took over the CIO there were no reserves and the charity was running at a loss, partly due to historic unpaid debts.

Trustees had to ensure that income from fees, Welsh Government, etc covered staffing costs.

Support was provided by local grants and from the Vale of Clwyd Federation of Ysgol Trefnant and Ysgol Llanbedr. The Responsible Individual and Setting Manager were working with Denbighshire County Council towards providing Early Education in the setting, which would help to sustain the setting in the future.

MUNCHKINS AT YSGOL LLANBEDR

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, dated 18 December 2018 and amended 16 January 2025.

Constitution of a Charitable Incorporated Organisation (Association) with voting members other than its charity trustees

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

S Van Loock	(Resigned 19 October 2023)
R Jones	(Resigned 19 October 2023)
J Heginbotham	(Resigned 31 May 2024)
S Dick	(Appointed 31 August 2023)
A Marshall	(Appointed 16 November 2023)
A L Brereton	(Appointed 16 November 2023)
Ms A Mullen-Hurst	(Appointed 16 January 2025)

Selection of trustees by existing board of trustees and members.

As part of the recruitment process, trustees provide details of the skills and experience which will be essential to the role of trustee.

Trustees are voted onto the board and this is minuted.

Trustees are provided with governing document/constitution and financial information.
Training will be offered as appropriate, eg, child protection, Prevent Duty training.


Munchkins at Ysgol Llanbedr is registered with Care Inspectorate Wales (CIW) and complies with their statutory policy requirements, notably Child Protection/Safeguarding, Health and Safety, Anti-Bullying.

Registered with Care Inspectorate Wales (CIW).
Decisions made at Trustee/Member meetings.

Day to day staffing and pay decisions made by administrator and Responsible Individual along with Payroll Administrator. Trustees may be involved in more complex decisions.

Affiliated with Early Years Wales.

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



S Dick

Date: 18.3.25

MUNCHKINS AT YSGOL LLANBEDR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Munchkins at Ysgol Llanbedr for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

MUNCHKINS AT YSGOL LLANBEDR

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MUNCHKINS AT YSGOL LLANBEDR

I report to the trustees on my examination of the financial statements of Munchkins at Ysgol Llanbedr (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (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

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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.


Jonathan Ward FCA

Azets Audit Services

First Floor
Unit 55 Ffordd William Morgan
St Asaph Business Park
St Asaph
LL17 0JG
United Kingdom

Dated: 14/3/2025.

MUNCHKINS AT YSGOL LLANBEDR

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	2023 £
<u>Income from:</u>					
Grants and Donations	3	1,000	400	1,400	-
Charitable activities	4	70,537	-	70,537	83,739
Total income		<u>71,537</u>	<u>400</u>	<u>71,937</u>	<u>83,739</u>
<u>Expenditure on:</u>					
Charitable activities	5	<u>92,983</u>	<u>400</u>	<u>93,383</u>	<u>80,418</u>
Net (expenditure)/income for the year/ Net movement in funds		(21,446)	-	(21,446)	3,321
Fund balances at 1 April 2023		<u>22,919</u>	<u>-</u>	<u>22,919</u>	<u>19,598</u>
Fund balances at 31 March 2024		<u><u>1,473</u></u>	<u><u>-</u></u>	<u><u>1,473</u></u>	<u><u>22,919</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MUNCHKINS AT YSGOL LLANBEDR

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	9		2,453		775
Current assets					
Cash at bank and in hand		12,043		23,374	
Creditors: amounts falling due within one year	10	(13,023)		(1,230)	
Net current (liabilities)/assets			(980)		22,144
Total assets less current liabilities			1,473		22,919
Income funds					
Unrestricted funds			1,473		22,919
			1,473		22,919

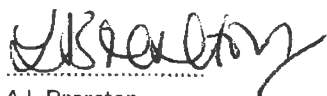
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 18.3.25.



A L Brereton
Trustee

Company registration number CE015965

MUNCHKINS AT YSGOL LLANBEDR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Munchkins at Ysgol Llanbedr is a Charitable Incorporated Organisation incorporated in England and Wales. The registered office is Llanbedr Controlled School, Llanbedr-Dyffryn-Ciwyd, Ruthin, Denbighshire, LL15 1SU, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 not to prepare a Statement of Cash Flows.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the charity has net current liabilities of £980 as at 31 March 2024.

The Governing Body of the Federation of Ysgol Trefnant and Ysgol Llanbedr has provided an interest free loan of £2,000 and confirmed support will continue for as long as possible, attendance numbers also increasing subsequent to the year end. As a result, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

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.

1.4 Income

Income from charitable activities is recognised once the service has been provided and billed.

Grant income is applied for and recognised in the financial statements as dictated by the terms of the grant.

1.5 Expenditure

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% Reducing balance
Computers	3 Years straight line

MUNCHKINS AT YSGOL LLANBEDR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 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.

MUNCHKINS AT YSGOL LLANBEDR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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.

There were no critical accounting estimates or judgements in the year to 31 March 2024.

3 Grants and Donations

	Unrestricted funds	Restricted funds	Total	Total
	2024 £	2024 £	2024 £	2023 £
Grants received in the year	<u>1,000</u>	<u>400</u>	<u>1,400</u>	<u>-</u>
Grants receivable for core activities				
Early years Grant	1,000	-	1,000	-
Grwp Cynefin Grant	-	400	400	-
	<u>1,000</u>	<u>400</u>	<u>1,400</u>	<u>-</u>

4 Charitable activities

	Charitable Income 2024 £	Charitable Income 2023 £
Sales within charitable activities	<u>70,537</u>	<u>83,739</u>

MUNCHKINS AT YSGOL LLANBEDR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Charitable activities

	2024 £	2023 £
Depreciation	613	139
Purchases	4,457	3,901
Wages & Salaries	78,289	65,343
Professional Fees	1,059	1,310
Pension	1,130	1,546
Repairs and Renewals	2,524	187
Cleaning	56	278
Telephone	90	60
Training	328	440
Subscriptions	137	102
Print, Post and Stationery	32	32
Insurance	573	629
Rent	2,200	5,150
Other charitable expenditure	1,895	1,301
	<u>93,383</u>	<u>80,418</u>
	<u>93,383</u>	<u>80,418</u>
Analysis by fund		
Unrestricted funds	92,983	80,418
Restricted funds	400	-
	<u>93,383</u>	<u>80,418</u>

The Independent Examination fee for the year was £1,200+VAT

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2023: None).

7 Employees

The average monthly number of employees during the year was:

2024 Number	2023 Number
<u>8</u>	<u>11</u>

There were no employees whose annual remuneration was more than £60,000.

JUNCHKINS AT YSGOL LLANBEDR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2023	1,073	215	1,288
Additions	2,291	-	2,291
At 31 March 2024	3,364	215	3,579
Depreciation and impairment			
At 1 April 2023	298	215	513
Depreciation charged in the year	613	-	613
At 31 March 2024	911	215	1,126
Carrying amount			
At 31 March 2024	2,453	-	2,453
At 31 March 2023	775	-	775

10 Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	10,893	-
Accruals and deferred income	2,130	1,230
	13,023	1,230

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources £	Balance at 1 April 2023 £	Incoming resources £	Resources expended 31 March 2024 £	Balance at 31 March 2024 £
GRWP Cynefin	-	-	400	(400)	-

MUNCHKINS AT YSGOL LLANBEDR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2024**

12 Related party transactions

A loan of £2,000 was received from Ysgol Llanbedr, where trustee Susan Dick is headteacher.

Included in the creditors balance is the amount of £8,892.67 due to Puddleducks All Daycare. This is a charity with a common trustee, Susan Dick.