

Friendly Families Nursery
Unaudited Financial Statements
28 February 2022

HAFFNER HOFF LTD

Accountants
2nd Floor - Parkgates
Bury New Road
Prestwich
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Friendly Families Nursery

Financial Statements

Year ended 28 February 2022

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Friendly Families Nursery

Trustees' Annual Report

Year ended 28 February 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 28 February 2022.

Reference and administrative details

Registered charity name	Friendly Families Nursery
Charity registration number	1184977
Principal office	Friendly Families Nursery 43 Albyn Road London SE8 4EG

The trustees

Oumabarani Mauree-Gungah	(Appointed 1 May 2021) (Served from 1 April 2021 to 1 January 2022)
Ms Balogun Aysan Alba Kate Appleby Lucie Stephens Juliet Bond	(Appointed 1 March 2021) (Resigned 31 December 2021)

Independent examiner	Mr D Schwarz FCCA 2nd Floor - Parkgates Bury New Road Prestwich Manchester M25 0TL
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Friendly Families Nursery

Trustees' Annual Report *(continued)*

Year ended 28 February 2022

Structure, governance and management

The Friendly Families Nursery is constituted as a CIO. It is a registered charity and the charity number is 1184977 and it was registered on 20 August 2019.

Trustee induction and training

New trustees undergo orientation to brief them on their legal obligations under the Charities Act, the committee, decision making processes, the business plan and the recent financial performance of the charity. Trustees are recruited from parents of children who attend the nursery and the wider local community. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational management

The trustees of the charity are legally responsible for the overall management and control of the charity and meet regularly. The day-to-day affairs are managed by the Nursery Manager.

Risk review

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to manage our exposure to the major risks.

The key risks that face the nursery at this time include (1) Income generated from parent fees and Lewisham Free Hours is insufficient to cover staffing costs and nursery overheads, or ensure sufficient reserves. (2) Equipment needs to be repaired/replaced. High cost to replace equipment. (3) Limited resources to fund raise. (4) Insufficient engagement from parents to volunteer as Classroom volunteers or as Parent Directors. (5) Inability to recruit to any vacant staff posts due to sector wide staffing crisis.

Objectives and activities

The objects of the charity are to enhance the development and education of pre-school children in Deptford through the provision of high quality and affordable childcare. We work to create a family of families, supporting parents to get to know each other and build networks of support. We build opportunities for volunteering within the nursery, enabling us to benefit from the skills and experiences of our diverse local community. The nursery is supported by volunteers throughout.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education when reviewing the charity's aims and objectives and in planning future activities and setting grant making policy for the year.

Grant making policy

The charity is funded by fees, grants and donations. The charity provides education to children of nursery age in the Deptford area of London.

The charity does not normally pay out any grants. If the charity would pay out any grants it would be in line with the objects as stated above.

Principal Activity

The principal activity for the period under review was the provision of high quality and affordable childcare to families in the Deptford area of London.

Friendly Families Nursery

Trustees' Annual Report *(continued)*

Year ended 28 February 2022

Achievements and performance

The charity received £100 in donations, and a further £22,740 in restricted grants during the year, as well as £99,500 of other income.

Heading in to the Spring term in early 2021 we were confident that our earlier predictions of breaking even by April 2021 would be fulfilled. We had five new families registered and were ready to welcome them and their children in January 2021. Unfortunately, at this time a second national lockdown due to COVID was called and this had a significant impact on the nursery. One family completed their settling in period but then felt concerned that their young twins were not ready to be left at the nursery after 9 months of children spending all of their time with their parents this appears to be a growing trend with staff needing to ensure settling in periods can be over longer time scales and at the pace of the individual child. One family had to delay their start date by two months as they were due to move house so could not risk a COVID infection. And another family changed their mind about starting, due in part to the tighter restrictions meaning less direct family involvement at the nursery was possible. So instead of five new starters we only had one. And alongside that an existing family had taken the decision to move to a new area where they will be able to access more green spaces. The second lockdown also made it difficult for families to visit in person and be shown around the setting. The nursery remained open to all families during the second national lockdown but parent volunteers were not able to attend due to the increased risk of bringing COVID in to the nursery, this put the staff team under additional pressure and required shift patterns to be adjusted. We continued to closely follow national COVID guidance to reduce the risk of an outbreak, including hand sanitising, encouraging parents to drop off and pick up in the nursery garden and asking staff to complete weekly lateral flow tests. In Spring 2021 We successfully applied for a grant from our local authority (Lewisham) to support the additional costs of the nursery that we have incurred due to COVID19. However, because we were a new setting we were not eligible for any of the support provided through furlough and ongoing 'free hours' funding.

Summer term 2021

Despite the initial reductions in families signing up to the nursery (echoed in national surveys of early years providers) we saw significant growth in families once the lockdown restrictions were eased growing from 12 families in March up to 18 families in June 2021. We were pleased that up to 28% of families at the nursery were using only free hours funding, with a significant proportion using the 2 year old offer, confirming that we were successfully reaching local families on lower incomes. With the number of children increasing steadily, and growing interest in places at the nursery, we began recruitment of a full-time Manager for the setting in June 2021. The post was intended to replace our two seconded staff members. At the end of the summer term we saw a number of children move on to school, with the total number of families using the nursery dropping slightly. In June 2021 Ruth left the nursery and in August 2021 we welcomed Charlie to the nursery as our Forest School Lead. Charlie combines working part-time at the nursery with university study to improve his early years qualifications.

Autumn term 2021

During the Autumn term we strengthened the nursery curriculum, developing the opportunities for play and learning outside. We recruited new parent volunteers and Jason Piers joined as a temporary Nursery Manager, to support the staff team. Recruitment across the early year sector has been extremely difficult. We were keen to recruit our core permanent team to give staff, children and families the stability of a high quality and committed team of early years professionals to work with them every day. Due to the recruitment challenges we had to rely on short-term temporary contracts and bank staff which has impacted our finances. As COVID restrictions began to ease we delivered more opportunities for nursery parents to meet up, with each other and with nursery staff (in our nursery garden) to develop friendships and grow their understanding of the nursery. We asked parents

Friendly Families Nursery

Trustees' Annual Report *(continued)*

Year ended 28 February 2022

to complete a skills survey, enabling us to link them up to practical ways to support the nursery and now have parents leading the recruitment of parent volunteers, social media and fundraising as well as ongoing maintenance and development of the nursery setting. In December 2021 a grant of £9,600 was received from Awards For All to fund Stay and Play sessions in the neighbouring community centre on the Peabody estate. This provided a service to families with young children, particularly those from low income households, as well as the opportunity to introduce new families with younger children to the nursery.

Spring term 2022

The trustees made the difficult decision to raise parent fees in order that we could continue to cover staffing costs and provide the same level of high quality care, this came into effect in January 2022. The fee structure had not been reviewed since it was constructed in 2019, and we believe we remain competitive with other local nurseries . A grant from Peabody of £5,000 was received in order to migrate our systems to the Family application and new accounting system. This enabled us to better record childcare hours delivered, invoices issued and received and ensure timely payments were made. In addition, the Family application enables photos and information to be shared more easily with our families and better communication between staff and families.

The trustees would like to record their appreciation for all financial support received from benefactors during the course of the year.

During the year the charity incurred other governance costs comprising professional fees.

There were no investments made during the year.

There were no material fundraising costs during the year.

Related party transactions are recorded as applicable in the notes to the accounts.

Friendly Families Nursery

Trustees' Annual Report *(continued)*

Year ended 28 February 2022

Financial review

' There was an overall net income and net movement in funds for the year amounting to £2,357. In terms of unrestricted funds, the main income has been from parent fees. Outgoings have largely been spent on staffing costs, which as outlined above, were greater than anticipated due to the need to rely on temporary and bank staff for a period. The net loss in unrestricted funds for the year was £20,383.

In terms of restricted funds, we received grants and donations to deliver specific projects, the net income in restricted funds was £22,740

Our net assets stand at £35,463.

At the end of the financial year the trustees recognise that in order that the nursery be financially viable going forward we must increase our income. Having already reviewed and raised our fees in January 2022, we believed to raise them further at this point would be at odds with our charitable aims of providing affordable childcare. Therefore, our focus was on increasing fees by increasing the number of families attending the nursery. From March 2022 we developed a marketing plan and which included a increased social media activity.

In May 2022 we sought specialist skills through a programme for small businesses in Lewisham, which matched us with a Business Advisor at Goldsmith University, who provided mentoring support in our business planning and to access marketing support through colleagues at Goldsmith University.

The above measures increased the number visits and of families signing up for places at the nursery. However, this was at an insufficient level to provide the financial security needed. In late July our Nursery Manager submitted her resignation. Given the current staffing crisis, and our limited funds to pay for advertising or temporary staff, we felt there was very little chance of securing a suitable manager in time to replace our current manager. In addition to this, 2 of our 4 trustees were due to step down in September 2022 and unfortunately, we were not able to recruit new parents to step in to the roles. Without at least 3 trustees in place the nursery would not be viable. Therefore, given the challenges outlined above, in late July 2022, the trustees made the decision to close the nursery in September 2022.

Reserves policy

The trustees and management meet on a regular basis to review the reserves and future requirements of the charity. All future needs are considered together with any risks or contingencies that may exist. The trustees are confident that sufficient reserves will be generated to achieve the objectives of the charity.

The unrestricted fund represents the unrestricted funds arising from past operating results. It represents the reserves of the charity.

The free reserves, represented by the net current liabilities of the charity stand at £24,081, all of which are unrestricted. Directors are concerned that in the current tight financial operating circumstances we have not been able to make substantial progress towards building our reserves up to the equivalent of 3 months running costs. Various actions, as outlined were taken in order that the reserves be increased, however, ultimately, this was unsuccessful and the decision was taken that the nursery would close, which came into effect in September 2022.

Coronavirus

The impact has been mentioned earlier in the report.

Friendly Families Nursery

Trustees' Annual Report *(continued)*

Year ended 28 February 2022

The trustees' annual report was approved on 14 November 2022 and signed on behalf of the board of trustees by:

Kate Appleby
Trustee

Lucie Stephens
Trustee

Friendly Families Nursery

Independent Examiner's Report to the Trustees of Friendly Families Nursery

Year ended 28 February 2022

I report to the trustees on my examination of the financial statements of Friendly Families Nursery ('the charity') for the year ended 28 February 2022.

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 Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 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 accounts to be reached.

Mr D Schwarz FCCA
Independent Examiner

2nd Floor - Parkgates
Bury New Road
Prestwich
Manchester
M25 0TL

14 November 2022

Friendly Families Nursery

Statement of Financial Activities

Year ended 28 February 2022

		Unrestricted funds	2022 Restricted funds	Total funds	2021 Total funds
	Note	£	£	£	£
Income and endowments					
Grants	4	100	22,740	22,840	7,433
Charitable activities	5	99,500	—	99,500	21,491
Investment income	6	—	—	—	145
Total income		<u>99,600</u>	<u>22,740</u>	<u>122,340</u>	<u>29,069</u>
Expenditure					
Expenditure on charitable activities	7,8	<u>119,983</u>	<u>—</u>	<u>119,983</u>	<u>77,007</u>
Total expenditure		<u>119,983</u>	<u>—</u>	<u>119,983</u>	<u>77,007</u>
Net income/(expenditure) and net movement in funds		<u>(20,383)</u>	<u>22,740</u>	<u>2,357</u>	<u>(47,938)</u>
Reconciliation of funds					
Total funds brought forward		33,106	—	33,106	81,044
Total funds carried forward		<u>12,723</u>	<u>22,740</u>	<u>35,463</u>	<u>33,106</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 10 to 18 form part of these financial statements.

Friendly Families Nursery

Statement of Financial Position

28 February 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	14	59,544	68,721
Current assets			
Debtors	15	1,550	(3,066)
Cash at bank and in hand		23,079	4,715
		<u>24,629</u>	<u>1,649</u>
Creditors: amounts falling due within one year	16	<u>48,710</u>	<u>37,264</u>
Net current liabilities		<u>24,081</u>	<u>35,615</u>
Total assets less current liabilities		<u>35,463</u>	<u>33,106</u>
Net assets		<u>35,463</u>	<u>33,106</u>
Funds of the charity			
Restricted funds		22,740	–
Unrestricted funds		<u>12,723</u>	<u>33,106</u>
Total charity funds	18	<u>35,463</u>	<u>33,106</u>

These financial statements were approved by the board of trustees and authorised for issue on 14 November 2022, and are signed on behalf of the board by:

Kate Appleby
Trustee

Lucie Stephens
Trustee

The notes on pages 10 to 18 form part of these financial statements.

Friendly Families Nursery

Notes to the Financial Statements

Year ended 28 February 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is The Friendly Families Community Nursery, 43 Albyn Road, London, SE8 4EG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

This has been referred to in the trustees report..

Judgements and key sources of estimation uncertainty

The preparation of the financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 15% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	—	—	—
Other Income	100	—	100
Grants			
Grants receivable	—	22,740	22,740
	<u>100</u>	<u>22,740</u>	<u>22,840</u>

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	–	3,953	3,953
Other Income	1,270	–	1,270
Grants			
Grants receivable	–	2,210	2,210
	<u>1,270</u>	<u>6,163</u>	<u>7,433</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other income from charitable activities type 1	<u>99,500</u>	<u>99,500</u>	<u>21,491</u>	<u>21,491</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from investment properties	<u>–</u>	<u>–</u>	<u>145</u>	<u>145</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Direct nursery expenses	88,648	88,648	62,782	62,782
Support costs	31,335	31,335	14,225	14,225
	<u>119,983</u>	<u>119,983</u>	<u>77,007</u>	<u>77,007</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Direct nursery expenses	88,648	29,950	118,598	76,347
Governance costs	–	1,385	1,385	660
	<u>88,648</u>	<u>31,335</u>	<u>119,983</u>	<u>77,007</u>

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

9. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2022 £	Total 2021 £
General office	11,950	11,950	4,086
Governance costs	660	660	660
	<u>12,610</u>	<u>12,610</u>	<u>4,746</u>

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>10,689</u>	<u>12,308</u>

11. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>660</u>	<u>660</u>

12. Staff costs

The average head count of employees during the year was 3 (2021: 3).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

13. Trustee remuneration and expenses

A trustee received payment of £1,917 from the charity during the year. FFN procured the services of Aysan Alba as a self-employed contractor, to undertake a limited number of days work in the role of deputy manager. This drew on her specialist knowledge and experience as an Early Years education specialist, during a period when we were unable to procure these services from elsewhere due to the ongoing early years staffing crisis. As Aysan was also a Trustee of FFN, during the period in which Aysan assumed these dual roles, trustees were careful to identify and note down in minutes, any conflicts of interest and Aysan did not participate in any related votes or decision making in her role of director, though where appropriate, did contribute relevant information, knowledge, and input. There are no further plans for Aysan to provide any further paid for services to FFN.

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 March 2021	–	82,055	82,055
Additions	1,512	–	1,512
At 28 February 2022	<u>1,512</u>	<u>82,055</u>	<u>83,567</u>
Depreciation			
At 1 March 2021	–	13,334	13,334
Charge for the year	–	10,689	10,689
At 28 February 2022	<u>–</u>	<u>24,023</u>	<u>24,023</u>
Carrying amount			
At 28 February 2022	<u>1,512</u>	<u>58,032</u>	<u>59,544</u>
At 28 February 2021	<u>–</u>	<u>68,721</u>	<u>68,721</u>

15. Debtors

	2022 £	2021 £
Prepayments and accrued income	(4,692)	(4,250)
Other debtors	6,242	1,184
	<u>1,550</u>	<u>(3,066)</u>

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	1,620	960
Other creditors	47,090	36,304
	<u>48,710</u>	<u>37,264</u>

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,716 (2021: £1,283).

Friendly Families Nursery

Notes to the Financial Statements (continued)

Year ended 28 February 2022

18. Analysis of charitable funds

Unrestricted funds

	At 1 March 21 £	Income £	Expenditure £	Transfers £	At 28 Feb 22 £
General funds	33,106	99,600	(119,983)	—	12,723

	At 1 March 202 0 £	Income £	Expenditure £	Transfers £	At 28 February 2021 £
General funds	15	22,906	(77,007)	87,192	33,106

Restricted funds

	At 1 March 21 £	Income £	Expenditure £	Transfers £	At 28 Feb 22 £
Restricted fund - grants receivable	—	22,740	—	—	22,740

	At 1 March 20 £	Income £	Expenditure £	Transfers £	At 28 Feb 21 £
Restricted fund - grants receivable	81,029	6,163	—	(87,192)	—

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	59,544	—	59,544
Current assets	1,889	22,740	24,629
Creditors less than 1 year	(48,710)	—	(48,710)
Net assets	12,723	22,740	35,463

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	68,721	—	68,721
Current assets	1,649	—	1,649
Creditors less than 1 year	(37,264)	—	(37,264)
Net assets	33,106	—	33,106

Friendly Families Nursery

Notes to the Financial Statements *(continued)*

Year ended 28 February 2022

20. Taxation

Friendly Families Nursery is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.