

Charity registration number 1193125

Company registration number 12630609 (England and Wales)

QEGS BLACKBURN ACADEMY NURSERY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

QEGS BLACKBURN ACADEMY NURSERY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Y Gammon P Atkinson M Russell S I Desai	(Appointed 25 September 2023)
Secretary	P Atkinson	
Charity number	1193125	
Company number	12630609	
Registered office	Queen Elizabeth's Grammar School West Park Road Blackburn Lancashire BB2 6DF	
Independent examiner	Azets Audit Services Fleet House New Road Lancaster United Kingdom LA1 1EZ	

QEGS BLACKBURN ACADEMY NURSERY LIMITED

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QEGS BLACKBURN ACADEMY NURSERY LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in notes 1 comply to the Companies Act 2006 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 advance the education and wider development of children by establishing, maintaining, managing and supporting nurseries, schools and other educational establishments, predominantly in Blackburn and the surrounding areas.

The Charity delivers the aims through the operation of a nursery provision at a school, QEGS Blackburn Academy Trust.

Achievements and performance

During the year the Nursery has traded at near full capacity. The day-to-day capacity is 96 children, with 134 children registered. The Nursery employs 22 members of staff. In addition, it receives support services from QEGS Blackburn Academy Trust. These services are outlined in a Service Level Agreement and include finance and administration support, child safeguarding, building maintenance and educational support. The Nursery Manager is preparing for the next Ofsted Inspection which is due from September 2023.

Financial review

During the year the Nursery generated a surplus of £14,875.

Policy on reserves

It is the Trustee's policy to hold sufficient unrestricted reserves to pay the redundancy costs of its employees and ensure the orderly winding down of the Nursery in the event of its cessation as a business. This equates to approximately 3 months of payroll costs which is approximately £95,000.

The Charity held unrestricted reserves as at 31 August 2023 of £76,122 and all are considered to be free reserves.

Structure, governance and management

QEGS Blackburn Academy Nursery Limited is a private charitable company limited by guarantee, incorporated on 28 May 2020 and registered as a charity on 15 January 2021. The company was formed under a memorandum of Association which established the powers of the charitable company and is governed under its Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

C Y Gammon

P Atkinson

M Russell

S I Desai

D Hopkinson

(Appointed 25 September 2023)

(Deceased 27 January 2023)

Recruitment and appointment of trustees

Trustees are appointed in accordance with the Charity's Memorandum and Articles of Association. The Trustees as Charity Trustees have control of the Charity.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arrangements for setting key management personnel remuneration

The Trustees consider the board of Trustees as comprising the key management personnel of the charity, as they are in charge of directing and controlling the charity. All Trustees give their time freely and no Trustee remuneration was paid in the year. A management charge is made from QEGS Blackburn Academy Trust where the Trustees are remunerated to cover the administration of the charity.

Public benefits

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Major risk and management of those risk

The Trustees continue to examine the principal areas of the charity's operations and consider the major risk faced in each of the areas. It is the opinion of the Trustees that the charity has established resources and a review system which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operation.

The Trustees report was approved by the Board of Trustees.



.....
P Atkinson
Trustee

Date: 25/3/24.....

QEGS BLACKBURN ACADEMY NURSERY LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees, who are also the directors of QEGS Blackburn Academy Nursery Limited 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 Charitable Company 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 Charitable Company 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 Charitable Company 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 Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF QEGS BLACKBURN ACADEMY NURSERY LIMITED

I report to the Trustees on my examination of the financial statements of QEGS Blackburn Academy Nursery Limited (the Charitable Company) for the year ended 31 August 2023.

Responsibilities and basis of report

As the Trustees of the Charitable Company (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 Charitable Company 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 Charitable Company'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.

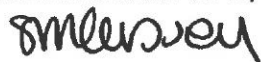
Independent examiner's statement

Since the Charitable Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 Charitable Company 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.



Susanna Cassey (Chartered Accountant)
For and on behalf of Azets Audit Services

Fleet House
New Road
Lancaster
LA1 1EZ
United Kingdom

Dated: 26 March 24

QEGS BLACKBURN ACADEMY NURSERY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	-	20,000
Income from Charitable activities	4	629,382	428,792
Other income	5	1,232	-
Total income		630,614	448,792
<u>Expenditure on:</u>			
Expenditure on charitable activities	6	615,739	387,545
Net income for the year/ Net movement in funds		14,875	61,247
Fund balances at 1 September 2022		61,247	-
Fund balances at 31 August 2023		76,122	61,247

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.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	11	-		3,459	
Cash at bank and in hand		91,233		67,057	
		<u>91,233</u>		<u>70,516</u>	
Creditors: amounts falling due within one year	12	(15,111)		(9,269)	
Net current assets			76,122		61,247
Income funds					
Unrestricted funds			76,122		61,247
			<u>76,122</u>		<u>61,247</u>

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 August 2023.

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 25/3/24


P Atkinson
Trustee

Company registration number 12630609

QEGS BLACKBURN ACADEMY NURSERY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	17		24,176		67,057
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			24,176		67,057
Cash and cash equivalents at beginning of year			67,057		-
Cash and cash equivalents at end of year			<u>91,233</u>		<u>67,057</u>

QEGS BLACKBURN ACADEMY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

QEGS Blackburn Academy Nursery Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Queen Elizabeth's Grammar School, West Park Road, Blackburn, Lancashire, BB2 6DF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's articles of association and memorandum, 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 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 Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charitable Company 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.

1.4 Income

Income is recognised when the Charitable Company 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 Charitable Company 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.

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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.6 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.

1.7 Financial instruments

The Charitable Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charitable Company's balance sheet when the Charitable Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

1.8 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 Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Charitable Company'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.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and legacies

	Total Unrestricted funds	
	2023	2022
	£	£
Donation and gifts	-	20,000

4 Income from Charitable activities

	Unrestricted Funds	Unrestricted Funds
	2023	2022
	£	£
Income from Nursery school	629,382	428,792

5 Other Income

	Unrestricted funds	Total
	2023	2022
	£	£
Other income	1,232	-

6 Expenditure on charitable activities

	Unrestricted Funds	Unrestricted Funds
	2023	2022
	£	£
Staff costs	341,661	224,328
Expenditure from Nursery school operation	69,387	27,349
	411,048	251,677
Share of support costs (see note 7)	200,870	131,328
Share of governance costs (see note 7)	3,821	4,540
	615,739	387,545

QEGS BLACKBURN ACADEMY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Support and governance cost

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Expenditure from						
Nursery school operation	179,920	-	179,920	127,800	-	127,800
Other support costs	20,950	-	20,950	3,528	-	3,528
Independent examiner fees	-	3,738	3,738	-	4,320	4,320
Legal fees	-	83	83	-	220	220
	<u>200,870</u>	<u>3,821</u>	<u>204,691</u>	<u>131,328</u>	<u>4,540</u>	<u>135,868</u>
Analysed between						
Charitable activities	<u>200,870</u>	<u>3,821</u>	<u>204,691</u>	<u>131,328</u>	<u>4,540</u>	<u>135,868</u>

Governance costs includes payments to the independent examiners of £3,500 (2022 - £2,640) for the independent examination of the financial statements.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charitable Company during the year.

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Nursery staff	<u>21</u>	<u>22</u>
Employment costs	2023 £	2022 £
Wages and salaries	310,909	212,564
Social security costs	17,382	6,716
Other pension costs	13,370	5,048
	<u>341,661</u>	<u>224,328</u>

There were no employees in the current or prior year whose annual remuneration was more than £60,000.

10 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.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	-	3,459

12 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	8,919	1,959
Other taxation and social security	3,862	1,328
Other creditors	2,330	1,662
Accruals and deferred income	-	4,320
	15,111	9,269

13 Retirement benefit schemes

Defined contribution schemes

The Charitable Company operates a defined contribution pension scheme.

The charge to profit or loss in respect of defined contribution schemes was £13,370 (2022 - £5,048).

14 Analysis of net assets between funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fund balances at 31 August 2023 are represented by:		
Current assets/(liabilities)	76,122	61,247
	76,122	61,247

15 Operating lease commitments

At the reporting end date the Charitable Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	30,000	30,000

The charity leases the building, in which it operates, from QEGS Blackburn Academy Trust. The lease shall terminate with immediate effect on termination of the Service Level Agreement, which is renewed on an annual basis.

QEGS BLACKBURN ACADEMY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Related party transactions

During the year QEGS Blackburn Academy Nursery Limited made payments for services as part of the Service Level Agreement to QEGS Blackburn Academy Trust amounting to £189,323 (2022: £140,502).

17 Cash generated from operations	2023	2022
	£	£
Surplus for the year	14,875	61,247
Movements in working capital:		
Decrease/(increase) in debtors	3,459	(3,459)
Increase in creditors	5,842	9,269
Cash generated from operations	24,176	67,057

18 Analysis of changes in net funds

The Charitable Company had no debt during the year.