

**REGISTERED COMPANY NUMBER: 01424489 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 278093**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022  
FOR**

**GINGERBREAD CORNER**

**GINGERBREAD CORNER**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MARCH 2022**

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## GINGERBREAD CORNER

### REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2022

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|------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>Committee of Management</b>     | E Dixon<br>F Dussard<br>L Hitchcock<br>M Martin<br>S McKenzie<br>TM Nero<br>R O'Neill<br>S Tomkinson |
| <b>Chief Executive</b>             | S Dzendzera                                                                                          |
| <b>Deputy Chief Executive</b>      | L Jones                                                                                              |
| <b>Finance Director</b>            | P Carter                                                                                             |
| <b>Charity Registration Number</b> | 278093                                                                                               |
| <b>Company Registration Number</b> | 01424489                                                                                             |
| <b>Registered Office</b>           | Gingerbread Corner<br>Grenaby Avenue<br>Croydon<br>CR0 2EG                                           |
| <b>Independent Auditors</b>        | DSK Partners LLP<br>Chartered Accountants<br>D S House<br>306 High Street<br>Croydon<br>CR0 1NG      |
| <b>Bankers</b>                     | National Westminster plc.<br>Addiscombe Branch<br>209 Lower Road,<br>Croydon<br>CR9 6RB              |

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees are pleased to present their Report and Audited Financial Statements for the year ended 31 March 2022.

In preparing the annual report and financial statements, the Trustees have adopted the provisions of the Statement of Recommended Practice, Accounting and Reporting for charities (the Charities SORP) issued in 2019. The Trustees' Report is also a Directors' Report as required by S417 of the Companies Act 2006 and all the Trustees are also Directors.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Formation and Constitution**

The charity was formed in 1976 and registered under The Charities Act 1960 (registration number 278093), becoming a Company Limited by Guarantee (registration number 1424489) in 1979. As such, the liability of the Company Members is limited, where every Member of the Company undertakes to contribute not more than £1 to the assets of the Company in the event that it is wound up while they are a Member or within a year after they cease to be a Member, for the payment of the debts and liabilities of the Company contracted before cessation of Membership, and for the costs, charges and expenses of winding up.

The Company is exempt from taxation.

The income and property of the Company is applied solely towards our objects as set forth in the Memorandum of Association, and Company Members receive no money, directly or otherwise, by way of profit.

**Board of Trustees**

Gingerbread Corner is controlled by a Board of up to nine Trustees, each of whom is a Company Member.

All Trustees are required to provide two satisfactory references on appointment, as well as a satisfactory DBS certificate, Suitability Declaration and Trustee Eligibility Declaration, each of which must also be done annually thereafter. Trustees are also obliged to declare any potential conflicts of interest.

Our Trustees have Role Descriptions and new Trustees receive a verbal induction from the Chair and/or Chief Executive as well as a comprehensive Information Pack. We aim to run regular in-house Induction and Training Workshops, covering the Board's legal responsibilities and other issues (such as human resources, equal opportunities, health and safety), as well as enabling team-building.

We believe that qualities such as enthusiasm, dedication and commitment are at least as important as the skills individuals Trustees can bring to the Committee. Trustees are encouraged to take up any external training offers (the costs of which Gingerbread Corner can cover) that may be of use to them.

The Board of Trustees, between 1<sup>st</sup> April 2021 – 31<sup>st</sup> March 2022, comprised:

- Elysia Dixon (appointed 27<sup>th</sup> January 2022)
- Felisha Dussard
- Linda Hitchcock (resigned 3<sup>rd</sup> February 2022)
- Maria Martin (Chair)
- Sarah McKenzie (appointed 27<sup>th</sup> January 2022)
- Thalia-Mae Nero (appointed 27<sup>th</sup> January 2022)
- Richard O'Neill (appointed 27<sup>th</sup> January 2022)
- Sabiha Tomkinson (appointed 27<sup>th</sup> January 2022)

**Organisational Structure**

The Trustees delegate the operational management to the Executive Leadership Team, comprising Sue Dzendzera (Chief Executive), Leanne Jones (Child Care Director and Deputy Chief Executive), and Paula Carter (Finance Director).

The Out of School, Early Years and Catering Teams are managed by the Head of Childcare Services and the Facilities Team is managed by the Director of IT and Facilities; each of these posts reports to the Child Care Director. The Trustees meet at least quarterly and are kept informed of relevant issues through regular written reports and other communications from the Executive Leadership Team. The Chief Executive's formal reports include information on health and safety issues, changes to legislation, human resources, networking with other agencies, policy reviews, proposed new projects, etc. The Child Care Director's reports cover subjects such as changes in child care practice, issues around our child care provision centre provision and any complaints, praise or suggestions from clients. The Finance Director provides detailed quarterly information on Gingerbread Corner's financial performance, including income and expenditure against budget, cash flow projections and progress on fund-raising.

### Human Resources and Training

We are committed to the continued training and development of our staff. Between them, our staff members have many qualifications and certificates, from NVQs in Child-Care to qualifications in Food Hygiene, Makaton and Change Management. Many of our staff are qualified either in Full or in Paediatric First Aid, and almost all have at least Level 2 in Food Safety and Hygiene.

### The Public Benefit Test

Gingerbread Corner's Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Public Benefit guidance issued by the Charity Commission. Those of prime relevance to Gingerbread Corner can be seen as including the prevention or relief of poverty and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage, although clearly issues around human rights and equality and diversity are also of paramount importance. We also have regard to the advancement of culture and to environmental protection or improvement.

A further requirement of the Charities Act 2006 is that charity Trustees prepare a report of activities which further its charitable purposes for the public benefit, and these activities are detailed on the following pages.

### Evaluation of Gingerbread Corner's Charitable Activities, Achievements and Performance

Gingerbread Corner reduced its objects from seven to the following three to reflect the changes in society and in our client groups and activities since the previous Articles and Memorandum of Association were agreed.

FIRST OBJECT: Improve the social and economic circumstances of disadvantaged families

We achieve this objective by subsidising our excellent child-care facilities for children aged three months to 11 years. We aim to provide best value for money, and to be carers' first choice child-care centre. From 2019/20, our fee structure has been in six bands, five of them subsidised for carers with lower household incomes. However, particularly given the facilities we provide, even the highest band fees are still extremely competitive.

Unlike many nurseries and out of school schemes, Gingerbread Corner opens every week-day except bank holidays and one day per year for in-service training.

We have a Special Fund, managed by our Family Support Panel, which provides additional financial help to families in need in the following ways: small grants or interest free loans to families in short-term financial difficulty; grants to carers whose college or university bursaries don't cover the entire cost of their fees; where there is a special or additional need, such as a disability or a mental health issue, longer-term assistance with families' child care fees. In certain circumstances, the Panel is also able to provide funding for a brief course of Human Givens psychotherapy.

In addition, each member of our staff team works hard to provide a caring environment, not just for the children, but also for their carers. The senior staff in particular provide emotional and practical support to carers who are facing difficulties (such as being in debt, suffering domestic violence or facing homelessness), putting them in touch with those who may be able to help and, in some cases, acting as an advocate.

SECOND OBJECT: preserve, protect and improve the good health (mental, emotional and physical) of children and their carers

We enhance children's life chances by recording their development and making sure that we act on any concerns and ensuring that they have sufficient exercise. We make every effort to increase our children's self-esteem and self-confidence, enhance their learning (through play and other activities) and motivate them through creativity and curiosity. Our lunch and snack menus are 75% "homemade" and provide a healthy, nutritious and varied diet, including foods from various cultures.

We seek to improve families' knowledge and their emotional and mental health by keeping the carers up to date on relevant issues and legislation, via our informative and regularly updated website and Facebook page.

We are proactive in looking for opportunities to work with other agencies, to improve the life chances of carers, children and young people.

THIRD OBJECT: prevent and relieve the suffering of children who have been the subject of cruelty and maltreatment

We take our Safeguarding and Child Protection responsibilities very seriously, ensuring that we are alert to any concerns about our children and that any issues are effectively dealt with (in-house or by referral to other agencies). We will work with other organisations and agencies which aim to make a safer world for children.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Risk Management**

We believe we have captured all reasonable financial, operational and regulatory risks, recorded the control measures and put in place plans to manage, mitigate or eliminate the risks.

**Financial Review**

Gingerbread Corner has not received any funding from Croydon Council since 2012. Whilst this has continued to be challenging, we have nevertheless continued to offer good quality and affordable child-care provision.

As always, as a service provider, the vast majority of our income comes from clients' fees. As part of the national lockdowns caused by the Covid-19 pandemic we were unable to provide childcare for all but the children of essential and keyworkers workers. Due to this our child numbers and therefore fee income decreased significantly from £1,035,894 in 19-20 to £500,597 in 20-21. The working habits of many parents changed after the national lockdown periods and only during the current year 21-22 has our fee income begun to recover, rising to £652,581.

Overall, our income in 20-21 was £757,761 inclusive of Coronavirus Job Retention Scheme grants covering Furlough payments to the majority of staff. This year overall income is reduced to £720,514.

There was a further decrease in expenditure from £921,509 to £793,290 in the main because staffing levels have decreased as we struggle to recruit qualified staff, along with the majority of the childcare sector.

Whilst the deficit at year end has decreased from £163,748 to £72,776 our reserves and contingency fund remains reduced.

**Reserves Fund**

In line with best practice and legislative requirement, our Reserves Policy is reviewed annually and covers why we hold reserves, the level of reserves held, the steps taken to maintain reserves at the agreed level, contingency fund levels and arrangements for monitoring and reviewing the Reserves Policy.

The Trustees aim is for our reserves to be sufficient to cover our commitments to staff redundancy pay and other contracts assuming a wind-down period of six months and that Gingerbread Corner is protected from insolvency.

**Contingency and Designated Funds' Policy**

Under this policy, reviewed annually, funds are transferred, as per the budget, into a Contingency Fund, designated for general contingencies. For the year under review, there is a Designated Fund for capital expenditure on vehicles, as well as expenditure on outdoor play, ICT and catering equipment for which there is no revenue budget.

**Investment Policy**

Our Investment Policy, reviewed annually, ensures that our funds are properly protected, e.g. that the capital is not put at risk and will be protected against inflation, and that the best income is obtained from those funds with which to carry out our activities.

Trustees bear in mind that any decision to avoid certain investments or institutions must be centred on Gingerbread Corner's interests. Thus they may decline to invest in a particular company if it carries out activities which are directly contrary to Gingerbread Corner's purposes or if such an investment would directly impede the furtherance of Gingerbread Corner's objects, e.g. causing a loss of financial support from subscribers.

**STATEMENT OF BOARD OF TRUSTEES' RESPONSIBILITIES**

The Committee Members, who are Trustees and Directors of Gingerbread Corner, are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Company law requires 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 period. In preparing these financial statements, the Trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and estimates that are reasonable and prudent;
- d) state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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- e) 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 proper 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 and for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

The Trustees confirm that, so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board of Trustees on 31<sup>st</sup> March 2023.and signed on its behalf by Order of the Board.

Maria Martin  
Chair Person  
Gingerbread Corner Management Committee

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF GINGERBREAD CORNER

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### Opinion

We have audited the financial statements of gingerbread Corner. (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The key laws and regulations we have considered in this context included the Companies Act 2006, pension and tax legislation. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Using our general commercial and sector experience and through discussions with the directors and management, we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements as well as those arising from management's own assessment of the risks that irregularities may occur either as a result of fraud or error.
- We examined the company's regulatory and legal correspondence and discussed with the directors and management any known or suspected instances of fraud or non-compliance with laws and regulations.
- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries. We also challenged assumptions and judgements made by management in their significant accounting estimates and judgements.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Romit Basu FCA (Senior Statutory Auditor)  
For and on behalf of DSK Partners LLP  
Chartered Accountants and Statutory Auditors  
D S House  
306 High Street  
Croydon  
CR0 1NG

Date: 31<sup>st</sup> March 2023

GINGERBREAD CORNER

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022

INCOME AND EXPENDITURE ACCOUNT

|                                                                        | Notes | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total 2022<br>£ | Total 2021<br>£  |
|------------------------------------------------------------------------|-------|----------------------------|--------------------------|-----------------|------------------|
| <b>INCOMING RESOURCES</b>                                              |       |                            |                          |                 |                  |
| <b>Incoming resources from generated funds</b>                         |       |                            |                          |                 |                  |
| Voluntary income                                                       |       |                            | -                        | -               | 12,286           |
| Government grants receivable                                           |       | -                          |                          |                 | 200,558          |
| Activities for generating funds                                        |       | 1,509                      | -                        | 1,509           | 527              |
| Investment income - interest receivable                                |       | 9                          | -                        | 9               | 76               |
| Other income                                                           |       | 66,415                     | -                        | 66,415          | 43,717           |
| <b>Incoming resources from charitable activities</b>                   | 3     | 652,581                    | -                        | 652,581         | 500,597          |
| <b>Total incoming resources</b>                                        |       | <u>720,514</u>             | <u>-</u>                 | <u>720,514</u>  | <u>757,761</u>   |
| <b>RESOURCES EXPENDED</b>                                              |       |                            |                          |                 |                  |
| <b>Costs of generating funds</b>                                       | 4     | 312                        | -                        | 312             | 6,739            |
| <b>Charitable activities</b>                                           | 4     | 789,255                    | -                        | 789,255         | 909,211          |
| <b>Governance Costs</b>                                                | 4     | 3,723                      | -                        | 3,723           | 5,559            |
| <b>Total resources expended</b>                                        | 4     | <u>793,290</u>             | <u>-</u>                 | <u>793,290</u>  | <u>921,509</u>   |
| <b>Net incoming resources before transfers</b>                         |       | (72,776)                   | -                        | (72,776)        | (163,748)        |
| <b>Gross transfers between funds</b>                                   |       | -                          | -                        | -               | -                |
| <b>Net incoming resources before other recognised gains and losses</b> |       | <u>(72,776)</u>            | <u>-</u>                 | <u>(72,776)</u> | <u>(163,748)</u> |
| <b>Other recognised gains and losses</b>                               |       |                            |                          |                 |                  |
| (Loss)/profit on sale of fixed assets                                  | 11    | -                          | -                        | -               |                  |
| <b>Net movement in funds</b>                                           |       | <u>(72,776)</u>            | <u>-</u>                 | <u>(72,776)</u> | <u>(163,748)</u> |
| <b>Total funds at 1 April 2021</b>                                     | 14    | 371,171                    | 5,856                    | 377,027         | 540,775          |
| <b>Total funds at 31 March 2022</b>                                    | 14    | <u>298,395</u>             | <u>5,856</u>             | <u>304,251</u>  | <u>377,027</u>   |

All incoming resources expended are derived from continuing activities.

The notes on pages 10-15 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

|                                                                | Notes | 2022             | 2021            |
|----------------------------------------------------------------|-------|------------------|-----------------|
|                                                                |       | £                | £               |
| <b>Fixed Assets</b>                                            |       |                  |                 |
| Tangible fixed assets                                          | 7     | 606,792          | 640,865         |
| <b>Current Assets</b>                                          |       |                  |                 |
| Debtors                                                        | 8     | 5,528            | 8,395           |
| Cash at bank and in hand                                       |       | 58,167           | 87,053          |
|                                                                |       | <u>63,695</u>    | <u>95,448</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 9     | <u>(114,080)</u> | <u>(96,280)</u> |
| <b>Net Current Assets</b>                                      |       | (50,385)         | (832)           |
| <b>Creditors: amounts falling due after more than one year</b> | 10    | (252,156)        | (263,006)       |
| <b>Net Assets</b>                                              |       | <u>304,251</u>   | <u>377,027</u>  |
| <b>Funds</b>                                                   |       |                  |                 |
| Unrestricted funds                                             | 14    | 298,395          | 371,171         |
| Restricted funds                                               | 14    | 5,856            | 5,856           |
| <b>Total Funds</b>                                             |       | <u>304,251</u>   | <u>377,027</u>  |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Committee of Management on 31st March 2023 and signed on it's behalf by:

.....  
M Martin  
Chair Person

.....  
R O'Neill  
Treasurer

The notes on pages 10-15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The charitable company's registered company number and registered office address can be found on page 1 of the financial statements.

The financial statements are prepared in sterling which is also the functional currency of the company and rounded to the nearest pound.

**Fund accounting**

Unrestricted general funds are available for use at the discretion of the Committee of Management in furtherance of the general objectives of the Charity.

The restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund

**Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Core income relating to grants is accounted for on a receivable basis. Any grants restricted to future accounting periods are deferred and included in creditors and recognised in future accounting periods.
- Legacies are included when the charity is advised by the personal representatives of an estate that the payment will be made and the amount can be quantified.
- Gifts in kind are included at the value to the charity and are recognised as income when received.

**Resources expended**

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the item of expense to which it relates.

- Costs of generating funds are those costs incurred in attracting income from fundraising activities.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly and those costs of an indirect nature necessary to support them.
- Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

**Tangible fixed assets**

Individual fixed assets costing £500 or more are capitalised at cost.

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives at the following rates

|                             |                      |
|-----------------------------|----------------------|
| Building conversion costs   | 25% straight line    |
| Motor vehicles              | 25% straight line    |
| Equipment                   | 33.33% straight line |
| Fixtures and fittings       | 20% straight line    |
| Freehold land and buildings | 2% straight line     |
| Leasehold property          | 2% straight line     |
| Children's equipment        | 25% straight line    |

Assets held under finance leases are depreciated in the same way as owned assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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At each statement of financial position date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Status of Company**

The company is limited by guarantee and has no share capital. The maximum liability of each member in the event of a winding up is £1.

**2. TAXATION**

The company is a registered charity and is therefore entitled to the exemptions from corporation tax.

**3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

|                 | <b>2022</b><br><b>£</b> | <b>2021</b><br><b>£</b> |
|-----------------|-------------------------|-------------------------|
| Fees receivable | 652,581                 | 500,597                 |
|                 | <hr/>                   | <hr/>                   |

# GINGERBREAD CORNER

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### 4. RESOURCES EXPENDED

|                              | Basis of Allocation | Generating Funds | Charitable Activities | Governance Costs | Total 2022 | Total 2021 |
|------------------------------|---------------------|------------------|-----------------------|------------------|------------|------------|
|                              | £                   | £                | £                     | £                | £          | £          |
| Staff costs                  | % of Staff Time     |                  | 655,044               |                  | 655,044    | 763,917    |
| Fundraising costs            | Direct              | 312              | -                     | -                | 312        | 216        |
| Catering                     | Direct              | -                | 19,043                | -                | 19,043     | 19,741     |
| Repairs and cleaning         | Direct              | -                | 33,433                | -                | 33,433     | 31,023     |
| Children's activities        | Direct              | -                | 2,317                 | -                | 2,317      | 3,644      |
| Administration               | Direct              | -                | 4,077                 | -                | 4,077      | 5,877      |
| Transport                    | Direct              | -                | 6,980                 | -                | 6,980      | 7,279      |
| Light, heat and telephone    | Usage               | -                | 9,933                 | -                | 9,933      | 20,641     |
| Legal and professional costs | Usage               | -                | 5,339                 | 3,723            | 9,062      | 13,302     |
| Bank charges and interest    | Transactions        | -                | 1,921                 |                  | 1,921      | 1,668      |
| Sundries                     | Direct              | -                | 473                   | -                | 473        | 1,118      |
| Staff training               | Staff Time          | -                | 1,951                 | -                | 1,951      | 1,399      |
| Books and subscriptions      | Direct              | -                | 3,802                 | -                | 3,802      | 929        |
| Bad debts                    | Direct              | -                | -                     | -                | -          | -          |
| Depreciation                 | Usage               | -                | 34,923                | -                | 34,923     | 40,005     |
| Loan interest                | Direct              | -                | 6,527                 | -                | 6,527      | 7,519      |
| Rent, rates and insurance    | Floor Area          | -                | 3,492                 | -                | 3,492      | 3,231      |
|                              |                     | 312              | 789,255               | 3,723            | 793,290    | 921,509    |

### 5. GOVERNANCE COSTS

|                         | 2022  | 2021  |
|-------------------------|-------|-------|
|                         | £     | £     |
| Auditor's remuneration  | 3,690 | 3,472 |
| Legal and finance costs | 33    | 13    |
| Staff costs             | -     | 2,074 |
|                         | 3,723 | 5,559 |

### 6. STAFF COSTS

|                                                          | 2022    | 2021    |
|----------------------------------------------------------|---------|---------|
|                                                          | £       | £       |
| Included within staff costs in note 4 are the following: |         |         |
| Wages and salaries                                       | 548,228 | 694,790 |
| Social security costs                                    | 31,947  | 36,783  |
| Pension costs                                            | 10,240  | 12,479  |
| Redundancy costs                                         | 16,637  | -       |
| Other staff costs                                        | 45,849  | 19,865  |
|                                                          | 652,901 | 763,917 |

The members of the Committee of Management received no remuneration or reimbursed expenses during the year.

None of the employees received remuneration exceeding £60,000 in the year (2021: none).

# GINGERBREAD CORNER

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

| The average number of full and part time employees, analysed by function, | 2022      | 2021      |
|---------------------------------------------------------------------------|-----------|-----------|
| Childcare                                                                 | 23        | 32        |
| Support staff                                                             | 10        | 12        |
|                                                                           | <u>33</u> | <u>44</u> |

Each member of the support staff, which include the Chief Executive, Deputy Chief Executive, Finance Director and

### 7. TANGIBLE FIXED ASSETS

|                        | Leasehold<br>Property<br>£ | Fixtures &<br>Fittings<br>£ | Equipment<br>£ | Children's<br>Equipment<br>£ | Motor<br>Vehicles<br>£ | Total<br>£     |
|------------------------|----------------------------|-----------------------------|----------------|------------------------------|------------------------|----------------|
| <b>Cost</b>            |                            |                             |                |                              |                        |                |
| As at 1 April 2021     | 759,000                    | 88,851                      | 4,830          | 13,483                       | 74,519                 | 940,683        |
| Additions              | -                          | 850                         | -              | -                            | -                      | 850            |
| Disposals              | -                          | -                           | -              | -                            | -                      | -              |
| As at 31 March 2022    | <u>759,000</u>             | <u>89,701</u>               | <u>4,830</u>   | <u>13,483</u>                | <u>74,519</u>          | <u>941,533</u> |
| <b>Depreciation</b>    |                            |                             |                |                              |                        |                |
| As at 1 April 2021     | 156,860                    | 76,195                      | 4,488          | 9,981                        | 52,294                 | 299,818        |
| Charge for year        | 15,180                     | 5,198                       | 193            | 2,279                        | 12,073                 | 34,923         |
| Disposals              | -                          | -                           | -              | -                            | -                      | -              |
| As at 31 March 2022    | <u>172,040</u>             | <u>81,393</u>               | <u>4,681</u>   | <u>12,260</u>                | <u>64,367</u>          | <u>334,741</u> |
| <b>Net Book values</b> |                            |                             |                |                              |                        |                |
| As at 31 March 2022    | <u>586,960</u>             | <u>8,308</u>                | <u>149</u>     | <u>1,223</u>                 | <u>10,152</u>          | <u>606,792</u> |
| As at 31 March 2021    | <u>602,140</u>             | <u>12,656</u>               | <u>342</u>     | <u>3,502</u>                 | <u>22,225</u>          | <u>640,865</u> |

### 8. DEBTORS

|                               | 2022<br>£    | 2021<br>£    |
|-------------------------------|--------------|--------------|
| Fee arrears                   | 1,508        | 1,619        |
| Grants receivable             | -            | -            |
| Other debtors and prepayments | <u>4,020</u> | <u>6,776</u> |
|                               | <u>5,528</u> | <u>8,395</u> |

### 9. CREDITORS:

#### AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                               | 2022<br>£      | 2021<br>£     |
|-----------------------------------------------|----------------|---------------|
| Fees received in advance                      | 22,930         | 21,056        |
| Loan from Future builders                     | 16,884         | 17,967        |
| Trade creditors                               | 7,842          | 9,928         |
| Social security and other taxes               | 15,567         | 12,638        |
| Other creditors, accruals and deferred income | <u>50,857</u>  | <u>34,691</u> |
|                                               | <u>114,080</u> | <u>96,280</u> |

## GINGERBREAD CORNER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

| <b>10. CREDITORS:</b>                               | <b>2022</b>    | <b>2021</b>    |
|-----------------------------------------------------|----------------|----------------|
| <b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b> | <b>£</b>       | <b>£</b>       |
| Loan from Future builders                           | 252,156        | 263,006        |
|                                                     | <u>252,156</u> | <u>263,006</u> |

In 2009-2010 Gingerbread Corner received an unsecured loan from Future Builders towards the capital costs of redevelopment of the building. The loan is for 25 years at 6% interest rate with a 20 month repayments holiday, with interest to be rolled up into the remaining years. Repayments of this loan began from March 2011, with interest only payments until April 2013.

| <u>The loans are repayable as follows:</u> | <b>2022</b>    | <b>2021</b>    |
|--------------------------------------------|----------------|----------------|
|                                            | <b>£</b>       | <b>£</b>       |
| Under one year:                            |                |                |
| Loan from Future Builders                  | 16,884         | 17,967         |
|                                            | <u>16,884</u>  | <u>17,967</u>  |
| Between one to five years:                 | 92,706         | 71,870         |
| Over five years:                           | 159,450        | 191,136        |
|                                            | <u>252,156</u> | <u>263,006</u> |

| <b>11. RECOGNISED GAINS AND LOSSES</b> | <b>2022</b>               | <b>2021</b>               |
|----------------------------------------|---------------------------|---------------------------|
|                                        | <b>Unrestricted Funds</b> | <b>Unrestricted Funds</b> |
|                                        | <b>£</b>                  | <b>£</b>                  |
| (Loss)/profit on sale of assets        | -                         | -                         |

| <b>12. ANALYSIS OF NET ASSETS BETWEEN FUNDS</b> | <b>Unrestricted Funds</b> | <b>Restricted Funds</b> | <b>Total Funds</b> |
|-------------------------------------------------|---------------------------|-------------------------|--------------------|
|                                                 | <b>£</b>                  | <b>£</b>                | <b>£</b>           |
| Tangible fixed assets                           | 600,936                   | 5,856                   | 606,792            |
| Current assets                                  | 63,695                    | -                       | 63,695             |
| Current liabilities                             | (114,080)                 | -                       | (114,080)          |
| Long term liabilities                           | (252,156)                 | -                       | (252,156)          |
| Net Assets at 31st March 2022                   | <u>298,395</u>            | <u>5,856</u>            | <u>304,251</u>     |

### 13. LEASING AGREEMENTS

| Minimum lease payments under non-cancellable operating leases fall due as follows: | <b>2022</b>  | <b>2021</b>  |
|------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                    | <b>£</b>     | <b>£</b>     |
| Within one year                                                                    | 590          | 590          |
| Between one and five years                                                         | 1,474        | 2,064        |
|                                                                                    | <u>2,064</u> | <u>2,654</u> |



## GINGERBREAD CORNER

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 14. SUMMARY OF FUND MOVEMENTS

|                                                  | Brought<br>Forward<br>£ | Incoming<br>Resources<br>£ | Resources<br>Expended<br>£ | Transfers<br>£ | Gains and<br>Losses<br>£ | Carried<br>Forward<br>£ |
|--------------------------------------------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|-------------------------|
| <b>Unrestricted funds</b>                        |                         |                            |                            |                |                          |                         |
| Fees                                             | (499,488)               | 652,581                    | (793,290)                  | -              | -                        | (640,197)               |
| Other Unrestricted funds                         | 870,659                 | 67,933                     | -                          | -              | -                        | 938,592                 |
|                                                  | <u>371,171</u>          | <u>720,514</u>             | <u>(793,290)</u>           | <u>-</u>       | <u>-</u>                 | <u>298,395</u>          |
| <b>Restricted funds</b>                          |                         |                            |                            |                |                          |                         |
| Grants - Children's Centre Equipment & Furniture | 4,976                   | -                          | -                          | -              | -                        | 4,976                   |
| Quality and Access Early Years                   | 5                       | -                          | -                          | -              | -                        | 5                       |
| Early Years Garden                               | 875                     | -                          | -                          | -              | -                        | 875                     |
|                                                  | <u>5,856</u>            | <u>-</u>                   | <u>-</u>                   | <u>-</u>       | <u>-</u>                 | <u>5,856</u>            |
| <b>Total funds</b>                               | <u>377,027</u>          | <u>720,514</u>             | <u>(793,290)</u>           | <u>-</u>       | <u>-</u>                 | <u>304,251</u>          |

#### Unrestricted funds

Fees - Fees paid by Parents for childcare services

Other Unrestricted Funds - Income from hire of Gingerbread Corner, fundraising events, donations and profit on sale of fixed assets.

#### Restricted funds

Grants - Children's Centre Equipment & Furniture - To equip and furnish the family room and Children's Centre reception area.

Quality and Access Early Years - To improve the quality of the environment for children and to ensure that all children can access services and benefit fully from them.

Early Years Garden - Funding from Lanfranc school to improve the outside play provision

#### 15. RELATED PARTY TRANSACTIONS

During the year no related party transactions transpired.

During the year no expenses were incurred by the Executive Management Team on behalf of the charity.