

Company registration number: 01424489

Charity registration number: 278093

# Gingerbread Corner

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

## **Gingerbread Corner**

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## **Gingerbread Corner**

### **Reference and Administrative Details**

<b>Chairman</b>	M P Martin
<b>Trustees</b>	E Dixon F Dussard S Mckenzie TM Nero R W O'Neill S Tomkinson
<b>Other Officers</b>	S Dzendzera, Chief Executive Officer P Carter, Finance Director L Jones, Deputy Chief Executive
<b>Charity Registration Number</b>	278093
<b>Company Registration Number</b>	01424489
<b>Registered Office</b>	Gingerbread Corner Grenaby Avenue Croydon CR0 2EG
<b>Auditor</b>	DSK Partners LLP Chartered Accountants & Statutory Auditor D S House 306 High Street Croydon Surrey CR0 1NG
<b>Bankers</b>	National Westminster plc Addiscombe Branch 209 Lower Road Croydon CR9 6RB

# **Gingerbread Corner**

## **Trustees' Report**

The Trustees are pleased to present their Report and Audited Financial Statements for the year ended 31 March 2023.

In preparing the annual report and financial statements, the Trustees have adopted the provisions of the Statement of Recommended Practice, Accounting and Reporting by (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.

Gingerbread Corner is licensed under Section 19(1) of the Companies Act 1948 to dispense with the word "limited" after our name and, under Section 60 of the Companies Act 2006, this exemption continues. 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.

## **Gingerbread Corner**

### **Trustees' Report**

The Board of Trustees, between 1st April 2022 – 31st March 2023, comprised:

Elysia Dixon  
Felisha Dussard  
Maria Martin (Chair)  
Sarah Mckenzie  
Thalia-Mae Nero  
Richard O'Neill  
Sabiha Tomkinson

#### **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.

# **Gingerbread Corner**

## **Trustees' Report**

### **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

# **Gingerbread Corner**

## **Trustees' Report**

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.

### **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 suffered significant financial challenges and operational impacts in recent years. We have not received any voluntary sector funding from Croydon Council since 2012 and more recently have experienced decreases in child numbers resulting in a reduction in fee income. Additionally, changes in the working habits of parents and difficulties recruiting qualified staff have further compounded these challenges, 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. We continue to struggle to meet Early Years childcare needs and maintain operational capacity, difficulties in recruitment has led to reliance on expensive agency staff, increasing operational costs. The lockdowns have affected the demand for Out of School childcare services as many parents opted for remote working or adapted schedules, however it has still contributed to increase in fee income, from £652,581 in 21-22 to £679,174 in the current financial year.

Overall, our income in 21-22 was £720,514 which has increased to £741,893 this year.

There was a marginal increase in expenditure from £793,290 to £797,272.

Whilst the deficit at year end has decreased from £72,776 to £55,379 and it is essential to note that 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.

# **Gingerbread Corner**

## **Trustees' Report**

### **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.
- 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.



## **Gingerbread Corner**

### **Trustees' Report**

Approved by the Board of Trustees on \_\_\_\_\_ and signed on its behalf by Order of the Board.

Maria Martin

Chair

Gingerbread Corner Management Committee

## **Gingerbread Corner**

### **Independent Auditor's Report to the Members of Gingerbread Corner**

#### **Opinion**

We have audited the financial statements of gingerbread Corner. (the 'charitable company') for the year ended 31 March 2023 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) (issued October 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 charity's affairs as at 31 March 2023 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; 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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**

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **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 auditor's report 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.

## **Gingerbread Corner**

### **Independent Auditor's Report to the Members of Gingerbread Corner**

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

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

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

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 (set out on page ), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## **Gingerbread Corner**

### **Independent Auditor's Report to the Members of Gingerbread Corner**

#### **Auditor 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 an auditor's report 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

## **Gingerbread Corner**

### **Independent Auditor's Report to the Members of Gingerbread Corner**

#### **Use of our report**

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's 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 its trustees 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  
Surrey  
CR0 1NG

Date:.....

## Gingerbread Corner

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Charitable activities	3	687,596	-	687,596
Other trading activities		7,671	-	7,671
Investment income		206	-	206
Other income		46,420	-	46,420
Total income		<u>741,893</u>	<u>-</u>	<u>741,893</u>
<b>Expenditure on:</b>				
Raising funds		(342)	-	(342)
Charitable activities	4	<u>(796,930)</u>	<u>-</u>	<u>(796,930)</u>
Total expenditure		<u>(797,272)</u>	<u>-</u>	<u>(797,272)</u>
Net expenditure		<u>(55,379)</u>	<u>-</u>	<u>(55,379)</u>
Net movement in funds		(55,379)	-	(55,379)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>298,395</u>	<u>5,856</u>	<u>304,251</u>
Total funds carried forward	13	<u>243,016</u>	<u>5,856</u>	<u>248,872</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Charitable activities	3	652,581	-	652,581
Other trading activities		1,509	-	1,509
Investment income		9	-	9
Other income		66,415	-	66,415
Total income		<u>720,514</u>	<u>-</u>	<u>720,514</u>
<b>Expenditure on:</b>				
Raising funds		(312)	-	(312)
Charitable activities	4	<u>(792,978)</u>	<u>-</u>	<u>(792,978)</u>
Total expenditure		<u>(793,290)</u>	<u>-</u>	<u>(793,290)</u>
Net expenditure		<u>(72,776)</u>	<u>-</u>	<u>(72,776)</u>
Net movement in funds		(72,776)	-	(72,776)

The notes on pages 15 to 24 form an integral part of these financial statements.

## Gingerbread Corner

### Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>371,171</u>	<u>5,856</u>	<u>377,027</u>
Total funds carried forward	13	<u>298,395</u>	<u>5,856</u>	<u>304,251</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 13.

The notes on pages 15 to 24 form an integral part of these financial statements.

**Gingerbread Corner**  
**(Registration number: 01424489)**  
**Statement of Financial Position as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	7	578,503	606,792
<b>Current assets</b>			
Debtors	8	5,567	5,528
Cash at bank and in hand		<u>40,831</u>	<u>58,167</u>
		46,398	63,695
<b>Creditors: Amounts falling due within one year</b>	9	<u>(120,185)</u>	<u>(114,080)</u>
<b>Net current liabilities</b>		<u>(73,787)</u>	<u>(50,385)</u>
<b>Total assets less current liabilities</b>		504,716	556,407
<b>Creditors: Amounts falling due after more than one year</b>	10	<u>(255,844)</u>	<u>(252,156)</u>
<b>Net assets</b>		<u>248,872</u>	<u>304,251</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		5,856	5,856
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>243,016</u>	<u>298,395</u>
<b>Total funds</b>	13	<u>248,872</u>	<u>304,251</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 on pages 12 to 24 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
M P Martin  
Chairman

.....  
R W O'Neill  
Trustee

The notes on pages 15 to 24 form an integral part of these financial statements.



# **Gingerbread Corner**

## **Notes to the Financial Statements for the Year Ended 31 March 2023**

### **1 Charity status**

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Gingerbread Corner  
Grenaby Avenue  
Croydon  
CR0 2EG

The presentation currency of the financial statements is Pound Sterling (£) rounded to the nearest Pound.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

Gingerbread Corner meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

## **Gingerbread Corner**

### **Notes to the Financial Statements for the Year Ended 31 March 2023**

#### **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.

#### **Taxation**

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

#### **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.

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Depreciation and amortisation

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

Asset class	Depreciation method and rate
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.

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.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### 3 Income from charitable activities

	Unrestricted funds General £	Total funds £
Fees receivable	687,596	687,596
<b>Total for 2023</b>	<b>687,596</b>	<b>687,596</b>
<b>Total for 2022</b>	<b>652,581</b>	<b>652,581</b>

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 4 Expenditure on charitable activities

	Charitable Activities £	Generating Funds £	Governance Costs £	Total expenditure £
Staff costs	610,593	-	-	610,593
Fundraising costs	-	342	-	342
Catering	16,084	-	-	16,084
Repairs and cleaning	41,593	-	-	41,593
Children's activities	2,764	-	-	2,764
Administration	2,374	-	-	2,374
Transport	5,368	-	-	5,368
Light, heat and telephone	20,458	-	-	20,458
Legal and professional costs	28,305	-	-	28,305
Bank charges and interest	2,061	-	-	2,061
Sundries	490	-	-	490
Staff training	1,977	-	-	1,977
Books and subscriptions	1,014	-	-	1,014
Depreciation	28,289	-	-	28,289
Loan interest	13,799	-	-	13,799
Rent, rates and insurance	21,761	-	-	21,761
<b>Total for 2023</b>	<u>796,930</u>	<u>342</u>	<u>-</u>	<u>797,272</u>
<b>Total for 2022</b>	<u>789,255</u>	<u>312</u>	<u>3,723</u>	<u>793,290</u>

#### 5 Analysis of support costs

	2023 £	2022 £
Auditor's remuneration	4,152	3,690
Legal and finance costs	-	33
Staff costs	-	-
	<u>4,152</u>	<u>3,723</u>

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 6 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	534,668	548,228
Social security costs	31,291	31,947
Pension costs	10,590	10,240
Other staff costs	34,044	64,629
	<u>610,593</u>	<u>655,044</u>

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

No employee received emoluments of more than £60,000 during the year.

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Childcare	18	23
Support staf	6	10
	<u>24</u>	<u>33</u>

Each member of the support staff, which include the Chief Executive, Deputy Chief Executive, Finance Director and Administrator spend a significant proportion of their time on childcare.

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 7 Tangible fixed assets

	Leasehold Property £	Fixtures & Fittings £	Motor vehicles £	Children's Equipment £	Equipment £	Total £
<b>Cost</b>						
At 1 April 2022	<u>759,000</u>	<u>89,701</u>	<u>74,519</u>	<u>13,483</u>	<u>4,830</u>	<u>941,533</u>
At 31 March 2023	<u>759,000</u>	<u>89,701</u>	<u>74,519</u>	<u>13,483</u>	<u>4,830</u>	<u>941,533</u>
<b>Depreciation</b>						
At 1 April 2022	172,040	81,393	64,367	12,260	4,681	334,741
Charge for the year	<u>15,180</u>	<u>3,772</u>	<u>7,965</u>	<u>1,223</u>	<u>149</u>	<u>28,289</u>
At 31 March 2023	<u>187,220</u>	<u>85,165</u>	<u>72,332</u>	<u>13,483</u>	<u>4,830</u>	<u>363,030</u>
<b>Net book value</b>						
At 31 March 2023	<u>571,780</u>	<u>4,536</u>	<u>2,187</u>	<u>-</u>	<u>-</u>	<u>578,503</u>
At 31 March 2022	<u>586,960</u>	<u>8,308</u>	<u>10,152</u>	<u>1,223</u>	<u>149</u>	<u>606,792</u>

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 8 Debtors

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fee arrears	289	1,508
Other debtors and prepayments	5,278	4,020
	<u>5,567</u>	<u>5,528</u>

#### 9 Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees received in advance	28,007	22,930
Loan from Future builders	8,502	16,884
Trade creditors	5,377	7,842
Social security and other taxes	23,303	15,567
Other creditors, accruals and deferred income	54,996	50,857
	<u>120,185</u>	<u>114,080</u>

#### 10 Creditors: amounts falling due after one year

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loan from Future builders	<u>255,844</u>	<u>252,156</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.



## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

The loans are repayable as follows:

	2023	2022
	£	£
Under one year:	8,502	16,884
	<u>8,502</u>	<u>16,884</u>
Between one to five years:	88,116	92,706
Over five years:	167,728	159,450
	<u>255,844</u>	<u>252,156</u>

#### 11 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
<b>Other</b>		
Within one year	590	590
Between one and five years	737	1,474
	<u>1,327</u>	<u>2,064</u>

#### 12 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	572,647	5,856	578,503
Current assets	46,398	-	46,398
Current liabilities	(120,185)	-	(120,185)
Creditors over 1 year	<u>(255,844)</u>	<u>-</u>	<u>(255,844)</u>
Total net assets	<u>243,016</u>	<u>5,856</u>	<u>248,872</u>

## Gingerbread Corner

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 13 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>				
General	298,395	741,893	(797,272)	243,016
<b>Restricted funds</b>	<u>5,856</u>	<u>-</u>	<u>-</u>	<u>5,856</u>
<b>Total funds</b>	<u>304,251</u>	<u>741,893</u>	<u>(797,272)</u>	<u>248,872</u>
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
General	371,171	720,514	(793,290)	298,395
<b>Restricted funds</b>	<u>5,856</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>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.

#### 14 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

## Gingerbread Corner

### Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>		
Charitable activities (analysed below)	687,596	652,581
Other trading activities (analysed below)	7,671	1,509
Investment income (analysed below)	206	9
Other income (analysed below)	<u>46,420</u>	<u>66,415</u>
Total income	<u>741,893</u>	<u>720,514</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(342)	(312)
Charitable activities (analysed below)	<u>(796,930)</u>	<u>(792,978)</u>
Total expenditure	<u>(797,272)</u>	<u>(793,290)</u>
Net expenditure	<u>(55,379)</u>	<u>(72,776)</u>
Net movement in funds	(55,379)	(72,776)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>304,251</u>	<u>377,027</u>
Total funds carried forward	<u><u>248,872</u></u>	<u><u>304,251</u></u>

## Gingerbread Corner

### Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	Total 2023 £	Total 2022 £
<b>Charitable activities</b>		
Fees receivable	679,174	652,581
Grants receivable	8,422	-
	<u>687,596</u>	<u>652,581</u>
<b>Other trading activities</b>		
Activities for generating funds	7,671	1,509
	<u>7,671</u>	<u>1,509</u>
<b>Investment income</b>		
Investment income - interest receivable	206	9
	<u>206</u>	<u>9</u>
<b>Other income</b>		
Other income	46,420	66,415
	<u>46,420</u>	<u>66,415</u>
<b>Raising funds</b>		
Fundraising costs	(342)	(312)
	<u>(342)</u>	<u>(312)</u>
<b>Charitable activities</b>		
Wages and salaries	(534,668)	(548,228)
Staff NIC (Employers)	(31,291)	(31,947)
Staff pensions	(10,590)	(10,240)
Bank charges and interest	(2,061)	(1,921)
Depreciation	(28,289)	(34,923)
Staff training	(1,977)	(1,951)
Redundancy costs	-	(16,637)
Light, heat and telephone	(20,458)	(9,933)
Rent, rates and insurance	(21,761)	(3,492)
Repairs and cleaning	(41,593)	(33,433)
Administration	(2,374)	(4,077)
Children's activities	(2,764)	(2,317)
Books and subscriptions	(1,014)	(3,802)
Sundry expenses	(490)	(473)
Transport	(5,368)	(6,980)

This page does not form part of the statutory financial statements.

## Gingerbread Corner

### Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Catering	(16,084)	(19,043)
Other staff costs	(34,044)	(47,992)
Legal and professional costs	(28,305)	(9,062)
Loan interest	(13,799)	(6,527)
	<u>(796,930)</u>	<u>(792,978)</u>

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