

COMPANY REGISTRATION NUMBER: 01271562
CHARITY REGISTRATION NUMBER: 278929

Sandbrook Community Playgroup Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2023

ALLEN, WEST AND FOSTER
Chartered accountants
Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Notes to the financial statements	8

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Sandbrook Community Playgroup Limited
Charity registration number	278929
Company registration number	01271562
Principal office and registered office	85 Sandbrook Road London N16 0SL

The trustees

V Linehan	(Resigned 20 February 2023)
O Harrison	(Resigned 27 November 2022)
T Larkin	(Resigned 26 January 2023)
S O'Keefe	(Resigned 26 January 2023)
G MacKeogh	(Resigned 26 January 2023)
L Beat	(Served from 21 August 2022 to 6 December 2022)
K Corden	
E Haman	
T Sanchez Sanchez	(Appointed 19 July 2022)
J Harris	(Resigned 6 September 2022)
R John	(Appointed 20 February 2023)
V Al-Din	(Appointed 28 November 2022)
E Alton	(Appointed 20 October 2022)

Company secretary L Beat

Independent examiner Mr S D Allen FCCA ACA
Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

Structure, governance and management

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 3 August 1976.

The management of the Charity is the responsibility of the Management Committee who are elected at the Annual General Meeting by the members or co-opted between general meetings in accordance with the terms of the Articles of Association.

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Objectives and activities

The principal object of the Charity is to advance the education of children below compulsory school age.

The Management Committee members carried out the objects of the Company in the year by the provision of a playgroup in the London Borough of Hackney.

Achievements and performance

Sandbrook Community Playgroup continues to provide good quality child-care and education for pre-school children. The Playgroup was inspected by Ofsted in July 2018 and provision was judged as "Good".

The Staff and Committee Members have worked hard to ensure that as many places as possible were filled and occupancy was high again this year.

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Financial review

The Charity made a deficit of £39,527 which is higher in comparison to prior years (2022 : deficit of £11,749). The Charity has accumulated reserves of £82,579 (2022 : £122,106).

Reserves Policy

The Committee considers that the free reserves of approximately 3 months of resources expended, which equates to £59,916 would enable current activities to continue in the short term should funding drop significantly.

Both the policy and its implementation are under regular scrutiny.

Risk Assessment

The Committee is yet to complete a formal assessment of the risks facing the Charity but considers that steps have been taken to mitigate major risks, both financial and operational.

Income

Children receive funding via the National Funding Formula (NFF) from the term after their third birthday which means that the playgroup receives funding for 15 hours per child per week. Some children are now able to claim 30 funded hours a week. In addition funding is now available for two-year-olds from families in receipt of benefits.

Fees are charged for those not yet entitled to NFF funding. Fees were increased in April 2023.

In addition a payment of £29,693 was received from the Subsidised Childcare Programme of Hackney Education during the financial year.

Voluntary donations are made by parents. The playgroup asks for £10 a week from those in employment and £2.50 for those in receipt of benefits. £3,315 was raised in donations in this financial year. Gift Aid is claimed on many of these donations.

The Management Committee also raises money through fundraising events, £230 was raised in total through fundraising in this financial year.

Staffing

The playgroup employs a Manager, a Deputy Manager, four Early Year Practitioners and a cleaner. It also employed additional members of staff to support children with Special Educational Needs and Disabilities. Inclusion Funding was received from Hackney Education towards these posts. Vanessa Linehan stepped down after five years as Manager in February 2023 and the Deputy Manager, Ronnika John was promoted to Manager. Vanessa Linehan is now the part-time Business Manager.

Three inset days were held during the academic year for staff training.

Property

The playgroup continues to rent 85 Sandbrook Road from London Borough of Hackney Council.

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Management Committee

All parents are members of the Committee and some parents are elected as Officers, becoming Directors and Trustees of the Charity. The Officers have overall responsibility for the financial management and running of the playgroup. Meetings of the Committee take place once a term and minutes are distributed to all parents of children at Sandbrook and to staff.

Olivia Harrison stood down as a trustee and Chair in November 2022. Triona Larkin stood down as a trustee and Treasurer in January 2023. Siobhan O'Keeffe and Greer Mackeogh both stood down as trustees in January 2023. Vanessa Linehan stood down as a trustee in February 2023. Katherine Corden became Chair in November 2022 and Emma Harman continued as a trustee. Tamara Sanchez Sanchez became a trustee in July 2022. Lynda Beat became a trustee in August 2022 but resigned in December 2022 to become secretary. Emily Alton became a trustee in October 2022 and Victoria Al-Din in November 2022. Victoria took on the role of Treasurer.

Future developments

SCP funding has been reduced overall by approximately £10,000 per annum in recent years and it is likely to be further reduced in the future. The playgroup believes that, if it can maintain high occupancy levels, it could still be sustainable, however it would need to take more fee paying children and less funded children to enable it to be so. It would also need to increase fees considerably.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 4 December 2023 and signed on behalf of the board of trustees by:



L Beat
Charity Secretary

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Sandbrook Community Playgroup Limited

Year ended 31 March 2023

I report to the trustees on my examination of the financial statements of Sandbrook Community Playgroup Limited ('the charity') for the year ended 31 March 2023.

Responsibilities and basis of report

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

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Mr S D Allen FCCA ACA
Independent Examiner

Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		2023		2022
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	5	3,315	3,315	10,728
Charitable activities	6	196,212	196,212	186,158
Other trading activities	7	230	230	2,608
Investment income	8	381	381	262
Total income		<u>200,138</u>	<u>200,138</u>	<u>199,756</u>
Expenditure				
Expenditure on charitable activities	9,10	239,665	239,665	211,253
Other expenditure	11	—	—	252
Total expenditure		<u>239,665</u>	<u>239,665</u>	<u>211,505</u>
Net expenditure and net movement in funds		<u>(39,527)</u>	<u>(39,527)</u>	<u>(11,749)</u>
Reconciliation of funds				
Total funds brought forward		122,106	122,106	133,855
Total funds carried forward		<u>82,579</u>	<u>82,579</u>	<u>122,106</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 8 to 15 form part of these financial statements.

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	16	20,479	24,513
Current assets			
Debtors	17	1,043	2,847
Cash at bank and in hand		65,224	101,919
		66,267	104,766
Creditors: amounts falling due within one year	18	4,167	7,173
Net current assets		62,100	97,593
Total assets less current liabilities		82,579	122,106
Net assets		82,579	122,106
Funds of the charity			
Unrestricted funds		82,579	122,106
Total charity funds	19	82,579	122,106

For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 4 December 2023, and are signed on behalf of the board by:



V Al-Din
Trustee

The notes on pages 8 to 15 form part of these financial statements.

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 85 Sandbrook Road, London, N16 0SL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

In line with the Charities SORP (FRS102) Update Bulletin 1, no cash flow statement has been presented for the company.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

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

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

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

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

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

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

Depreciation

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

Property improvements	- 10% straight line
Equipment	- 25% reducing balance

Impairment of fixed assets

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

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

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

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

4. Limited by guarantee

The company is a company limited by guarantee not having a share capital. Every member of the company undertakes to contribute a sum not exceeding £1 if the company has insufficient assets to discharge its liabilities in the event of winding up.

Accordingly, the company has no share capital and no reconciliation of movements in shareholders' funds has been presented.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	3,315	3,315	10,066	10,066
Grants				
SSP Rebate Scheme Grant	—	—	662	662
	<u>3,315</u>	<u>3,315</u>	<u>10,728</u>	<u>10,728</u>

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
LB Hackney	132,201	132,201	110,763	110,763
Fees	27,118	27,118	41,202	41,202
LB Hackney Learning Trust	36,893	36,893	34,193	34,193
	<u>196,212</u>	<u>196,212</u>	<u>186,158</u>	<u>186,158</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Parent's fundraising	230	230	2,608	2,608

8. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	381	381	262	262

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Charitable activities	237,264	237,264	208,852	208,852
Support costs	2,401	2,401	2,401	2,401
	<u>239,665</u>	<u>239,665</u>	<u>211,253</u>	<u>211,253</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable activities	237,264	—	237,264	208,852
Governance costs	—	2,401	2,401	2,401
	<u>237,264</u>	<u>2,401</u>	<u>239,665</u>	<u>211,253</u>

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

11. Other expenditure

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Loss on disposal of tangible fixed assets held for charity's own use	<u>—</u>	<u>—</u>	<u>252</u>	<u>252</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	5,244	5,217
Loss on disposal of tangible fixed assets	<u>—</u>	<u>252</u>

13. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,400</u>	<u>2,400</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	<u>185,778</u>	<u>165,906</u>

The average head count of employees during the year was 10 (2022: 9). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Playground	8	7
Administration	<u>2</u>	<u>2</u>
	<u>10</u>	<u>9</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

15. Trustee remuneration and expenses

No remuneration was paid to trustees in the period (2022: Nil) nor were any expenses reimbursed to them (2022: Nil).

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

16. Tangible fixed assets

	Property improvements £	Equipment £	Total £
Cost			
At 1 Apr 2022	47,454	16,963	64,417
Additions	—	1,210	1,210
At 31 Mar 2023	47,454	18,173	65,627
Depreciation			
At 1 Apr 2022	26,252	13,652	39,904
Charge for the year	4,114	1,130	5,244
At 31 Mar 2023	30,366	14,782	45,148
Carrying amount			
At 31 Mar 2023	17,088	3,391	20,479
At 31 Mar 2022	21,202	3,311	24,513

17. Debtors

	2023 £	2022 £
Prepayments and accrued income	1,043	2,847

18. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	2,480	2,595
Social security and other taxes	1,146	3,370
Other creditors	541	1,208
	4,167	7,173

19. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2022 £	Income £	Expenditure £	At 31 Mar 2023 £
General funds	122,106	200,138	(239,665)	82,579

	At 1 Apr 2021 £	Income £	Expenditure £	At 31 Mar 2022 £
General funds	133,855	199,756	(211,505)	122,106

Sandbrook Community Playgroup Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

20. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	2023 £
Tangible fixed assets	20,479	20,479
Current assets	66,267	66,267
Creditors less than 1 year	(4,167)	(4,167)
Net assets	82,579	82,579

	Unrestricted Funds	Total Funds
	£	2022 £
Tangible fixed assets	24,513	24,513
Current assets	104,766	104,766
Creditors less than 1 year	(7,173)	(7,173)
Net assets	122,106	122,106