

BLACKHEATH MONTESSORI CENTRE LTD

(A company limited by guarantee)

UNAUDITED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

REGISTERED NUMBER 01622834

CHARITY NUMBER 285105

Brendan P Byrne & Co Ltd
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BLACKHEATH MONTESSORI CENTRE LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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BLACKHEATH MONTESSORI CENTRE LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The directors are pleased to present their annual report together with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

PURPOSE AND ACTIVITIES

The Blackheath Montessori Centre ("Centre") was established with the purpose of providing all year round educational day care for children aged between two and five years based on the Montessori system.

The Centre provides a curriculum encompassing both the Montessori Method and the Early Years Foundation Stage (the recommended Ofsted regulated curriculum for nursery schools) – following an inspection in March 2020, the nursery has been graded as Good. Together they provide children with an all-round opportunity to develop a wide range of skills.

The main aim of a Montessori education is to cultivate and stimulate a child's natural curiosity and desire to learn. All children at the Blackheath Montessori Centre are openly encouraged by teachers to learn and experience through their own motivation and interactions. The nursery has its own garden, tucked away at the rear of the building, providing a safe haven for the children to play in all weathers. Additional activities are also offered which include dance, music, sport and French.

The Centre encourages the children to adopt a healthy lifestyle so meals are prepared on site by the Centre's own cook, and daily menus are displayed on the notice board for parent/carer's information. Menus are varied according to the season, using local suppliers for our fresh meat, fruit and vegetables. The Centre follows advice given by The Children's Food Trust, the NDNA, and London Borough of Lewisham to ensure the healthiest and most appropriate food for our children, reflecting the cultures of children attending our nursery, as well as from other parts of the world.

The Centre opens from 8.00am to 6.00pm, Monday to Friday, for forty eight weeks of the year. There is one intake each year in September, when we welcome children into the Centre who are aged two and nine months or older. The Centre caters for up to forty children attending on either a full time or a part time basis. The children are divided into three classes of twelve to fourteen per class, and there are a minimum of two teachers for each class. Each class enjoys imaginative play, expressive arts, construction, story time, messy games, the garden, cooking, rest and sleep time, ball pool, and one to one time with teachers.

FINANCIAL REVIEW

The Centre is principally funded by the fees charged to parents based on a range of session options. Other income is generated from registration fees and events. Regular fund raising activities happen throughout the year to enable projects to be undertaken. During 2020-2021 the major projects included refurbishment of all three classrooms, which provided new shelving to improve the children's access to the Montessori materials; seating was added to the garden, and an additional storage area created upstairs. Plans are in place for the refurbishment works in the Lower Ground Floor area to recommence.

The directors consider the results for the year to be as expected, considering the effect on the setting of the pandemic. There was an enforced closure period of 9 weeks in April to June 2020, with a loss of income during that time, and reduced income until the start of the Autumn Term. They show net outgoing resources were £836 (31 March 2020 incoming resources £28,335). The directors believe they can continue to achieve their objectives based on the reserves in place, and the plans for improvement which should enhance income in the future.

The introduction of a two-tier pricing structure to ensure the cost of the increased ratio involved in caring for under 3s has ensured that the increased staffing costs are covered by fee income. Pricing increases are agreed by the Board, with the aim to keep them below 5% annually, but to ensure that the costs of the nursery are met by fees, and the previous net outgoing positions will be reversed in the future.

The waiting lists for 2021-2022 have 26 children on the secure list and 30 on the reserve list, a healthy number. There are no guaranteed places left for 2022 and 2023, and families are registering on the reserve list for those intakes. There are already families registered for 2024, and the level of enquiries about registration is consistently high. The Board are considering the option of increasing capacity at the nursery through completion of building works in the basement. The Board are considering the cost of this work, which would potentially include financing costs as well as construction costs, and whether the increased revenue from up to a further 16-20 places would bring. The Board are also considering how an increased capacity would affect the nursery as a whole, after having run for so long as a 36-40 place nursery.

BLACKHEATH MONTESSORI CENTRE LTD
DIRECTORS' REPORT, CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

DIRECTORS, STRUCTURE, GOVERNANCE AND MANAGEMENT

Blackheath Montessori Centre Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 27 June 1982. It is registered as a charity with the Charity Commission.

The directors who served during the year were:

L J Atkinson

V Jerome, who also acted as the Secretary and Office Manager, with responsibility for payroll & other administrative tasks.

And C C Combe

Directors have been appointed under the terms of the Memorandum and Articles of Association to oversee the management of the Centre and to ensure that the Centre remains competitive in the local nursery sector. Directors are recruited from the current and past parent base. All prospective nominees are invited to attend a board meeting when they are asked to provide details of their background and skills. The board undertakes an evaluation of the nominee and approves any appointment.

The daily operational management of the Centre is the responsibility of the Head of Centre, Jane Skillen. The directors of the Centre meet monthly with Jane. Formal minutes are written and distributed after each meeting.

The Centre, through its close relationship with parents, both current and past, has been able to draw on a wealth of professional support which is most important to ensure cost effective management of the Centre.

The Head, with the assistance of the Deputy Head and Office Manager review the Centre's policies annually, and amend and update as appropriate. Advice on policies is sought from the Local Authority, and the Head ensures that the policies meet Ofsted's requirements at all times. Over 35 policies are in place to ensure the safeguarding of the children and families attending the Centre, as well as the staff working at the Centre. The Centre also has policies that set out the Centre's commitment to counter discrimination of any kind and to promote positive outcomes for all families attending the Centre.

The Board and the Head review staff salaries annually, and increases are awarded based on the budget arising from planned fee increases and staff merit. The Centre contributes to a workplace pension scheme for staff who have opted in, and follows current Government guidelines on contribution levels. The staff have a generous holiday allowance, dependent on length of service, along with paid absence for sickness. Staff turnover is generally low, and many members of staff have worked at the Centre for over fifteen years. The Centre invests in CPD for staff, as well statutory training requirements such as Safeguarding and First Aid.

RISKS AND UNCERTAINTIES

The Directors actively review the major risks that the Centre faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of financial systems will provide sufficient resources in the event of adverse conditions. In light of the Coronavirus pandemic, the Directors are working closely with the Head of Centre and Office Manager to monitor the financial stability. Increased focus is being placed on cleaning, PPE, risk assessments and policies at the nursery, as well as financial issues, in order to ensure continuity of provision of service, and income.

The Directors ensure that the nursery is fully insured to meet legislation and Ofsted requirements. Policies are in place to minimise risk to the Centre and the families attend.

The Directors review other situations that could cause risk to the Centre's financial stability. For example, the planned introduction of 30 hours funded childcare for eligible families would potentially cause financial harm to the Centre. However, the Board reviewed the situation and liaised with the Local Authority, and have found a way to introduce the additional funding for parents, without causing a loss of income to the nursery. As more parents were enquiring about the additional funded hours, the Board considered that not offering the additional funding could reduce applicants for places.

The Head ensures she keeps abreast of other settings locally, by participating in Local Authority networking meetings and training sessions. This allows the Board to be aware of the likelihood of reduced enrolments, which could incur a downturn in income for the Centre.

BLACKHEATH MONTESSORI CENTRE LTD
DIRECTORS' REPORT, CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

PLANS FOR FUTURE PERIODS

In following the start of the pandemic in 2020, the Directors work closely with the Head of Centre and Office Manager, to manage the impact on the nursery of the pandemic. The unprecedented situation forced the closure of the Centre for 9 weeks in 2020, with a loss of income for that period, and reduced income for the remainder of the Summer Term. Mitigation of the losses were made by access to HMRC's Job Retention Scheme and a grant from London Borough of Lewisham. The Directors voted to take out a bounce back loan from the Centre's bankers, due to the favourable interest rate and repayment terms. The Directors are continuing to monitor the financial impact, and are applying for further grants from the London Borough of Lewisham. Support from staff and parents ensured the nursery was able to reopen successfully, and by introducing strict policies to manage the potential spread of Covid, further closures were avoided in the financial year. However a week's closure was required after the financial year, due to staff contracting Covid; only one family requested a fee refund due to this, so the loss the nursery was minimal. As the majority of staff have participated in the vaccination programme, the Directors expect future outbreaks to be managed without a full closure. The Directors have agreed additional expenditure on PPE, cleaning products and cleaning equipment is necessary, and made funds available for this during the financial year, and going forward. Despite this, cashflow has remained at an acceptable level, due to the HMRC JRS payments and the bank loan. The Board will consider the repayment options during the next financial year.

The Directors feel it is important to continue with other renovation plans, in order to extend the number of places available in the future, due to a potential increase in demand. The Directors also agree it will be prudent to increase internal space, to allow better working conditions, space for movement and airflow in the building.

When the plans for renovation of the basement are completed, it is planned that this increased space will allow a classroom able to accommodate between 16 and 20 children, along with a larger kitchen, and improved staff room (with a toilet and shower room), a further set of toilets for children, a sensory room, and also increased storage for the premises manager. A further project has been outlined whereby the entrance to the nursery would be moved, a more secure double door entry installed, increased office space for the Head and Office Manager, and the restructuring of the classrooms on the ground floor, using space currently occupied by the kitchen and quiet room.

Now that the upstairs storage areas have been renovated, future plans include the replacement of the children's toilet facilities in Autumn 2021, replacing part of the hall flooring to designate a changing area for the children, and replacing external drainpipes. By improving the ground floor areas and rooms, it will also help to remove the possibility of damage to the lower ground floor by possible leaks from water pipes or roof issues.

Any increase in the number of children attending the Centre will increase the staff numbers required. Not only will an increased number of teachers be required, the Centre has to consider whether additional support staff, such as lunchtime supervisors, administrators and cleaners will also be required. The Board will consider how efficiencies in staffing levels can be achieved by considering altering class sizes and lunchtime arrangements, should the Centre increase in capacity.

In 2021-2022 the staffing levels will be increased to ensure that staffing ratios are met with employed staff, rather than buying in additional resource via agencies. Staffing levels increased during the financial year, and there are plans to engage further teaching staff, so that 9 full time teachers are employed, with two Joint Deputy Heads. The impact of the pandemic has meant that more children attending the nursery have additional emotional and educational needs, and require individual support. The Centre continues to support an Apprentice Teaching Assistant, to achieve a Level 2 childcare qualification. The Centre has previously funded the Montessori training of one of the teachers in order to fulfil the aim to only have fully qualified Montessori teachers at the Centre. The Centre has increased staffing levels, rather than using external agencies which can be expensive.

RESERVES POLICY

The directors are of the opinion that the present level of resources together with the level of designated reserves is adequate to support the continuation of the Centre's activities for the medium term

Any renovation works are considered carefully, and prioritised by importance and urgency. In recent years it was necessary to carry out costly repairs to the roof, as leakages were causing damage elsewhere in the building. In previous years funds had not been available to carry out works to a high standard, causing additional costs in later years. The Board carefully considers each project to ensure that funds spent will resolve maintenance issues for a number of years, rather than being 'quick fixes', and to ensure the long term affordability of the project.

The Office Manager reports at Board Meetings of any potential bad debtors, and advice is sought on how to recoup unpaid fees. The Board's policy is to take legal action to recoup monies owed. The Board finds that bad debts do not occur regularly, and any potential bad debtors are reviewed and managed by the Office Manager.

Any expenditure over £1,000 is discussed at Board Meetings and approval sought for the expenditure. Management accounts are reviewed termly by the Office Manager to give the Board an update on income and expenditure.

Previous losses have occurred due to the pressing nature of repairs and maintenance required. The Board fully assessed the cost impact of the repairs and agreed that the requirement to carry out repairs and maintenance necessitated the spending of reserves.

BLACKHEATH MONTESSORI CENTRE LTD
DIRECTORS' REPORT, CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED OFFICE:

Independents Road
Blackheath
London SE3 9LF

COMPANY NUMBER: 01622834

CHARITY NUMBER: 285105

ADVISORS

BANKERS:

Natwest Bank plc

ACCOUNTANTS:

Brendan P Byrne & Co Ltd, Bexley

DIRECTORS RESPONSIBILITIES

The directors are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the directors to prepare financial statements for each 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 for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

STATEMENT AS TO DISCLOSURE TO OUR ACCOUNTANTS

In so far as the directors are aware at the time of approving our annual report:

- there is no relevant information, being information needed by the accountant in connection with preparing their report, of which the accountant is unaware, and
- the directors, having made enquiries of fellow directors and the accountant, that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the accountant is aware of that information.

This report was approved by the board on

and signed on their behalf

Victoria Jerome

INDEPENDENT EXAMINERS' REPORT
ON THE UNAUDITED FINANCIAL STATEMENTS TO THE DIRECTORS OF BLACKHEATH
MONTESSORI CENTRE LTD
FOR THE YEAR ENDED 31 MARCH 2021

In accordance with the engagement letter dated 21 October 2008, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Statement of Financial Activities, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Company and the Company's Board of Directors, as a body, for our work or for this report.

You have acknowledged on the Balance Sheet for the year ended 31 March 2021 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Brendan P Byrne & Co Ltd

12 Old Bexley Lane
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Kent
DA5 2BN

BLACKHEATH MONTESSORI CENTRE LTD
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	Notes	£	£	£	£
INCOME					
Donations and Fundraising		-	3,247	3,247	2,431
Income from charitable activities:					
Operation of a pre-school	1d	432,775	-	432,772	508,173
Grants		63,484		63,484	-
Investment Income	5	201	-	201	734
TOTAL INCOME		496,460	3,247	499,707	511,338
EXPENDITURE					
Expenditure on charitable activities:	13				
Educational services		(426,164)	(1,355)	(427,519)	(415,599)
Management and administration		(72,408)	-	(72,408)	(66,417)
Interest payable and similar charges	6	(616)	-	(616)	(987)
TOTAL EXPENDITURE		(499,188)	(1,355)	(500,543)	(483,003)
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR		(2,728)	1,892	(836)	28,335
RECONCILIATION OF FUNDS					
Total funds brought forward		387,684	52,227	439,911	411,576
TOTAL FUNDS CARRIED FORWARD		384,956	54,119	439,075	439,911

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

BLACKHEATH MONTESSORI CENTRE LTD
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AT 31 MARCH 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	8	308,377	302,738
CURRENT ASSETS			
Debtors	9	1,371	4,276
Cash at bank and in hand		260,918	207,102
		262,289	211,378
CREDITORS: Amounts falling due within one year	10	(56,835)	(42,262)
NET CURRENT ASSETS		205,454	169,116
TOTAL ASSETS LESS CURRENT LIABILITIES		513,831	471,854
CREDITORS: Amounts falling due after more than one year	11	(74,756)	(31,943)
NET ASSETS		£ 439,075	£ 439,911
THE FUNDS OF THE CHARITY			
Restricted income funds	14	54,119	52,227
Unrestricted income funds		384,956	387,684
TOTAL CHARITY FUNDS		£ 439,075	£ 439,911

In approving these financial statements as directors of the company we hereby confirm the following:
For the year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Charities Act 2011.

The accounts were approved by the board of directors on

V Jerome, Director

BLACKHEATH MONTESSORI CENTRE LTD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

1a Basis of preparation

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Blackheath Montessori Centre Ltd 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 note(s).

1b Tangible fixed assets

Land and building are shown at original historical cost, further depreciation is not considered necessary due to the maintenance and upkeep of the building undertaken.

Other fixed assets are shown at cost less depreciation provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life by the reducing balance method.

	2021	2020
	%	%
Plant and equipment	33	33
Fixtures and fittings	25	25
Equipment	25	25

1c Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in the year.

1d Income

Income comprises the value of sales of educational day care for children, goods and services in the normal course of business based on invoices raised each school term. The company is not required to be registered for VAT. Deposits taken are held as liabilities until they are refunded.

1e Interest

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1f Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose.

1g Expenditure

Expenditure, includes VAT if applicable, and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

1h Financial Instruments

The charity only has a bank mortgage which is measured at amortised cost using the effective interest method.

2. LEGAL STATUS

The Centre is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

BLACKHEATH MONTESSORI CENTRE LTD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

3. NET OPERATING EXPENSES

	2021 £	2020 £
Net operating expenses:		
Distribution costs	-	(409)
Administrative expenses	461,916	439,188
Depreciation	23,535	19,405
	£ 485,451	£ 458,184

4. OPERATING (LOSS)/PROFIT

	2021 £	2020 £
(Loss)/Profit on ordinary activities is stated after charging:		
Depreciation and amortisation of tangible assets: owned	23,535	19,405
Pension costs	7,217	6,599
	£ 30,752	£ 25,904

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021 £	2020 £
Bank interest receivable	201	734
	£ 201	£ 734

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2021 £	2020 £
On bank loans, overdrafts and other loans repayable within five years, by instalments	616	987
	£ 616	£ 987

7. STAFF COSTS

	2021 £	2020 £
Salaries and wages	372,727	341,808
Temporary and agency workers	650	12,589
Social security costs	26,690	23,872
Pension costs	7,217	6,599
	£ 407,284	£ 384,686

Average monthly headcount was 18 staff (2020: 17 staff).

No employees had employee benefits in excess of £60,000.

None of the personnel costs are attributable as costs on restricted activities.

BLACKHEATH MONTESSORI CENTRE LTD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

8. TANGIBLE FIXED ASSETS

	Land & Buildings £	Other Tangible Assets £	Total £
Cost			
At 1 April 2020	274,341	181,437	455,778
Additions	-	29,173	29,173
At 31 March 2021	274,341	210,610	484,951
Depreciation			
At 1 April 2020	23,014	130,025	153,039
For the year	-	23,535	23,535
At 31 March 2021	23,014	153,560	176,574
Net Book Amounts			
At 31 March 2021	£ 251,327	£ 57,050	£ 308,377
At 31 March 2020	£ 251,327	£ 28,433	£ 302,738

9. DEBTORS

	2021 £	2020 £
Trade debtors and prepayments	1,371	4,276
	£ 1,371	£ 4,276

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	5,579	3,347
Accruals and sundry creditors	6,924	5,210
Other taxes and social security	8,561	7,192
Other creditors and deferred income	35,771	26,513
	£ 56,835	£ 42,262

11. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts	74,756	31,943
	£ 74,756	£ 31,943

12. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 as any excesses of income over expenditure, if made, are applied to its charitable objects.

BLACKHEATH MONTESSORI CENTRE LTD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

13. RESOURCES EXPENDED

Analysis of expenditure on charitable activities:

	2021 £	2020 £
<u>Educational activities</u>		
Staff costs*	366,556	346,381
Training	3,095	7,933
Premises*	21,601	19,518
Catering	9,765	16,311
Equipment & materials	3,597	5,722
Office and other costs*	985	1,469
Depreciation*	21,181	17,464
	<hr/> 426,780 <hr/>	<hr/> 414,798 <hr/>
 <u>Cost of obtaining funds</u>	 <hr/> - <hr/>	 <hr/> - <hr/>
 <u>Management and administration</u>		
	of which Governance is £1,260 (2020: £1,260)	
Staff costs*	40,728	38,487
Other costs:		
Premises*	2,400	2,169
Office and other costs*	109	163
Hire costs	588	642
Computer costs	8,330	6,969
Legal & professional	3,856	2,895
Bank charges	433	584
Insurance	13,609	13,075
Depreciation*	2,354	1,941
Bad debts (recovered)	-	(409)
	<hr/> 72,408 <hr/>	<hr/> 66,516 <hr/>
	<hr/> 499,188 <hr/>	<hr/> 481,314 <hr/>

The charity initially identifies the costs of its activities into either educational or management categories, those costs that cover both activities* are then apportioned based on an approximation of time spent. Governance costs are then identified from the management activities undertaken. All repairs were met from unrestricted funds.

BLACKHEATH MONTESSORI CENTRE LTD
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

14. ANALYSIS OF CHARITABLE FUNDS

	General Fund	Restricted Fund	2021 £	2020 £
Incoming Resources				
Activities for generating funds				
Fees Receivable	432,775	-	432,775	508,173
Voluntary income				
Fundraising	-	3,247	3,247	2,431
Grants received	63,484			
Other income	201	-	201	734
	<u>496,460</u>	<u>3,247</u>	<u>499,707</u>	<u>511,338</u>
Resources Expended				
Charitable activities				
Educational services	426,780	1,355	428,135	416,487
Cost of generating voluntary income				
Fundraising & publicity	-	-	-	-
Management & administration	72,408	-	72,408	66,516
	<u>499,188</u>	<u>1,355</u>	<u>500,543</u>	<u>483,003</u>
Net incoming resources before transfers	<u>(2,728)</u>	<u>1,892</u>	<u>(836)</u>	<u>28,335</u>
Transfers	-	-	-	-
Net incoming resources for the year	<u>(2,728)</u>	<u>1,892</u>	<u>(836)</u>	<u>28,335</u>
Total funds brought forward	<u>387,684</u>	<u>52,227</u>	<u>439,911</u>	<u>411,576</u>
Total funds carried forward	<u>384,956</u>	<u>54,119</u>	<u>439,075</u>	<u>439,911</u>

The company made no recognised gains or losses other than those reported in the income and expenditure account.

The following pages do not form part of the Company's Statutory Financial Statements and are prepared for the information of the Directors only.

BLACKHEATH MONTESSORI CENTRE LTD
TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	2021		2020
	£	£	£
Sales		432,775	508,173
Cost of sales:			
Purchases	12,533		21,501
Other direct expenses	588		642
		13,121	22,143
Gross profit		419,654	486,030
Other income		63,685	734
		483,339	486,764
Less:			
Selling and marketing costs	-		(409)
Administrative expenses	462,532		440,175
Depreciation and amortisation	23,535		19,405
		486,067	459,171
Net (loss)/profit for the year		(2,728)	27,593
Transfer to designated fund	-		-
		(2,728)	27,593
Transfer of funds to/from reserves			
Retained profits brought forward		387,684	360,091
Retained profits carried forward		£ 384,956	£ 387,684

BLACKHEATH MONTESSORI CENTRE LTD
PROFIT AND LOSS ACCOUNT SUMMARIES
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Purchases		
Equipment and materials	2,768	5,189
Catering	<u>9,765</u>	<u>16,312</u>
	<u>£ 12,533</u>	<u>£ 21,501</u>
 Other direct expenses		
Plant hire	<u>588</u>	<u>642</u>
	<u>£ 588</u>	<u>£ 642</u>
 Other income		
Grants	63,484	-
Bank interest and commission receivable	<u>201</u>	<u>734</u>
	<u>£ 63,685</u>	<u>£ 734</u>
 Selling and marketing costs:		
Advertising & sales promotion	-	-
Bad debts (recovered)	<u>-</u>	<u>(409)</u>
	<u>£ -</u>	<u>£ (409)</u>

BLACKHEATH MONTESSORI CENTRE LTD
PROFIT AND LOSS ACCOUNT SUMMARIES
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Administrative expenses:		
Parking charges (2020 contribution)	400	(450)
Water rates	939	1,169
Light and heat	3,458	4,655
Repairs & renewals	5,381	7,564
Salaries	372,727	341,808
NIC employer	26,690	23,872
Agency staff	650	12,589
Pension contributions	7,217	6,599
Recruitment & training	3,095	7,933
Protective equipment	3,330	-
Computer costs	8,330	6,968
Accountancy	1,856	1,536
Professional fees	2,000	1,359
Waste disposal	3,597	2,038
Insurance	13,609	13,075
Cleaning	6,279	5,723
Postage	4	8
Stationery & office supplies	505	1,134
Telephone	395	470
Sundry expenses	829	533
Subscriptions and licences	191	21
Bank charges	433	584
Administrative Expenses before Interest	461,916	439,188
Loan interest payable <5yrs	616	987
	<u>£ 462,532</u>	<u>£ 440,175</u>
 Depreciation and amortisation:		
Depreciation of plant & machinery	13,979	7,015
Depreciation of fixtures & fittings	8,500	10,982
Depreciation of equipment	1,056	1,408
	<u>£ 23,535</u>	<u>£ 19,405</u>