

BLACKHEATH MONTESSORI CENTRE LTD

(A company limited by guarantee)

UNAUDITED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

REGISTERED NUMBER 01622834

CHARITY NUMBER 285105

Brendan P Byrne & Co Ltd
12 Old Bexley Lane
Bexley
Kent
DA5 2BN

Tel; 01322 555530

BLACKHEATH MONTESSORI CENTRE LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS

Pages

2 to 5	Directors' Report
6	Independent Examiners' Report
7	Statement of Financial Activities
8	Statement of Financial Position (Balance Sheet)
9 to 12	Notes to the Financial Statements

The following do not form part of the statutory financial statements:

13 to 15	Profit and Loss Account Summaries
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BLACKHEATH MONTESSORI CENTRE LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The directors are pleased to present their annual report together with the financial statements of the charity for the year ended 31 March 2023 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 fundraising activities happen throughout the year to enable projects to be undertaken. During 2021-2022 a complete refurbishment of the children's toilets was carried out. Plans remain in place for the refurbishment works in the Lower Ground Floor area to recommence, however the Board decided that all refurbishment works should continue to be put on hold until the financial situation improves, post pandemic, as the intakes for both 2021-2022, and 2022-2023 were significantly lower than pre-pandemic years. This was due to a change in childcare requirements by families, subsequent to the pandemic, rather than a specific issue to the nursery. The Local Authority advised that the Early Years sector as a whole and locally had a significant downturn in requirement for places.

The directors consider the results for the year to be as expected in the current climate, they show net outgoing resources were £18,500 (31 March 2022 net incoming resources were £6,671). 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 waiting lists for 2023-2024 have 28 children on the secure list and 38 on the reserve list, a reasonable number. There are no guaranteed places left for 2024, and families are registering on the reserve list for that intake. There are already families registered for 2025 and 2026, and the level of enquiries about registration remains consistent. Uptake of places in September 2022 was lower than 2021, and was concerning. However, by January 2023, new children were accepted into nursery, and increased the numbers attending by 25%. The interest in places for September 2023 greatly increased from the previous year, and initial indications of place acceptances are for a return to more pre-pandemic levels of children enrolled.

The Board will continue to consider the option of increasing capacity at the nursery through completion of building works in the basement. The Board are taking into account 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 2023

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 Company 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. Following the Coronavirus pandemic, the Directors continue to work 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 that attend.

The Directors review other situations that could cause risk to the Centre's financial stability. For example, the introduction of 30 hours funded childcare for eligible families could have potentially caused financial harm to the Centre.

However, the Board reviewed the situation and liaised with the Local Authority, and 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 2023

PLANS FOR FUTURE PERIODS

Due to the downturn in enrolments in 2022-2023, the Board agreed that only essential repairs should be carried out, and that the plans for the refurbishment of the Lower Ground Floor be put on hold, in order not to deplete income and reserves. The Board's opinion was that funds had been invested carefully over the preceding years in the gradual refurbishment of the classrooms, kitchen and bathroom, and in light of a reduction in applications for places, it was not appropriate to expend funds on a refurbishment project to increase spaces. The Board are also considering the difficulties faced by the Early Years Sector in the current climate, particularly regarding recruitment of staff with the appropriate levels of qualifications. The Board expects to expend income on temporary staff of a high level to ensure that ratios are met at all times, in light of two members of staff leaving (one to a promoted position, one to resume their own business). Recruitment will be a focus during the coming financial year. The Board are continuing to invest in staff training and wellbeing of the remaining staff, as the Board recognises they are key to the success of the nursery.

The Board continues to review the costs to the nursery, and the level of income required to ensure the nursery remains financially viable. Fee increases are reviewed carefully, and this financial year's level of outgoing resources will form the basis of analysis for future fee increases.

The Board are also considering the impact of the Government's and Local Authority's rules around providing funded hours. The stringent rules for offering funded sessions and how parents are charged for consumables concerns the Board, as should parents opt to not pay the consumables charge, it will have a detrimental financial effect on the nursery. The Board has agreed that a very limited number of funded only places can be offered, and parents wishing to apply for one of these places should contact the Board to discuss the matter.

The Board are also considering restructuring the fee profile of the nursery, to mitigate any losses of income due to parents opting out of the consumables charge.

The Board will be focussing on all areas where costs have increased significantly, and looking to reduce these costs in future years, where possible.

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, even in light of a predicted downturn in children attending.

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 2023

REFERENCE AND ADMINISTRATIVE DETAILS

REGISTERED OFFICE:

Independents Road
Blackheath
London SE3 9LF

COMPANY NUMBER: 01622834

CHARITY NUMBER: 285105

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 **13/11/2023** 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 2023

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 2023 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
Bexley
Kent
DA5 2BN

BLACKHEATH MONTESSORI CENTRE LTD
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	General Fund	Restricted Fund	2023 £	2022 £	The
Incoming Resources					
Activities for generating funds					
Fees Receivable	548,983	-	548,983	529,757	
Voluntary income					
Fundraising	-	3,931	3,931	1,549	
Grants received	-				
Other income	2,929	-	2,929	39,984	
	<u>551,912</u>	<u>3,931</u>	<u>555,843</u>	<u>571,290</u>	
Resources Expended					
Charitable activities					
Educational services	488,281	2,822	491,103	484,667	
Cost of generating voluntary income					
Fundraising & publicity	-	-	-	-	
Management & administration	83,240	-	83,240	79,952	
	<u>571,521</u>	<u>2,822</u>	<u>574,343</u>	<u>564,619</u>	
Net (outgoing) / incoming resources before transfers	(19,609)	1,109	(18,500)	6,671	
Transfers	-	-	-	-	
Net (outgoing) / incoming resources for the year	(19,609)	1,109	(18,500)	6,671	
Total funds brought forward	390,598	55,148	445,746	439,075	
Total funds carried forward	<u>370,989</u>	<u>56,257</u>	<u>427,246</u>	<u>445,746</u>	

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

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 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	8	315,359	338,196
CURRENT ASSETS			
Debtors	9	1,857	1,268
Cash at bank and in hand		227,692	234,605
		<u>229,549</u>	<u>235,873</u>
CREDITORS: Amounts falling due within one year	10	<u>(73,663)</u>	<u>(67,246)</u>
NET CURRENT ASSETS		<u>155,886</u>	<u>168,627</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>471,245</u>	<u>506,823</u>
CREDITORS: Amounts falling due after more than one year	11	<u>(43,999)</u>	<u>(61,077)</u>
NET ASSETS		<u>£ 427,246</u>	<u>£ 445,746</u>
THE FUNDS OF THE CHARITY			
Restricted income funds	14	56,257	55,148
Unrestricted income funds		370,989	390,598
TOTAL CHARITY FUNDS		<u>£ 427,246</u>	<u>£ 445,746</u>

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 13/11/2023

V Jerome

V Jerome, Director

BLACKHEATH MONTESSORI CENTRE LTD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

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.

	%
Plant and equipment	33
Fixtures and fittings	25
Equipment	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 2023

3. NET OPERATING EXPENSES

	2023	2022
	£	£
Net operating expenses:		
Distribution costs	(229)	385
Administrative expenses	525,418	509,956
Depreciation	24,539	33,835
	<hr/> £ 549,728	<hr/> £ 544,176

4. OPERATING (LOSS)/PROFIT

	2023	2022
	£	£
(Loss)/Profit on ordinary activities is stated after charging:		
Depreciation and amortisation of tangible assets: owned	24,539	33,835
Pension costs	9,255	8,433
	<hr/>	<hr/>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Bank interest receivable	1,752	41
Commissions	88	150
Statutory sick pay	-	2,059
	<hr/> £ 1,840	<hr/> £ 201

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2023	2022
	£	£
On bank loans, overdrafts and other loans		
Repayable within five years, by instalments	1,544	1,231
	<hr/> £ 1,544	<hr/> £ 1,231

7. STAFF COSTS

	2023	2022
	£	£
Salaries and wages	412,027	395,579
Temporary and agency workers	2,470	15,052
Social security costs	34,310	31,258
Pension costs	9,255	8,433
	<hr/> £ 458,062	<hr/> £ 450,322

Average monthly headcount was 16 staff (2022: 18 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 2023

8. TANGIBLE FIXED ASSETS

	Land & Buildings £	Other Tangible Assets £	Total £
Cost			
At 1 April 2022	274,341	274,264	548,605
Additions	-	1,702	1,702
At 31 March 2023	274,341	275,966	550,307
Depreciation			
At 1 April 2022	23,014	187,395	210,409
For the year	-	24,539	24,539
At 31 March 2023	23,014	211,934	234,948
Net Book Amounts			
At 31 March 2023	£251,327	£64,032	£315,359
At 31 March 2022	£251,327	£86,869	£338,196

9. DEBTORS

	2023 £	2022 £
Trade debtors and prepayments	1,857	1,268
	£ 1,741	£ 1,268

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	6,286	4,349
Accruals and sundry creditors	6,913	5,936
Other taxes and social security	11,136	11,211
Other creditors and deferred income	49,328	45,750
	£ 73,663	£ 67,246

11. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023 £	2022 £
Bank loans and overdrafts	43,999	61,077
	£ 43,999	£ 61,077

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 2023

13. RESOURCES EXPENDED

Analysis of expenditure on charitable activities:

	2023	2022
	£	£
<u>Educational activities</u>		
Staff costs*	414,224	405,290
Training & education	4,050	5,600
Premises*	29,227	23,315
Catering	12,656	12,555
Equipment & materials	3,966	5,495
Office and other costs*	2,073	1,317
Depreciation*	22,085	30,452
	<u>£488,281</u>	<u>£484,024</u>
 <u>Cost of obtaining funds</u>	 <u>-</u>	 <u>-</u>
 <u>Management and administration</u>		
	of which Governance is £1,260 (2022: £1,260)	
Staff costs*	46,025	45,032
Other costs:		
Premises*	3,247	2,591
Office and other costs*	230	146
Hire costs	642	642
Computer costs	10,093	9,383
Legal & professional	2,793	3,515
Bank charges	477	499
Insurance	17,536	14,499
Depreciation*	2,454	3,383
Bad debts	(258)	385
	<u>83,240</u>	<u>80,075</u>
	<u>£571,521</u>	<u>£564,099</u>

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.

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 2023

	2023		2022
	£	£	£
Sales		548,983	529,757
Cost of sales:			
Purchases	19,606		18,050
Other direct expenses	<u>642</u>		<u>642</u>
		<u>20,248</u>	<u>18,692</u>
Gross profit		528,735	511,065
Other income		<u>2,929</u>	<u>39,984</u>
		531,664	551,049
Less:			
Selling and marketing costs	(229)		385
Administrative expenses	526,962		511,187
Depreciation and amortisation	<u>24,539</u>		<u>33,835</u>
		<u>551,272</u>	<u>545,407</u>
Net (loss) / profit for the year		(19,608)	5,642
Transfer to designated fund	<u>-</u>		<u>-</u>
		<u>-</u>	<u>-</u>
Transfer of funds to/from reserves		(19,608)	5,642
Retained profits brought forward		<u>390,598</u>	<u>384,956</u>
Retained profits carried forward		<u><u>£ 370,990</u></u>	<u><u>£ 390,598</u></u>

BLACKHEATH MONTESSORI CENTRE LTD
PROFIT AND LOSS ACCOUNT SUMMARIES
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Purchases:		
Equipment and materials	6,950	5,495
Catering	12,656	12,555
	<u>£19,606</u>	<u>£18,050</u>
Other direct expenses:		
Plant hire	<u>£642</u>	<u>£642</u>
Other income:		
Grants	-	37,734
Trips	1,089	-
Other income, bank interest and commission	1,840	2,250
	<u>£2,929</u>	<u>£39,984</u>
Selling and marketing costs:		
Advertising & sales promotion	30	-
Bad debts (recovered)	(259)	385
	<u>£(229)</u>	<u>£385</u>

BLACKHEATH MONTESSORI CENTRE LTD
PROFIT AND LOSS ACCOUNT SUMMARIES
FOR THE YEAR ENDED 31 MARCH 2023

Administrative expenses:	2023	2022
	£	£
Parking (less contribution)	1,800	400
Rates	6,065	465
Light and heat	8,318	4,904
Repairs & renewals	6,661	11,593
Salaries	412,027	395,579
NIC employer	34,310	31,258
Agency staff	2,470	15,052
Pension contributions	9,255	8,433
Recruitment & training	2,186	5,600
Protective equipment	1,144	2,270
Computer costs	10,105	9,383
Accountancy	1,632	1,768
Professional Fees	1,161	1,747
Waste disposal	4,017	2,095
Insurance	17,536	14,499
Cleaning	4,070	2,948
Stationery & office supplies	1,414	848
Telephone	495	614
Sundry expenses	276	2
Bank charges	477	499
	<hr/> 525,418	<hr/> 509,956
Loan Interest	1,544	1,231
	<hr/> £526,962	<hr/> £511,187

Depreciation and amortisation:	2023	2022
	£	£
Depreciation of plant & machinery	10,113	15,094
Depreciation of fixtures & fittings	13,832	17,949
Depreciation of equipment	594	792
	<hr/> £24,539	<hr/> £33,835