

# SUMNER ROAD CHAPEL DAY CARE CENTRE

England & Wales · Charity number 288341

## Details

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**Other names** S R C COMMUNITY NURSERY

**Status** Registered

**Legal form** Other

**Company number** [05029856](#)

**Registered** 1983-12-14

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 1 Gaza St  
Kennington  
London  
SE17 3RJ

**Phone** 02075827282

**Email** [sue@srcnursery.co.uk](mailto:sue@srcnursery.co.uk)

**Website** [www.srcnursery.co.uk](http://www.srcnursery.co.uk)

## Activities

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**Objects:** TO PROMOTE THE DAILY CARE AND EDUCATION OF CHILDREN UNDER FIVE IN PECKHAM AREA AND TO PROVIDE RECREATIONAL FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR CHILDREN UNDER THE AGE OF FIVE IN THE PECKHAM AREA WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE. (II) TO PROVIDE CARE AND FACILITIES FOR RECREATION AND IN (I) ABOVE FOR CHILDREN AGED OVER FIVE WHO ARE IN NEED OF CARE AND ATTENTION.

**Activities:** Children's Full Day Care Community Nursery voluntary sector

## Classification

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- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People, People With Disabilities

## Geography

- **Area of benefit:** PECKHAM AREA
- Throughout London

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£702,296	£616,319	£132,026	19
2024-03-31	£529,652	£538,495	£0	19
2023-03-31	£444,531	£458,720	-	-
2022-03-31	£444,531	£458,720	-	-
2021-03-31	£431,815	£392,128	-	-

## Trustees

Name	Role	Appointed
Anna Francesca Parr		2026-05-21
Ben Honan		2024-04-30
Dr David John Sims		2026-05-21
Peter Richards		2024-04-30

**SUMNER ROAD CHAPEL DAY CARE CENTRE**

England & Wales - Charity number 288341

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# Accounts

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**REGISTERED COMPANY NUMBER: 05029856 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 288341**

**Report of the Trustees and  
Audited Financial Statements  
for the Year Ended 31 March 2025  
for  
SRC Community Nursery  
(A Company Limited by Guarantee)**

**Contents of the Financial Statements  
for the Year Ended 31 March 2025**

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**Reference and Administrative Details  
for the Year Ended 31 March 2025**

<b>TRUSTEES</b>	J Wills (resigned 26.10.25) Ms A Semmens Ms Y Haye (resigned 27.10.25) J Ladenburg (resigned 30.4.24) M Meynell (resigned 30.4.24) Ms R Miller (resigned 30.4.24) A Wrobel (resigned 15.11.25) Dr J A Wills (resigned 26.10.25) Ms A Wrobel (resigned 15.11.25) M Huxley (appointed 30.4.24) (resigned 23.10.25) Ms M E I Robertson (appointed 30.4.24) P Burton Richards (appointed 30.4.24) Ms F D Eshalomi (resigned 30.4.24) Ms C L Hickson (resigned 30.4.24) J M Ladenburg (resigned 30.4.24) Ms H Ok (resigned 30.4.24)
<b>COMPANY SECRETARY</b>	P Burton Richards
<b>REGISTERED OFFICE</b>	1 Gaza Street Kennington London SE17 3RJ
<b>REGISTERED COMPANY NUMBER</b>	05029856 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	288341
<b>INDEPENDENT AUDITORS</b>	Ardor Business Solutions Limited Statutory Auditors Chartered Certified Accountants Unit 1 Shrine Barn Sandling Road Hythe Kent CT21 4HE
<b>BANKERS</b>	NatWest Bank PLC 68 Peckham High Street London SE15 5RZ
<b>OFFICE MANAGER</b>	L Edgerton
<b>NURSERY MANAGER</b>	D McDougal - resigned 04.12.25) - position currently vacant

**Report of the Trustees  
for the Year Ended 31 March 2025**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The nursery is to provide a high-quality affordable care and nursery education to children of families who are resident in the London Borough of Southwark and surrounding boroughs of Lambeth/Lewisham; to meet the needs of all children by offering a secure and affectionate environment for social development and to reflect the diverse social, ethnic and cultural makeup of the families and staff in the local London boroughs.

We will reflect the diverse social, ethnic and cultural makeup of the borough through the children, their families and the staff.

We will encourage parents and carers to be actively involved in the life of the nursery.

We will make places available to a certain number of children who have special educational needs and disabilities.

We will provide employment and training opportunities for nursery practitioners, students, and trainees.

**Report of the Trustees  
for the Year Ended 31 March 2025**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

SRC Community Nursery is registered for 69 places but is a popular nursery and operates a waiting list. Children are offered either a full or part time place, 15-hour free nursery education for 2- and 3-year-olds and the extended 30 hours free education.

Places are offered to children who meet the following criteria:

- > Parents on low income
- > Dual income families
- > Single parents
- > Families who live in the Borough of Southwark and adjacent boroughs
- > Training parents at college or university
- > Meet one of the above criteria and have a brother or sister already attending the nursery
- > Families who are entitled to Free Childcare for Working Parents

In addition to the above criteria, care is taken to ensure that the ethnic, social and gender balances reflect that of the community. Where a child has profound needs, they are offered places wherever it is possible to provide appropriate care and support.

When a child is enrolled into the nursery, the parents are asked to complete an Enrolment and Consent Form. This acts as a written agreement covering issues such as payment of fees, hours of attendance, any special educational need and disabilities that the child may have, permission for the child to be taken on local outings from the nursery, collection arrangements for the child and who to contact in an emergency. The nursery guidelines are also given to parents to read and agree to.

The nursery is open from 8.00am to 6.00pm every day. The nursery operates for 50 weeks with a closure period in mid-august, bank holidays and at Christmas. The nursery's management set the dates for closures at the beginning of the year and parents are notified well in advance. The nursery also has three inset training days.

Nursery staff have a statutory responsibility to ensure that children are safe at all times and that their individual needs are being met. Any concerns regarding the protection and safety of children will be dealt with according to the London Borough of Southwark Child Protection Policy and the nursery's own policy. Parents and carers will be involved at all stages of the Child Protection Procedures, unless this is not in the child's best interest, and might put the child at further risk. The children's safety is paramount.

The trustees set fees annually payable monthly. A non-refundable registration fee is charged.

**Public benefit**

The trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set.

**ACHIEVEMENTS AND PERFORMANCE**

**Charitable activities**

The nursery achieved a Good Ofsted rating following an inspection in November 2024.

The nursery has increased the variety and range of visits, as well as the breadth of its curriculum.

The committee consider the performance of the charitable company has been satisfactory.

There has been a significant increase in the nursery cash reserves.

The nursery also includes the free early education for 2-year-olds also includes the 3- and 4-year-olds for 15 and 30 hours funded children. There is a criterion set for the funded 30-hour children set by local government.

**Report of the Trustees  
for the Year Ended 31 March 2025**

**FINANCIAL REVIEW**

**Reserves policy**

It is the policy of the charitable company to maintain unrestricted funds, which are the free reserves of the charitable company, at a level which provides sufficient funds to cover running costs and administration costs and to respond to any emergencies.

The level of free reserves held at the year end was £125,117 (2024; £43,208).

**Going concern**

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason, the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

**FUTURE PLANS**

We intend to invest in the redesign of the nursery garden area.

We intend to grow the nursery reserves in line with expected increase in income as a result of planned changes to Early Years Funding in September 2025.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The nursery was set up in Peckham, South-East London. Originally intended to be a short-term project, it quickly became clear that it was providing much needed good quality childcare and within a year it was oversubscribed. The move to its present site in Gaza Street came in 1991 and since then it has continued to thrive.

SRC Community Nursery was registered as a charity in 1984 and is funded and supported by the London Borough of Southwark. Ofsted inspects the nursery every two to four years. Copies of the most recent reports are held in the nursery and can be found on the official website at [Ofsted.gov.uk](http://Ofsted.gov.uk) (registration No. 107458).

The organization was incorporated as a charitable company, limited by guarantee, on 29 January 2004. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £10.

The directors of the charitable company are also charity trustees for the purpose of charity law and are known as members of the Management Committee. The Management Committee includes parent, carers and members of the community. It consists of between eight and sixteen elected members but all parents and staff are welcome to attend meetings as observers.

SRC Community Nursery has retained its character as a community nursery. Its commitment to serve local people and the involvement of parents and carers are central to the way that it is run.

**Recruitment and appointment of new trustees**

The continued success of the nursery depends on a strong and committed committee. It is hoped that all parents and carers will consider joining the committee in order to contribute their own experience, ideas and skills. No expertise is needed, only the commitment to attend regular meetings and share in the discussions. Southwark Council provide training sessions for the Trustees.

**Report of the Trustees  
for the Year Ended 31 March 2025**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

At the quarterly meetings, members have the opportunity to discuss and influence decisions on every aspect of the nursery's business which might include anything from organising training for staff, to writing a behaviour policy or deciding what food should be served. The Nursery Manager is employed by the committee to run the nursery day to day. The committee employs all staff and it agrees any changes in policy, hours worked, contracts and spending.

**Wider network**

SRC Community Nursery is located in the London Borough of Southwark (North) and it is open to families from all parts of the borough and adjacent boroughs. It is situated close to Kennington tube station and bus links to Brixton, Camberwell, Stockwell and Elephant and Castle areas. There is also good public transport links to the centre of London and Croydon.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have the overall responsibility of the organisation and it is one of their responsibilities to examine any major strategic and operational risks.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, children and visitors to the nursery.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of SRC Community Nursery for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 those financial statements, the trustees 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Report of the Trustees  
for the Year Ended 31 March 2025**

**AUDITORS**

The auditors, Ardor Business Solutions Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 18 December 2025 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A Semmens', written in a cursive style.

Ms A Semmens - Trustee

## **Report of the Independent Auditors to the Members of SRC Community Nursery**

### **Opinion**

We have audited the financial statements of SRC Community Nursery (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Report of the Independent Auditors to the Members of SRC Community Nursery**

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

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

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

## **Report of the Independent Auditors to the Members of SRC Community Nursery**

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

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

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

**Report of the Independent Auditors to the Members of  
SRC Community Nursery**

**Use of our report**

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



Mr Bryan Michael Kemsley FCCA (Senior Statutory Auditor)  
for and on behalf of Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
Unit 1  
Shrine Barn  
Sandling Road  
Hythe  
Kent  
CT21 4HE

18 December 2025

**SRC Community Nursery**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2025**

	Notes	31/3/25 Unrestricted fund £	31/3/24 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3	-	3,250
<b>Charitable activities</b>			
Childcare and education	6	695,368	529,652
Other trading activities	4	-	1,385
Investment income	5	828	514
Other income		6,100	-
<b>Total</b>		<u>702,296</u>	<u>534,801</u>
 <b>EXPENDITURE ON</b>			
Raising funds	7	-	923
<b>Charitable activities</b>			
Childcare and education	8	616,319	537,572
<b>Total</b>		<u>616,319</u>	<u>538,495</u>
<b>NET INCOME/(EXPENDITURE)</b>		85,977	(3,694)
 <b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		46,049	49,743
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>132,026</u></u>	<u><u>46,049</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

Statement of Financial Position  
31 March 2025

	Notes	31/3/25 Unrestricted fund £	31/3/24 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	15	6,909	2,841
<b>CURRENT ASSETS</b>			
Debtors	16	5,192	29,633
Cash at bank and in hand		147,884	34,561
		<u>153,076</u>	<u>64,194</u>
<b>CREDITORS</b>			
Amounts falling due within one year	17	(27,959)	(20,986)
		<u>125,117</u>	<u>43,208</u>
<b>NET CURRENT ASSETS</b>			
		<u>132,026</u>	<u>46,049</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>132,026</u>	<u>46,049</u>
<b>NET ASSETS</b>			
		<u>132,026</u>	<u>46,049</u>
<b>FUNDS</b>	18		
Unrestricted funds		<u>132,026</u>	<u>46,049</u>
<b>TOTAL FUNDS</b>		<u>132,026</u>	<u>46,049</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 18 December 2025 and were signed on its behalf by:



A Semmens - Trustee

**SRC Community Nursery****Statement of Cash Flows  
for the Year Ended 31 March 2025**

	Notes	31/3/25 £	31/3/24 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	119,016	(26,243)
Net cash provided by/(used in) operating activities		<u>119,016</u>	<u>(26,243)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6,521)	-
Interest received		828	514
Net cash (used in)/provided by investing activities		<u>(5,693)</u>	<u>514</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>34,561</u>	<u>60,290</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>147,884</u></u>	<u><u>34,561</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows  
for the Year Ended 31 March 2025

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/25 £	31/3/24 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	85,977	(3,694)
<b>Adjustments for:</b>		
Depreciation charges	1,736	1,136
Loss on disposal of fixed assets	717	-
Interest received	(828)	(514)
Decrease/(increase) in debtors	24,441	(19,272)
Increase/(decrease) in creditors	6,973	(3,899)
<b>Net cash provided by/(used in) operations</b>	<u>119,016</u>	<u>(26,243)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/24 £	Cash flow £	At 31/3/25 £
<b>Net cash</b>			
Cash at bank and in hand	34,561	113,323	147,884
	<u>34,561</u>	<u>113,323</u>	<u>147,884</u>
<b>Total</b>	<u>34,561</u>	<u>113,323</u>	<u>147,884</u>

**Notes to the Financial Statements  
for the Year Ended 31 March 2025**

**1. PRESENTATION CURRENCY**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

In common with many other businesses of our size and nature, we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Governance costs**

Governance costs represents expenditure associated with the audit and preparation of the charitable company's financial statements.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Furniture and equipment	- 20% on cost
Sensory room	- 20% on cost
Computer equipment	- 25% on cost

Fixed asset acquisitions of £500 and above are capitalised.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

2. ACCOUNTING POLICIES - continued

**Fund accounting**

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	31/3/25	31/3/24
	£	£
Donations	-	3,250
	<u>          </u>	<u>          </u>

4. OTHER TRADING ACTIVITIES

	31/3/25	31/3/24
	£	£
Sale of photos	-	1,385
	<u>          </u>	<u>          </u>

5. INVESTMENT INCOME

	31/3/25	31/3/24
	£	£
Deposit account interest	828	514
	<u>          </u>	<u>          </u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31/3/25	31/3/24
		£	£
Child care fees	Childcare and education	338,909	323,992
FEEE grant	Childcare and education	356,459	205,660
		<u>          </u>	<u>          </u>
		<u>695,368</u>	<u>529,652</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

7. RAISING FUNDS

Other trading activities

	31/3/25	31/3/24
	£	£
Photo costs	-	923
	<u>          </u>	<u>          </u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Childcare and education	522,861	93,458	616,319
	<u>          </u>	<u>          </u>	<u>          </u>

9. SUPPORT COSTS

	Management £	Other £	Governance costs £	Totals £
Childcare and education	76,438	4,900	12,120	93,458
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/25	31/3/24
	£	£
Depreciation - owned assets	1,736	1,136
Hire of plant and machinery	(1,435)	12,142
Deficit on disposal of fixed assets	717	-
	<u>          </u>	<u>          </u>

11. AUDITORS' REMUNERATION

	31/3/25	31/3/24
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	5,533	5,640
	<u>          </u>	<u>          </u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

13. STAFF COSTS

	31/3/25	31/3/24
	£	£
Wages and salaries	429,980	360,513
Social security costs	26,124	27,969
Other pension costs	8,859	20,549
	<u>464,963</u>	<u>409,031</u>

The average monthly number of employees during the year was as follows:

	31/3/25	31/3/24
Administration and support	2	2
Charitable activity staff	17	18
	<u>19</u>	<u>20</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	3,250
<b>Charitable activities</b>	
Childcare and education	529,652
Other trading activities	1,385
Investment income	514
<b>Total</b>	<u>534,801</u>
<b>EXPENDITURE ON</b>	
Raising funds	923
<b>Charitable activities</b>	
Childcare and education	537,572
<b>Total</b>	<u>538,495</u>
<b>NET INCOME/(EXPENDITURE)</b>	(3,694)
<b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	49,743
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>46,049</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Furniture and equipment £	Sensory room £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2024	102,472	41,500	17,894	2,423	164,289
Additions	-	3,086	-	3,435	6,521
Disposals	-	(3,345)	-	-	(3,345)
	<u>102,472</u>	<u>41,241</u>	<u>17,894</u>	<u>5,858</u>	<u>167,465</u>
<b>DEPRECIATION</b>					
At 1 April 2024	102,472	38,909	17,894	2,173	161,448
Charge for year	-	627	-	1,109	1,736
Eliminated on disposal	-	(2,628)	-	-	(2,628)
	<u>102,472</u>	<u>36,908</u>	<u>17,894</u>	<u>3,282</u>	<u>160,556</u>
<b>NET BOOK VALUE</b>					
At 31 March 2025	<u>-</u>	<u>4,333</u>	<u>-</u>	<u>2,576</u>	<u>6,909</u>
At 31 March 2024	<u>-</u>	<u>2,591</u>	<u>-</u>	<u>250</u>	<u>2,841</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/25 £	31/3/24 £
Trade debtors	2,479	3,710
Other debtors	2,713	8,586
Accruals	-	17,337
	<u>5,192</u>	<u>29,633</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/25 £	31/3/24 £
Trade creditors	-	4,658
Social security and other taxes	15,823	-
Other creditors	3,016	1,126
Accruals and deferred income	9,120	15,202
	<u>27,959</u>	<u>20,986</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

18. MOVEMENT IN FUNDS

	At 1/4/24 £	Net movement in funds £	At 31/3/25 £
<b>Unrestricted funds</b>			
General fund	46,049	85,977	132,026
<b>TOTAL FUNDS</b>	<u>46,049</u>	<u>85,977</u>	<u>132,026</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	702,296	(616,319)	85,977
<b>TOTAL FUNDS</b>	<u>702,296</u>	<u>(616,319)</u>	<u>85,977</u>

Comparatives for movement in funds

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
<b>Unrestricted funds</b>			
General fund	49,743	(3,694)	46,049
<b>TOTAL FUNDS</b>	<u>49,743</u>	<u>(3,694)</u>	<u>46,049</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	534,801	(538,495)	(3,694)
<b>TOTAL FUNDS</b>	<u>534,801</u>	<u>(538,495)</u>	<u>(3,694)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/23 £	Net movement in funds £	At 31/3/25 £
<b>Unrestricted funds</b>			
General fund	49,743	82,283	132,026
<b>TOTAL FUNDS</b>	<u>49,743</u>	<u>82,283</u>	<u>132,026</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,237,097	(1,154,814)	82,283
<b>TOTAL FUNDS</b>	<u>1,237,097</u>	<u>(1,154,814)</u>	<u>82,283</u>

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.

**SUMNER ROAD CHAPEL DAY CARE CENTRE**

England & Wales - Charity number 288341

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# Accounts

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REGISTERED COMPANY NUMBER: 05029856 (England and Wales)  
REGISTERED CHARITY NUMBER: 288341

Report of the Trustees and  
Audited Financial Statements for  
the Year Ended 31 March 2024 for  
SRC Community Nursery  
(A Company Limited by Guarantee)

Contents of the Financial Statements  
for the Year Ended 31 March 2024

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Reference and Administrative Details  
for the Year Ended 31 March 2024

TRUSTEES	J Wills Ms A Semmens (Co Chair) Ms Y Haye J Ladenburg M Meynell (resigned 30.4.24) Ms R Miller (resigned 30.4.24) A Wrobel M MacQueen (Co-Chair) (appointed 30.4.24) K Costello (Treasurer) (appointed 30.4.24) P Burton Richards (appointed 30.4.24) D Simms (appointed 30.4.24) L Preston (appointed 30.4.24) B Horan (appointed 30.4.24) K Horan (appointed 30.4.24)
COMPANY SECRETARY	P Burton Richards
REGISTERED OFFICE	1 Gaza Street Kennington London SE17 3RJ
REGISTERED COMPANY NUMBER	05029856 (England and Wales)
REGISTERED CHARITY NUMBER	288341
INDEPENDENT AUDITORS	Ardor Business Solutions Limited Statutory Auditors Chartered Certified Accountants Unit 1 Shrine Barn Sanding Road Hythe Kent CT21 4HE
BANKERS	NatWest Bank PLC 68 Peckham High Street London SE15 5RZ
OFFICE MANAGER	S Morosoli
NURSERY MANAGER	D McDougal

Report of the Trustees  
for the Year Ended 31 March 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The nursery is to provide a high quality affordable care and nursery education to children of working parents in education or training 15 and 30 hours grant funded who are resident in the London Borough of Southwark and surrounding boroughs of Lambeth/Lewisham; to meet the needs of all children by offering a secure and affectionate environment for social development and to reflect the diverse social, ethnic and cultural makeup of the families and staff in the local London boroughs .

We will reflect the diverse social, ethnic and cultural makeup of the borough through the children, their families and the staff.

We will encourage parents and carers to be actively involved in the life of the nursery.

We will make places available to a certain number of children who have special educational needs and disabilities.

We will provide employment and training opportunities for nursery practitioners, students, and trainees.

Report of the Trustees  
for the Year Ended 31 March 2024

## OBJECTIVES AND ACTIVITIES

### Significant activities

SRC Community Nursery is registered for 69 places but is a popular nursery and operates a waiting list. Children are offered either a full or part time place, 15-hour free nursery education for 2 and 3 year olds and the extended 30 hours free education.

Places are offered to children who meet the following criteria:

- > Parents on low income
- > Dual income families
- > Single parents
- > Live in the Borough of Southwark and adjacent boroughs
- > Training parents at college or university
- > Meet one of the above criteria and have a brother or sister already attending the nursery
- > 15 hours for eligible 2-year-olds
- > Free Early Education Entitlement for 3 and 4 year-olds (15 hours and 30 hours)

In addition to the above criteria, care is taken to ensure that the ethnic, social and gender balances reflects that of the community. Where a child has profound needs, they are offered places wherever it is possible to provide appropriate care and support.

When a child is enrolled into the nursery, the parents are asked to complete an Enrolment and Consent Form. This acts as a written agreement covering issues such as payment of fees, hours of attendance, any special educational need and disabilities that the child may have, permission for the child to be taken on local outings from the nursery, collection arrangements for the child and who to contact in an emergency. The nursery guidelines are also given to parents to read and agree to.

The nursery is open from 8.00am to 6.00pm every day. The nursery operates for 50 weeks with a closure period in mid-august and bank holidays. The nursery's trustees set the dates for closures at the beginning of the year and parents are notified well in advance. The nursery also has three inset training days.

Nursery staff have a statutory responsibility to ensure that children are safe at all times and that their individual needs are being met. Any concerns regarding the protection and safety of children will be dealt with according to the London Borough of Southwark Child Protection Policy and the nursery's own policy. Parents and carers will be involved at all stages of the Child Protection Procedures, unless this is not in the child's best interest, and might put the child at further risk. The children's safety is paramount.

The trustees set fees annually payable either weekly or monthly. A non-refundable registration fee is charged.

### Public benefit

The trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set.

## ACHIEVEMENT AND PERFORMANCE

### Charitable activities

The committee consider the performance of the charitable company has been satisfactory, albeit impeded, due to the fact that a number of children have left to go to school.

At the time of writing this report, the nursery is now 90% full.

The nursery also includes the free early education for 2 year-olds also include the 3 and 4 year-olds for 15 and 30 hours funded children. There is a criterion set for the funded 30 hour children set by local government.

Report of the Trustees  
for the Year Ended 31 March 2024

#### FINANCIAL REVIEW

##### Reserves policy

It is the policy of the charitable company to maintain unrestricted funds, which are the free reserves of the charitable company, at a level which provides sufficient funds to cover running costs and administration costs and to respond to any emergencies.

The level of free reserves held at the year end was £43,208 (2023; £45,766).

##### Going concern

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure; however trustees have concerns over the ability of the nursery to operate as it is currently with the anticipated level of funding and increases in rent. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

#### FUTURE PLANS

The trustees have increased the nursery places and activity levels currently experienced and expect this to be maintained for the foreseeable future.

The trustees intend to increase places for under 1 year olds because of demand for places.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The nursery was set up in Peckham, South East London. Originally intended to be a short term project, it quickly became clear that it was providing much needed good quality childcare and within a year it was oversubscribed. The move to its present site in Gaza Street came in 1991 and since then it has continued to thrive.

SRC Community Nursery was registered as a charity in 1984 and is funded and supported by the London Borough of Southwark. Ofsted inspects the nursery every two to four years. Copies of the most recent reports are held in the nursery and can be found on the official website at [Ofsted.gov.uk](http://Ofsted.gov.uk) (registration No. 107458).

The organization was incorporated as a charitable company, limited by guarantee, on 29 January 2004. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £10.

The directors of the charitable company are also charity trustees for the purpose of charity law and are known as members of the Management Committee. The Management Committee includes parent, carers and members of the community. It consists of between eight and sixteen elected members but all parents and staff are welcome to attend meetings as observers.

SRC Community Nursery has retained its character as a community nursery. Its commitment to serve local people and the involvement of parents and carers are central to the way that it is run.

##### Recruitment and appointment of new trustees

The continued success of the nursery depends on a strong and committed committee. It is hoped that all parents and carers will consider joining the committee in order to contribute their own experience, ideas and skills. No expertise is needed, only the commitment to attend regular meetings and share in the discussions. Southwark Council provide training sessions for the Trustees.

Report of the Trustees  
for the Year Ended 31 March 2024

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Organisational structure

At the six weekly meetings, members have the opportunity to discuss and influence decisions on every aspect of the nursery's business which might include anything from organising training for staff, to writing a behaviour policy or deciding what food should be served. The Nursery Manager is employed by the committee to run the nursery day to day. The committee employs all staff and it agrees any changes in policy, hours worked, contracts and spending.

### Wider network

SRC Community Nursery is located in the London Borough of Southwark (North) and it is open to families from all parts of the borough and adjacent boroughs. It is situated close to Kennington tube station and bus links to Brixton, Camberwell, Stockwell and Elephant and Castle areas. There is also good public transport links to the centre of London and Croydon.

### Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have the overall responsibility of the organisation and it is one of their responsibilities to examine any major strategic and operational risks. A review of the major risks to which the charitable company is exposed has been conducted.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, children and visitors to the nursery.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of SRC Community Nursery for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## AUDITORS

The auditors, Ardor Business Solutions Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Trustees  
for the Year Ended 31 March 2024

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... **15 June 2024** ..... and signed on its behalf by:



.....  
Ms A Semmens (Co Chair) - Trustee

## Report of the Independent Auditors to the Members of SRC Community Nursery

### Opinion

We have audited the financial statements of SRC Community Nursery (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

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

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

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

Report of the Independent Auditors to the Members of  
SRC Community Nursery

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

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

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

## Report of the Independent Auditors to the Members of SRC Community Nursery

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

Report of the Independent Auditors to the Members of  
SRC Community Nursery

Use of our report

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

Mr Bryan Michael Kemsley FCCA (Senior Statutory Auditor)  
for and on behalf of Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
Unit 1  
Shrine Barn  
Sanding Road  
Hythe  
Kent  
CT21 4HE

Date: .....

Statement of Financial Activities (Incorporating an  
Income and Expenditure Account) for the Year  
Ended 31 March 2024

	Notes	31/3/24 Unrestricted fund £	31/3/23 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	3	3,250	-
Charitable activities Childcare and education	6	529,652	476,424
Other trading activities	4	1,385	-
Investment income	5	514	249
Other income		-	1,262
<b>Total</b>		<b>534,801</b>	<b>477,935</b>
<b>EXPENDITURE ON</b>			
Raising funds	7	923	-
Charitable activities Childcare and education	8	537,572	505,124
<b>Total</b>		<b>538,495</b>	<b>505,124</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(3,694)</b>	<b>(27,189)</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		49,743	76,932
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>46,049</b>	<b>49,743</b>
<b>CONTINUING OPERATIONS</b>			
All income and expenditure has arisen from continuing activities.			

Statement of Financial Position  
31 March 2024

	Notes	31/3/24 Unrestricted fund £	31/3/23 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	15	2,841	3,977
<b>CURRENT ASSETS</b>			
Debtors	16	29,633	10,361
Cash at bank and in hand		34,561	60,290
		<u>64,194</u>	<u>70,651</u>
<b>CREDITORS</b>			
Amounts falling due within one year	17	(20,986)	(24,885)
			<u>45,766</u>
<b>NET CURRENT ASSETS</b>			
		43,208	<u>45,766</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		46,049	49,743
<b>NET ASSETS</b>			
		46,049	<u>49,743</u>
<b>FUNDS</b>			
Unrestricted funds	18	46,049	<u>49,743</u>
<b>TOTAL FUNDS</b>			
		46,049	<u><u>49,743</u></u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 15 June 2024 and were signed on its behalf by:

.....  
A Semmens (Co Chair) - Trustee

Statement of Cash Flows  
for the Year Ended 31 March 2024

Notes	31/3/24 £	31/3/23 £
Cash flows from operating activities		
Cash generated from operations      1	<u>(26,243)</u>	<u>(12,960)</u>
Net cash used in operating activities	<u>(26,243)</u>	<u>(12,960)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(923)
Interest received	514	249
Net cash provided by/(used in) investing activities	<u>514</u>	<u>(674)</u>
Change in cash and cash equivalents in the reporting period	<u>(25,729)</u>	<u>(13,634)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>60,290</u>	<u>73,924</u>
Cash and cash equivalents at the end of the reporting period	<u>34,561</u>	<u>60,290</u>

Notes to the Statement of Cash Flows  
for the Year Ended 31 March 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/24 £	31/3/23 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(3,694)	(27,189)
Adjustments for:		
Depreciation charges	1,136	2,093
Interest received	(514)	(249)
(Increase)/decrease in debtors	(19,272)	4,966
(Decrease)/increase in creditors	(3,899)	7,419
	<hr/>	<hr/>
Net cash used in operations	(26,243)	(12,960)
	<hr/>	<hr/>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/23 £	Cash flow £	At 31/3/24 £
Net cash			
Cash at bank and in hand	60,290	(25,729)	34,561
	<hr/>	<hr/>	<hr/>
	60,290	(25,729)	34,561
	<hr/>	<hr/>	<hr/>
Total	60,290	(25,729)	34,561
			<hr/> <hr/>

Notes to the Financial Statements  
for the Year Ended 31 March 2024

1. PRESENTATION CURRENCY

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

In common with many other businesses of our size and nature, we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs represents expenditure associated with the audit and preparation of the charitable company's financial statements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Furniture and equipment	- 20% on cost
Sensory room	- 20% on cost
Computer equipment	- 25% on cost

Fixed asset acquisitions of £500 and above are capitalised.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	31/3/24	31/3/23
	£	£
Donations	3,250	-
		<u>          </u>

4. OTHER TRADING ACTIVITIES

	31/3/24	31/3/23
	£	£
Sale of photos	1,385	-
		<u>          </u>

5. INVESTMENT INCOME

	31/3/24	31/3/23
	£	£
Deposit account interest	514	249
		<u>          </u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31/3/24	31/3/23
	£	£
Child care fees	323,992	280,357
FEEE grant	205,660	196,067
	<u>529,652</u>	<u>476,424</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

7. RAISING FUNDS

Other trading activities

31/3/24	31/3/23
£	£

Photo costs

923	-
<u>923</u>	<u>-</u>

8. CHARITABLE ACTIVITIES COSTS

Childcare and education

Direct Costs £	Support costs (see note 9) £	Totals £
442,265	95,307	<u>537,572</u>

9. SUPPORT COSTS

Childcare and education

Management £	Finance £	Other £	Governance costs £	Totals £
88,364	167	1,136	5,640	<u>95,307</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

Depreciation - owned assets

31/3/24	31/3/23
£	£

Hire of plant and machinery

1,136	2,092
12,142	<u>6,911</u>

11. AUDITORS' REMUNERATION

Fees payable to the charity's auditors for the audit of the charity's financial statements

31/3/24	31/3/23
£	£
5,640	<u>5,400</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

13. STAFF COSTS

	31/3/24	31/3/23
	£	£
Wages and salaries	360,513	333,004
Social security costs	27,969	19,990
Other pension costs	20,549	23,893
	<u>409,031</u>	<u>376,887</u>

The average monthly number of employees during the year was as follows:

	31/3/24	31/3/23
Administration and support	2	2
Charitable activity staff	18	18
	20	<u>20</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Charitable activities	
Childcare and education	476,424
Investment income	249
Other income	1,262
Total	<u>477,935</u>
EXPENDITURE ON	
Charitable activities	
Childcare and education	505,124
NET INCOME/(EXPENDITURE)	(27,189)
RECONCILIATION OF FUNDS	
Total funds brought forward	76,932
TOTAL FUNDS CARRIED FORWARD	<u>49,743</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Furniture and equipment £	Sensory room £	Computer equipment £	Totals £
COST					
At 1 April 2023 and 31 March 2024	102,472	41,500	17,894	2,423	164,289
DEPRECIATION					
At 1 April 2023	102,472	38,022	17,894	1,924	160,312
Charge for year	-	887	-	249	1,136
At 31 March 2024	102,472	38,909	17,894	2,173	161,448
NET BOOK VALUE					
At 31 March 2024	-	2,591	-	250	2,841
At 31 March 2023	-	3,478	-	499	3,977

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/24 £	31/3/23 £
Trade debtors	3,710	1,130
Other debtors	8,586	7,163
Accruals	17,337	-
Prepayments	-	2,068
	29,633	10,361

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/24 £	31/3/23 £
Trade creditors	4,658	6,721
Other creditors	1,126	-
Accruals and deferred income	15,202	18,164
	20,986	24,885

18. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	49,743	(3,694)	46,049
TOTAL FUNDS	49,743	(3,694)	46,049

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds General fund	534,801	(538,495)	(3,694)
<b>TOTAL FUNDS</b>	<u>534,801</u>	<u>(538,495)</u>	<u>(3,694)</u>

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds General fund	76,932	(27,189)	49,743
<b>TOTAL FUNDS</b>	76,932	(27,189)	<u>49,743</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds General fund	477,935	(505,124)	(27,189)
<b>TOTAL FUNDS</b>	477,935	(505,124)	<u>(27,189)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/22 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds General fund	76,932	(30,883)	46,049
<b>TOTAL FUNDS</b>	<u>76,932</u>	<u>(30,883)</u>	<u>46,049</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,012,736	(1,043,619)	(30,883)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>1,012,736</u>	<u>(1,043,619)</u>	<u>(30,883)</u>

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2024

	31/3/24 £	31/3/23 £
<b>INCOME AND ENDOWMENTS</b>		
Donations and legacies		
Donations	3,250	-
Other trading activities		
Sale of photos	1,385	-
Investment income		
Deposit account interest	514	249
Charitable activities		
Child care fees	323,992	280,357
FEEE grant	205,660	196,067
	<hr/> 529,652	<hr/> 476,424
Other income		
Other grants	-	1,262
	<hr/> 534,801	<hr/> 477,935
<b>EXPENDITURE</b>		
Other trading activities		
Photo costs	923	-
Charitable activities		
Wages	332,333	310,550
Social security	25,668	18,049
Pensions	20,549	23,893
Provisions and sundry household items	16,322	24,603
Play equipment and materials	6,136	3,972
Training and cover	10,711	1,302
Waste disposal	3,264	2,782
Cleaning	11,811	13,117
Subscriptions	14,033	9,679
Recruitment costs	1,438	-
	<hr/> 442,265	<hr/> 407,947
Support costs		
Management		
Wages	28,180	22,454
Social security	2,301	1,941
Equipment leases	12,142	6,911
Rent, rates and water	16,230	15,255
Insurance	1,956	1,434
Light and heat	11,304	10,236
Telephone	2,611	3,165
Carried forward	74,724	61,396

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2024

	31/3/24 £	31/3/23 £
Management		
Brought forward	74,724	61,396
Postage and stationery	479	807
Repairs and renewals	12,339	26,662
Bank charges	822	719
	<hr/> 88,364	<hr/> 89,584
Finance		
Sundries	167	100
Other		
Furniture and equipment	887	1,844
Computer equipment	249	249
	<hr/> 1,136	<hr/> 2,093
Governance costs		
Auditors' remuneration	5,640	5,400
	<hr/> 538,495	<hr/> 505,124
Total resources expended		
Net expenditure	<hr/> (3,694)	<hr/> (27,189)

**SUMNER ROAD CHAPEL DAY CARE CENTRE**

England & Wales - Charity number 288341

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# Accounts

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**REGISTERED COMPANY NUMBER: 05029856 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 288341**

**Report of the Trustees and  
Audited Financial Statements  
for the Year Ended 31 March 2023  
for  
SRC Community Nursery  
(A Company Limited by Guarantee)**



**Contents of the Financial Statements  
for the Year Ended 31 March 2020**

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**Reference and Administrative Details  
for the Year Ended 31 March 2023**

<b>TRUSTEES</b>	J Wills (Chair) Ms A Semmens (Treasurer) (appointed 18.1.23) Ms Y Haye (appointed 18.1.23) J Ladenburg M Meynell Ms R Miller (appointed 18.1.23) A Wrobel S Elk-Kwasmy (resigned 18.1.23) F Eshalomi (resigned 18.1.23) R Hey (resigned 18.1.23) C Hickson (resigned 18.1.23)
<b>COMPANY SECRETARY</b>	M Maynell
<b>REGISTERED OFFICE</b>	1 Gaza Street Kennington London SE17 3RJ
<b>REGISTERED COMPANY NUMBER</b>	05029856 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	288341
<b>INDEPENDENT AUDITORS</b>	Ardor Business Solutions Limited Statutory Auditors Chartered Certified Accountants Unit 1 Shrine Barn Sanding Road Hythe Kent CT21 4HE
<b>BANKERS</b>	NatWest Bank PLC 68 Peckham High Street London SE15 5RZ
<b>NURSERY MANAGER</b>	Robyn Couler

**Report of the Trustees  
for the Year Ended 31 March 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The nursery is to provide a high quality affordable care and nursery education to children of working parents in education or training 15 and 30 hours grant funded who are resident in the London Borough of Southwark and surrounding boroughs of Lambeth/Lewisham; to meet the needs of all children by offering a secure and affectionate environment for social development and to reflect the diverse social, ethnic and cultural makeup of the families and staff in the local London boroughs .

We will reflect the diverse social, ethnic and cultural makeup of the borough through the children, their families and the staff.

We will encourage parents and carers to be actively involved in the life of the nursery.

We will make places available to a certain number of children who have special educational needs and disabilities.

We will provide employment and training opportunities for nursery practitioners, students, and trainees.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

SRC Community Nursery is registered for 69 places but is a popular nursery and operates a waiting list. Children are offered either a full or part time place, 15-hour free nursery education for 2 and 3 year olds and the extended 30 hours free education.

Places are offered to children who meet the following criteria:

- > Parents on low income
- > Dual income families
- > Single parents
- > Live in the Borough of Southwark and adjacent boroughs
- > Training parents at college or university
- > Have a parent sponsored by Southwark Council
- > Meet one of the above criteria and have a brother or sister already attending the nursery
- > 15 hours for eligible 2-year-olds
- > Free Early Education Entitlement for 3- and 4-year-olds (15 hours and 30 hours)

In addition to the above criteria, care is taken to ensure that the ethnic, social and gender balances reflects that of the community. Where a child has profound needs, they are offered places wherever it is possible to provide appropriate care and support.

When a child is enrolled into the nursery, the parents are asked to complete an Enrolment and Consent Form. This acts as a written agreement covering issues such as payment of fees, hours of attendance, any special educational need and disabilities that the child may have, permission for the child to be taken on local outings from the nursery, collection arrangements for the child and who to contact in an emergency. The nursery guidelines are also given to parents to read and agree to.

The nursery is open from 8.00am to 6.00pm every day. The nursery operates for 50 weeks with a closure period in mid-august and bank holidays. The nursery's trustees set the dates for closures at the beginning of the year and parents are notified well in advance. The nursery also has three inset training days.

Nursery staff have a statutory responsibility to ensure that children are safe at all times and that their individual needs are being met. Any concerns regarding the protection and safety of children will be dealt with according to the London Borough of Southwark Child Protection Policy and the nursery's own policy. Parents and carers will be involved at all stages of the Child Protection Procedures, unless this is not in the child's best interest, and might put the child at further risk. The children's safety is paramount.

The trustees set fees annually payable either weekly or monthly. A non-refundable registration fee is charged.

**Public benefit**

The trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The committee consider the performance of the charitable company has been satisfactory, albeit impeded, due to the fact that a number of children have left to go to school.

At the time of writing this report, the nursery is now 90% full.

The nursery also includes the free early education for 2 year-olds also include the 3 and 4 year-olds for 15 and 30 hours funded children. There is a criterion set for the funded 30 hour children set by local government.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**FINANCIAL REVIEW**

**Reserves policy**

It is the policy of the charitable company to maintain unrestricted funds, which are the free reserves of the charitable company, at a level which provides sufficient funds to cover running costs and administration costs and to respond to any emergencies.

The level of free reserves held at the year end was £45,766 (2022; £71,786).

**Going concern**

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure; however trustees have concerns over the ability of the nursery to operate as it is currently with the anticipated level of funding and increases in rent. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

**FUTURE PLANS**

The trustees have increased the nursery places and activity levels currently experienced and expect this to be maintained for the foreseeable future.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The nursery was set up in Peckham, South East London. Originally intended to be a short term project, it quickly became clear that it was providing much needed good quality childcare and within a year it was oversubscribed. The move to its present site in Gaza Street came in 1991 and since then it has continued to thrive.

SRC Community Nursery was registered as a charity in 1984 and is funded and supported by the London Borough of Southwark. Ofsted inspects the nursery every two to four years. Copies of the most recent reports are held in the nursery and can be found on the official website at [Ofsted.gov.uk](http://Ofsted.gov.uk) (registration No. 107458).

The organization was incorporated as a charitable company, limited by guarantee, on 29 January 2004. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £10.

The directors of the charitable company are also charity trustees for the purpose of charity law and are known as members of the Management Committee. The Management Committee includes parent, carers and members of the community. It consists of between eight and sixteen elected members but all parents and staff are welcome to attend meetings as observers.

SRC Community Nursery has retained its character as a community nursery. Its commitment to serve local people and the involvement of parents and carers are central to the way that it is run.

**Recruitment and appointment of new trustees**

The continued success of the nursery depends on a strong and committed committee. It is hoped that all parents and carers will consider joining the committee in order to contribute their own experience, ideas and skills. No expertise is needed, only the commitment to attend regular meetings and share in the discussions. Southwark Council provide training sessions for the Trustees.

**Organisational structure**

At the six weekly meetings, members have the opportunity to discuss and influence decisions on every aspect of the nursery's business which might include anything from organising training for staff, to writing a behaviour policy or deciding what food should be served. The Nursery Manager is employed by the committee to run the nursery day to day. The committee employs all staff and it agrees any changes in policy, hours worked, contracts and spending.

**Report of the Trustees  
for the Year Ended 31 March 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Wider network**

SRC Community Nursery is located in the London Borough of Southwark (North) and it is open to families from all parts of the borough and adjacent boroughs. It is situated close to Kennington tube station and bus links to Brixton, Camberwell, Stockwell and Elephant and Castle areas. There is also good public transport links to the centre of London and Croydon.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have the overall responsibility of the organisation and it is one of their responsibilities to examine any major strategic and operational risks. A review of the major risks to which the charitable company is exposed has been conducted.

One of the major risks at the time of writing this report is the ongoing major works that are being carried out adjacent to the nursery back and front entrances. New build for flats and housing at affordable prices. Perspective parents could be reluctant to take up a place because of noise and dust pollution. However this also could be an added factor for the nursery when completed will bring families to an on site nursery.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, children and visitors to the nursery.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of SRC Community Nursery for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Ardor Business Solutions Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**SRC Community Nursery**

**Report of the Trustees  
for the Year Ended 31 March 2023**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 6 June 2023 and signed on its behalf by:



Ms A Semmens - Trustee

## **Report of the Independent Auditors to the Members of SRC Community Nursery**

### **Opinion**

We have audited the financial statements of SRC Community Nursery (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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Report of the Independent Auditors to the Members of SRC Community Nursery**

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

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

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

## **Report of the Independent Auditors to the Members of SRC Community Nursery**

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

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

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.


Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

**Report of the Independent Auditors to the Members of  
SRC Community Nursery**

**Use of our report**

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



Mr Bryan Michael Kemsley FCCA (Senior Statutory Auditor)  
for and on behalf of Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
Unit 1  
Shrine Barn  
Sanding Road  
Hythe  
Kent  
CT21 4HE

6 June 2023

**SRC Community Nursery**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2023**

	Notes	31/3/23 Unrestricted fund £	31/3/22 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Childcare and education		476,424	431,887
Investment income	3	249	7
Other income		1,262	12,637
<b>Total</b>		<u>477,935</u>	<u>444,531</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Childcare and education		505,124	458,720
<b>NET INCOME/(EXPENDITURE)</b>		(27,189)	(14,189)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		76,932	91,121
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>49,743</u>	<u>76,932</u>
<b>CONTINUING OPERATIONS</b>			
All income and expenditure has arisen from continuing activities.			

**Statement of Financial Position**  
**31 March 2023**

	Notes	31/3/23 Unrestricted fund £	31/3/22 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	9	3,977	5,146
<b>CURRENT ASSETS</b>			
Debtors	10	10,361	15,327
Cash at bank and in hand		60,290	73,924
		<u>70,651</u>	<u>89,251</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(24,885)	(17,465)
		<u>45,766</u>	<u>71,786</u>
<b>NET CURRENT ASSETS</b>			
		<u>49,743</u>	<u>76,932</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>49,743</u>	<u>76,932</u>
<b>NET ASSETS</b>		<u>49,743</u>	<u>76,932</u>
<b>FUNDS</b>	12		
Unrestricted funds		<u>49,743</u>	<u>76,932</u>
<b>TOTAL FUNDS</b>		<u>49,743</u>	<u>76,932</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 6 June 2023 and were signed on its behalf by:

  
A Semmens - Trustee

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

**1. PRESENTATION CURRENCY**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

In common with many other businesses of our size and nature, we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Governance costs**

Governance costs represents expenditure associated with the audit and preparation of the charitable company's financial statements.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Furniture and equipment	- 20% on cost
Sensory room	- 20% on cost
Computer equipment	- 25% on cost

Fixed asset acquisitions of £500 and above are capitalised.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

**Fund accounting**

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. INVESTMENT INCOME

	31/3/23	31/3/22
	£	£
Deposit account interest	249	7
	<u>249</u>	<u>7</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/23	31/3/22
	£	£
Depreciation - owned assets	2,092	2,893
Hire of plant and machinery	6,911	12,311
	<u>9,003</u>	<u>15,204</u>

5. AUDITORS' REMUNERATION

	31/3/23	31/3/22
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	5,400	5,400
	<u>5,400</u>	<u>5,400</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31/3/23	31/3/22
Administration and support	2	2
Charitable activity staff	18	18
	<u>20</u>	<u>20</u>

No employees received emoluments in excess of £60,000.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
<b>Charitable activities</b>	
Childcare and education	431,887
Investment income	7
Other income	12,637
<b>Total</b>	<u>444,531</u>
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Childcare and education	<u>458,720</u>
<b>NET INCOME/(EXPENDITURE)</b>	(14,189)
<b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	91,121
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>76,932</u></u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Furniture and equipment £	Sensory room £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2022	102,472	40,577	17,894	2,423	163,366
Additions	-	923	-	-	923
At 31 March 2023	102,472	41,500	17,894	2,423	164,289
<b>DEPRECIATION</b>					
At 1 April 2022	102,472	36,179	17,894	1,675	158,220
Charge for year	-	1,843	-	249	2,092
At 31 March 2023	102,472	38,022	17,894	1,924	160,312
<b>NET BOOK VALUE</b>					
At 31 March 2023	-	3,478	-	499	3,977
At 31 March 2022	-	4,398	-	748	5,146

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/23 £	31/3/22 £
Trade debtors	1,130	2,650
Other debtors	7,163	10,550
Prepayments	2,068	2,127
	10,361	15,327

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/23 £	31/3/22 £
Trade creditors	6,721	821
Accruals and deferred income	18,164	16,644
	24,885	17,465

12. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
<b>Unrestricted funds</b>			
General fund	76,932	(27,189)	49,743
<b>TOTAL FUNDS</b>	76,932	(27,189)	49,743

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	477,935	(505,124)	(27,189)
<b>TOTAL FUNDS</b>	<u>477,935</u>	<u>(505,124)</u>	<u>(27,189)</u>

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
<b>Unrestricted funds</b>			
General fund	91,121	(14,189)	76,932
<b>TOTAL FUNDS</b>	<u>91,121</u>	<u>(14,189)</u>	<u>76,932</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	444,531	(458,720)	(14,189)
<b>TOTAL FUNDS</b>	<u>444,531</u>	<u>(458,720)</u>	<u>(14,189)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/21 £	Net movement in funds £	At 31/3/23 £
<b>Unrestricted funds</b>			
General fund	91,121	(41,378)	49,743
<b>TOTAL FUNDS</b>	<u>91,121</u>	<u>(41,378)</u>	<u>49,743</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	922,466	(963,844)	(41,378)
<b>TOTAL FUNDS</b>	<u>922,466</u>	<u>(963,844)</u>	<u>(41,378)</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

**SUMNER ROAD CHAPEL DAY CARE CENTRE**

England & Wales - Charity number 288341

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# Accounts

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REGISTERED COMPANY NUMBER: 05029856 (England and Wales)  
REGISTERED CHARITY NUMBER: 288341

**Report of the Trustees and  
Financial Statements  
for the Year Ended 31 March 2022  
for  
SRC Community Nursery**

Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
South View  
Lower Wall Road  
West Hythe  
Kent  
CT21 4NW

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for the Year Ended 31 March 2022**

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Reference and Administrative Details  
for the Year Ended 31 March 2022

<b>TRUSTEES</b>	J Wills (Chair) R Hey (Treasurer) S Elk-Kwasmy F Eshalomi C Hickson J Ladenburg M Meynell A Wrobell
<b>COMPANY SECRETARY</b>	M Meynell
<b>REGISTERED OFFICE</b>	1 Gaza Street Kennington London SE17 3RJ
<b>REGISTERED COMPANY NUMBER</b>	05029856 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	288341
<b>INDEPENDENT AUDITORS</b>	Ardor Business Solutions Limited Statutory Auditors Chartered Certified Accountants South View Lower Wall Road West Hythe Kent CT21 4NW
<b>BANKERS</b>	NatWest Bank PLC 68 Peckham High Street London SE15 5RZ
<b>NURSERY MANAGER</b>	Robyn Coulter

**Report of the Trustees  
for the Year Ended 31 March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The nursery is to provide a high quality affordable care and nursery education to children of working parents in education or training 15 and 30 hours grant funded who are resident in the London Borough of Southwark and surrounding boroughs of Lambeth/Lewisham; to meet the needs of all children by offering a secure and affectionate environment for social development and to reflect the diverse social, ethnic and cultural makeup of the families and staff in the local London boroughs .

We will reflect the diverse social, ethnic and cultural makeup of the borough through the children, their families and the staff.

We will encourage parents and carers to be actively involved in the life of the nursery.

We will make places available to a certain number of children who have special educational needs and disabilities.

We will provide employment and training opportunities for nursery practitioners, students, and trainees.

**Report of the Trustees  
for the Year Ended 31 March 2022**

**OBJECTIVES AND ACTIVITIES**

**Significant activities**

SRC Community Nursery is registered for 69 places but is a popular nursery and operates a waiting list. Children are offered either a full or part time place, 15-hour free nursery education for 2 and 3 year olds and the extended 30 hours free education.

Places are offered to children who meet the following criteria:

- > Parents on low income
- > Dual Income families
- > Single parents
- > Live in the Borough of Southwark and adjacent boroughs
- > Training parents at college or university
- > Have a parent sponsored by Southwark Council
- > Meet one of the above criteria and have a brother or sister already attending the nursery
- > 15 hours for eligible 2-year-olds
- > Free Early Education Entitlement for 3- and 4-year-olds (15 hours and 30 hours)

In addition to the above criteria, care is taken to ensure that the ethnic, social and gender balances reflect that of the community. Where a child has profound needs, they are offered places wherever it is possible to provide appropriate care and support.

When a child is enrolled into the nursery, the parents are asked to complete an Enrolment and Consent Form. This acts as a written agreement covering issues such as payment of fees, hours of attendance, any special educational need and disabilities that the child may have, permission for the child to be taken on local outings from the nursery, collection arrangements for the child and who to contact in an emergency. The nursery guidelines are also given to parents to read and agree to.

The nursery is open from 8.00am to 6.00pm every day. The nursery operates for 50 weeks with a closure period in mid-August and bank holidays. The nursery's trustees set the dates for closures at the beginning of the year and parents are notified well in advance. The nursery also has three inset training days.

Nursery staff have a statutory responsibility to ensure that children are safe at all times and that their individual needs are being met. Any concerns regarding the protection and safety of children will be dealt with according to the London Borough of Southwark Child Protection Policy and the nursery's own policy. Parents and carers will be involved at all stages of the Child Protection Procedures, unless this is not in the child's best interest, and might put the child at further risk. The children's safety is paramount.

The trustees set fees annually payable either weekly or monthly. A non-refundable registration fee is charged.

**Public benefit**

The trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set.

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

The committee consider the performance of the charitable company has been satisfactory, albeit impeded, due to the fact that a number of children have left to go to school.

At the time of writing this report, the nursery is now 90% full.

The nursery also includes the free early education for 2 year-olds also include the 3 and 4 year-olds for 15 and 30 hours funded children. There is a criterion set for the funded 30 hour children set by local government.

**Report of the Trustees  
for the Year Ended 31 March 2022**

**FINANCIAL REVIEW**

**Reserves policy**

It is the policy of the charitable company to maintain unrestricted funds, which are the free reserves of the charitable company, at a level which provides sufficient funds to cover running costs and administration costs and to respond to any emergencies.

The level of free reserves held at the year end was £71,786 (2021; £87,589).

**Going concern**

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure; however trustees have concerns over the ability of the nursery to operate as it is currently with the anticipated level of funding and increases in rent. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

**FUTURE PLANS**

The trustees have increased the nursery places and activity levels currently experienced and expect this to be maintained for the foreseeable future.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The nursery was set up in Peckham, South East London. Originally intended to be a short term project, it quickly became clear that it was providing much needed good quality childcare and within a year it was oversubscribed. The move to its present site in Gaza Street came in 1991 and since then it has continued to thrive.

SRC Community Nursery was registered as a charity in 1984 and is funded and supported by the London Borough of Southwark. Ofsted inspects the nursery every two to four years. Copies of the most recent reports are held in the nursery and can be found on the official website at [Ofsted.gov.uk](http://Ofsted.gov.uk) (registration No. 107458).

The organization was incorporated as a charitable company, limited by guarantee, on 29 January 2004. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £10.

The directors of the charitable company are also charity trustees for the purpose of charity law and are known as members of the Management Committee. The Management Committee includes parent, carers and members of the community. It consists of between eight and sixteen elected members but all parents and staff are welcome to attend meetings as observers.

SRC Community Nursery has retained its character as a community nursery. Its commitment to serve local people and the involvement of parents and carers are central to the way that it is run.

**Recruitment and appointment of new trustees**

The continued success of the nursery depends on a strong and committed committee. It is hoped that all parents and carers will consider joining the committee in order to contribute their own experience, ideas and skills. No expertise is needed, only the commitment to attend regular meetings and share in the discussions. Southwark Council provide training sessions for the Trustees.

**Organisational structure**

At the six weekly meetings, members have the opportunity to discuss and influence decisions on every aspect of the nursery's business which might include anything from organising training for staff, to writing a behaviour policy or deciding what food should be served. The Nursery Manager is employed by the committee to run the nursery day to day. The committee employs all staff and it agrees any changes in policy, hours worked, contracts and spending.

**Report of the Trustees  
for the Year Ended 31 March 2022**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Wider network**

SRC Community Nursery is located in the London Borough of Southwark (North) and it is open to families from all parts of the borough and adjacent boroughs. It is situated close to Kennington tube station and bus links to Brixton, Camberwell, Stockwell and Elephant and Castle areas. There is also good public transport links to the centre of London and Croydon.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have the overall responsibility of the organisation and it is one of their responsibilities to examine any major strategic and operational risks. A review of the major risks to which the charitable company is exposed has been conducted.

One of the major risks at the time of writing this report is the ongoing major works that are being carried out adjacent to the nursery back and front entrances. New build for flats and housing at affordable prices. Perspective parents could be reluctant to take up a place because of noise and dust pollution. However this also could be an added factor for the nursery when completed will bring families to an on site nursery.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, children and visitors to the nursery.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of SRC Community Nursery for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Ardor Business Solutions Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**SRC Community Nursery**

**Report of the Trustees  
for the Year Ended 31 March 2022**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....  
R Hey - Trustee

## Report of the Independent Auditors to the Members of SRC Community Nursery

### Opinion

We have audited the financial statements of SRC Community Nursery (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

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

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

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

**Report of the Independent Auditors to the Members of  
SRC Community Nursery**

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

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

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

## Report of the Independent Auditors to the Members of SRC Community Nursery

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

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

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

**Report of the Independent Auditors to the Members of  
SRC Community Nursery**

**Use of our report**

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

Mr Bryan Michael Kemsley FCCA (Senior Statutory Auditor)  
for and on behalf of Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
South View  
Lower Wail Road  
West Hythe  
Kent  
CT21 4NW

Date: .....

SRC Community Nursery

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 March 2022**

	Notes	31/3/22 Unrestricted fund £	31/3/21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Childcare and education		431,887	327,761
Investment income	2	7	25
Other income		12,637	104,029
<b>Total</b>		<u>444,531</u>	<u>431,815</u>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Childcare and education		458,720	392,128
<b>NET INCOME/(EXPENDITURE)</b>		<u>(14,189)</u>	<u>39,687</u>
 <b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		91,121	51,434
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>76,932</u></u>	<u><u>91,121</u></u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

SRC Community Nursery (Registered number: 05029856)

Statement of Financial Position  
31 March 2022

	Notes	31/3/22 Unrestricted fund £	31/3/21 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	7	5,146	3,532
<b>CURRENT ASSETS</b>			
Debtors	8	15,327	4,942
Cash at bank and in hand		73,924	94,220
		<u>89,251</u>	<u>99,162</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	(17,465)	(11,573)
<b>NET CURRENT ASSETS</b>		<u>71,786</u>	<u>87,589</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>76,932</u>	<u>91,121</u>
<b>NET ASSETS</b>		<u>76,932</u>	<u>91,121</u>
<b>FUNDS</b>	10		
Unrestricted funds		<u>76,932</u>	<u>91,121</u>
<b>TOTAL FUNDS</b>		<u>76,932</u>	<u>91,121</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
R Hey - Trustee

Notes to the Financial Statements  
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirement of paragraph 33.7.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Governance costs**

Governance costs represents expenditure associated with the audit and preparation of the charitable company's financial statements.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Furniture and equipment	- 20% on cost
Sensory room	- 20% on cost
Computer equipment	- 25% on cost

Fixed asset acquisitions of £500 and above are capitalised.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

**Fund accounting**

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	31/3/22	31/3/21
	£	£
Deposit account interest	7	25
	<u>          </u>	<u>          </u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/22	31/3/21
	£	£
Auditors' remuneration	5,400	5,400
Depreciation - owned assets	2,893	2,210
Hire of plant and machinery	12,311	9,162
	<u>          </u>	<u>          </u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31/3/22	31/3/21
Administration and support	2	2
Charitable activity staff	18	17
	<u>20</u>	<u>19</u>

No employees received emoluments in excess of £60,000.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
<b>Charitable activities</b>	
Childcare and education	327,761
Investment income	25
Other income	104,029
<b>Total</b>	<u>431,815</u>
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Childcare and education	392,128
<b>NET INCOME</b>	<u>39,687</u>
<b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	51,434
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>91,121</u></u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Furniture and equipment £	Sensory room £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2021	102,472	37,067	17,894	1,426	158,859
Additions	-	3,510	-	997	4,507
At 31 March 2022	102,472	40,577	17,894	2,423	163,366
<b>DEPRECIATION</b>					
At 1 April 2021	102,472	33,535	17,894	1,426	155,327
Charge for year	-	2,644	-	249	2,893
At 31 March 2022	102,472	36,179	17,894	1,675	158,220
<b>NET BOOK VALUE</b>					
At 31 March 2022	-	4,398	-	748	5,146
At 31 March 2021	-	3,532	-	-	3,532

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/22 £	31/3/21 £
Trade debtors	2,650	2,192
Other debtors	10,550	2,750
Prepayments	2,127	-
	15,327	4,942

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/22 £	31/3/21 £
Trade creditors	821	551
Accruals and deferred income	16,644	11,022
	17,465	11,573

10. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
<b>Unrestricted funds</b>			
General fund	91,121	(14,189)	76,932
<b>TOTAL FUNDS</b>	91,121	(14,189)	76,932

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	444,531	(458,720)	(14,189)
<b>TOTAL FUNDS</b>	<u>444,531</u>	<u>(458,720)</u>	<u>(14,189)</u>

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
<b>Unrestricted funds</b>			
General fund	51,434	39,687	91,121
<b>TOTAL FUNDS</b>	<u>51,434</u>	<u>39,687</u>	<u>91,121</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	431,815	(392,128)	39,687
<b>TOTAL FUNDS</b>	<u>431,815</u>	<u>(392,128)</u>	<u>39,687</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
<b>Unrestricted funds</b>			
General fund	51,434	25,498	76,932
<b>TOTAL FUNDS</b>	<u>51,434</u>	<u>25,498</u>	<u>76,932</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement In funds £
<b>Unrestricted funds</b>			
General fund	876,346	(850,848)	25,498
<b>TOTAL FUNDS</b>	<u>876,346</u>	<u>(850,848)</u>	<u>25,498</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

SRC Community Nursery

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2022

	31/3/22 £	31/3/21 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Investment income</b>		
Deposit account interest	7	25
<b>Charitable activities</b>		
Child care fees	248,524	139,242
FEEE grant	183,363	188,519
	<u>431,887</u>	<u>327,761</u>
<b>Other income</b>		
Job Retention Scheme income	12,362	104,029
Other grants	75	-
Other general income	200	-
	<u>12,637</u>	<u>104,029</u>
<b>Total incoming resources</b>	<b>444,531</b>	<b>431,815</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	300,286	266,727
Social security	10,569	8,520
Pensions	17,644	17,096
Provisions and sundry household items	23,494	12,489
Play equipment and materials	2,634	2,666
Training and cover	2,184	-
Waste disposal	2,186	1,630
Cleaning	11,091	5,830
Subscriptions	8,409	7,640
	<u>378,497</u>	<u>322,598</u>
<b>Support costs</b>		
<b>Management</b>		
Wages	22,670	21,960
Social security	1,908	1,818
Equipment leases	12,311	9,162
Rent, rates and water	9,362	10,184
Insurance	1,402	1,401
Light and heat	14,521	6,180
Telephone	824	2,414
Postage and stationery	1,726	2,715
Sundries	-	636
Repairs and renewals	6,534	4,838
Bank charges	672	612
	<u>71,930</u>	<u>61,920</u>

This page does not form part of the statutory financial statements

SRC Community Nursery

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2022

	31/3/22 £	31/3/21 £
<b>Management</b>		
<b>Other</b>		
Furniture and equipment	2,644	1,994
Computer equipment	249	216
	<u>2,893</u>	<u>2,210</u>
<b>Governance costs</b>		
Auditors' remuneration	5,400	5,400
	<u>5,400</u>	<u>5,400</u>
Total resources expended	<u>458,720</u>	<u>392,128</u>
<b>Net (expenditure)/income</b>	<u>(14,189)</u>	<u>39,687</u>

This page does not form part of the statutory financial statements

**SUMNER ROAD CHAPEL DAY CARE CENTRE**

England & Wales - Charity number 288341

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# Accounts

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**REGISTERED COMPANY NUMBER: 05029856 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 288341**

**Report of the Trustees and  
Financial Statements  
for the Year Ended 31 March 2021  
for  
Src Community Nursery**

Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
South View  
Lower Wall Road  
West Hythe  
Kent  
CT21 4NW

# Src Community Nursery

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## Src Community Nursery

### Reference and Administrative Details for the Year Ended 31 March 2021

<b>TRUSTEES</b>	J Wills (Chair) A Saint-Martin (resigned 21.7.20) J Ladenburg F Eshalomi C Hickson A Wrobell S Elk-Kwasmy R Hey (Treasurer) M Meynell Ms A R Gonzalez (resigned 21.7.20)
<b>COMPANY SECRETARY</b>	M Meynell
<b>REGISTERED OFFICE</b>	1 Gaza Street Kennington London SE17 3RJ
<b>REGISTERED COMPANY NUMBER</b>	05029856 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	288341
<b>INDEPENDENT AUDITORS</b>	Ardor Business Solutions Limited Statutory Auditors Chartered Certified Accountants South View Lower Wall Road West Hythe Kent CT21 4NW
<b>BANKERS</b>	NatWest Bank PLC 68 Peckham High Street London SE15 5RZ

Nursery Manager: S Morosoli

## **Src Community Nursery**

### **Report of the Trustees for the Year Ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The nursery is to provide a high quality affordable care and nursery education to children of working parents in education or training 15 and 30 hours grant funded who are resident in the London Borough of Southwark and surrounding boroughs of Lambeth/Lewisham; to meet the needs of all children by offering a secure and affectionate environment for social development and to reflect the diverse social, ethnic and cultural makeup of the families and staff in the local London boroughs .

We will reflect the diverse social, ethnic and cultural makeup of the borough through the children, their families and the staff.

We will encourage parents and carers to be actively involved in the life of the nursery.

We will make places available to a certain number of children who have special educational needs and disabilities.

We will provide employment and training opportunities for nursery practitioners, students, and trainees.

## Src Community Nursery

### Report of the Trustees for the Year Ended 31 March 2021

#### **OBJECTIVES AND ACTIVITIES**

##### **Significant activities**

SRC Community Nursery is registered for 69 places but is a popular nursery and operates a waiting list. Children are offered either a full or part time place, 15-hour free nursery education for 2 and 3 year olds and the extended 30 hours free education.

Places are offered to children who meet the following criteria:

- > Parents on low income
- > Dual income families
- > Single parents
- > Live in the Borough of Southwark and adjacent boroughs
- > Training parents at college or university
- > Have a parent sponsored by Southwark Council
- > Meet one of the above criteria and have a brother or sister already attending the nursery
- > 15 hours for eligible 2-year-olds
- > Free Early Education Entitlement for 3- and 4-year-olds (15 hours and 30 hours)

In addition to the above criteria, care is taken to ensure that the ethnic, social and gender balances reflects that of the community. Where a child has profound needs, they are offered places wherever it is possible to provide appropriate care and support.

When a child is enrolled into the nursery, the parents are asked to complete an Enrolment and Consent Form. This acts as a written agreement covering issues such as payment of fees, hours of attendance, any special educational need and disabilities that the child may have, permission for the child to be taken on local outings from the nursery, collection arrangements for the child and who to contact in an emergency. The nursery guidelines are also given to parents to read and agree to.

The nursery is open from 8.00am to 6.00pm every day. The nursery operates for 50 weeks with a closure period in mid-august and bank holidays. The nursery's trustees set the dates for closures at the beginning of the year and parents are notified well in advance. The nursery also has three inset training days.

Nursery staff have a statutory responsibility to ensure that children are safe at all times and that their individual needs are being met. Any concerns regarding the protection and safety of children will be dealt with according to the London Borough of Southwark Child Protection Policy and the nursery's own policy. Parents and carers will be involved at all stages of the Child Protection Procedures, unless this is not in the child's best interest, and might put the child at further risk. The children's safety is paramount.

The trustees set fees annually payable either weekly or monthly. A non-refundable registration fee is charged.

##### **Public benefit**

The trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that they have set.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The committee consider the performance of the charitable company has been satisfactory, albeit impeded, due to the fact that a number of children have left to go to school.

At the time of writing this report, the nursery is now 90% full.

The nursery also includes the free early education for 2 year-olds also include the 3 and 4 year-olds for 15 and 30 hours funded children. There is a criterion set for the funded 30 hour children set by local government.

## **Src Community Nursery**

### **Report of the Trustees for the Year Ended 31 March 2021**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

It is the policy of the charitable company to maintain unrestricted funds, which are the free reserves of the charitable company, at a level which provides sufficient funds to cover running costs and administration costs and to respond to any emergencies.

The level of free reserves held at the year end was £45,692 (2019; £56,709).

##### **Going concern**

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure; however trustees have concerns over the ability of the nursery to operate as it is currently with the anticipated level of funding and increases in rent. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

#### **FUTURE PLANS**

The trustees have increased the nursery places and activity levels currently experienced and expect this to be maintained for the foreseeable future.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The nursery was set up in Peckham, South East London. Originally intended to be a short term project, it quickly became clear that it was providing much needed good quality childcare and within a year it was oversubscribed. The move to its present site in Gaza Street came in 1991 and since then it has continued to thrive.

SRC Community Nursery was registered as a charity in 1984 and is funded and supported by the London Borough of Southwark. Ofsted inspects the nursery every two to four years. Copies of the most recent reports are held in the nursery and can be found on the official website at [Ofsted.gov.uk](http://Ofsted.gov.uk) (registration No. 107458).

The organization was incorporated as a charitable company, limited by guarantee, on 29 January 2004. In the event of the charitable company being wound up, members are required to contribute an amount not exceeding £10.

The directors of the charitable company are also charity trustees for the purpose of charity law and are known as members of the Management Committee. The Management Committee includes parent, carers and members of the community. It consists of between eight and sixteen elected members but all parents and staff are welcome to attend meetings as observers.

SRC Community Nursery has retained its character as a community nursery. Its commitment to serve local people and the involvement of parents and carers are central to the way that it is run.

##### **Recruitment and appointment of new trustees**

The continued success of the nursery depends on a strong and committed committee. It is hoped that all parents and carers will consider joining the committee in order to contribute their own experience, ideas and skills. No expertise is needed, only the commitment to attend regular meetings and share in the discussions. Southwark Council provide training sessions for the Trustees.

##### **Organisational structure**

At the six weekly meetings, members have the opportunity to discuss and influence decisions on every aspect of the nursery's business which might include anything from organising training for staff, to writing a behaviour policy or deciding what food should be served. The Nursery Manager is employed by the committee to run the nursery day to day. The committee employs all staff and it agrees any changes in policy, hours worked, contracts and spending.

## **Src Community Nursery**

### **Report of the Trustees for the Year Ended 31 March 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Wider network**

SRC Community Nursery is located in the London Borough of Southwark (North) and it is open to families from all parts of the borough and adjacent boroughs. It is situated close to Kennington tube station and bus links to Brixton, Camberwell, Stockwell and Elephant and Castle areas. There is also good public transport links to the centre of London and Croydon.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have the overall responsibility of the organisation and it is one of their responsibilities to examine any major strategic and operational risks. A review of the major risks to which the charitable company is exposed has been conducted.

One of the major risks identified is that the London Borough of Southwark has and will continue to reduce the level of funding that the nursery receives. The aim is for the charitable company to be able to continue without the Borough's funding by seeking new sources of revenue.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, children and visitors to the nursery.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Src Community Nursery for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Ardor Business Solutions Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Src Community Nursery**

**Report of the Trustees  
for the Year Ended 31 March 2021**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... and signed on its behalf by:

...R.J.HEY.....  
R Hey - Trustee

## **Report of the Independent Auditors to the Members of Src Community Nursery**

### **Opinion**

We have audited the financial statements of Src Community Nursery (the 'charitable company') for the year ended 31 March 2021 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Report of the Independent Auditors to the Members of Src Community Nursery**

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

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

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

## **Report of the Independent Auditors to the Members of Src Community Nursery**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).

We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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.

**Report of the Independent Auditors to the Members of  
Src Community Nursery**

**Use of our report**

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

Mr Bryan Michael Kemsley FCCA (Senior Statutory Auditor)  
for and on behalf of Ardor Business Solutions Limited  
Statutory Auditors  
Chartered Certified Accountants  
South View  
Lower Wall Road  
West Hythe  
Kent  
CT21 4NW

Date: .....

## Src Community Nursery

### Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31 March 2021

	Notes	31/3/21 Unrestricted fund £	31/3/20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies		-	6,500
<b>Charitable activities</b>			
Childcare and education		327,761	449,192
Investment income	2	25	78
Other income		104,029	-
<b>Total</b>		<u>431,815</u>	<u>455,770</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Childcare and education		392,128	467,638
<b>NET INCOME/(EXPENDITURE)</b>		<u>39,687</u>	<u>(11,868)</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>51,434</u>	<u>63,302</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>91,121</u></u>	<u><u>51,434</u></u>
<b>CONTINUING OPERATIONS</b>			
All income and expenditure has arisen from continuing activities.			

The notes form part of these financial statements

Src Community Nursery (Registered number: 05029856)

Statement of Financial Position  
31 March 2021

	Notes	31/3/21 Unrestricted fund £	31/3/20 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	7	3,532	5,742
<b>CURRENT ASSETS</b>			
Debtors	8	4,942	8,982
Cash at bank and in hand		94,220	67,006
		<u>99,162</u>	<u>75,988</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	(11,573)	(30,296)
		<u>87,589</u>	<u>45,692</u>
<b>NET CURRENT ASSETS</b>			
		<u>91,121</u>	<u>51,434</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>91,121</u>	<u>51,434</u>
<b>NET ASSETS</b>			
		<u>91,121</u>	<u>51,434</u>
<b>FUNDS</b>	10		
Unrestricted funds		91,121	51,434
<b>TOTAL FUNDS</b>		<u>91,121</u>	<u>51,434</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....R.J.HEY.....  
R Hey - Trustee

## Src Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company does not hold significant reserves as it is the policy of the nursery to invest its funds to the maximum benefit of its current children. The charitable company produces its annual budgets with prudent figures for both income and expenditure. The charitable company expects to see income increase to ensure that the nursery's financial position is secure for the foreseeable future. For this reason the trustees consider it appropriate to adopt the going concern basis in preparing the financial statements.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirement of paragraph 33.7.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Governance costs**

Governance costs represents expenditure associated with the audit and preparation of the charitable company's financial statements.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Furniture and equipment	- 20% on cost
Sensory room	- 20% on cost
Computer equipment	- 25% on cost

Fixed asset acquisitions of £500 and above are capitalised.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

## Src Community Nursery

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 1. ACCOUNTING POLICIES - continued

##### Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### 2. INVESTMENT INCOME

	31/3/21	31/3/20
	£	£
Deposit account interest	25	78
	<u>25</u>	<u>78</u>

#### 3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/21	31/3/20
	£	£
Auditors' remuneration	5,400	5,280
Depreciation - owned assets	2,210	1,985
Hire of plant and machinery	9,162	15,737
	<u>16,772</u>	<u>17,002</u>

#### 4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

##### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**Src Community Nursery**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**5. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	31/3/21	31/3/20
Administration and support	2	2
Charitable activity staff	17	20
	19	22
	19	22

No employees received emoluments in excess of £60,000.

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	6,500
<b>Charitable activities</b>	
Childcare and education	449,192
Investment income	78
<b>Total</b>	455,770
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Childcare and education	467,638
<b>NET INCOME/(EXPENDITURE)</b>	(11,868)
<b>RECONCILIATION OF FUNDS</b>	
<b>Total funds brought forward</b>	63,302
<b>TOTAL FUNDS CARRIED FORWARD</b>	51,434

**Src Community Nursery**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**7. TANGIBLE FIXED ASSETS**

	Improvements to property £	Furniture and equipment £	Sensory room £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2020 and 31 March 2021	102,472	37,067	17,894	1,426	158,859
<b>DEPRECIATION</b>					
At 1 April 2020	102,472	31,541	17,894	1,210	153,117
Charge for year	-	1,994	-	216	2,210
At 31 March 2021	102,472	33,535	17,894	1,426	155,327
<b>NET BOOK VALUE</b>					
At 31 March 2021	-	3,532	-	-	3,532
At 31 March 2020	-	5,526	-	216	5,742

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/3/21 £	31/3/20 £
Trade debtors	2,192	7,982
Other debtors	2,750	1,000
	<u>4,942</u>	<u>8,982</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/3/21 £	31/3/20 £
Trade creditors	551	5,753
Social security and other taxes	-	4,241
Accruals and deferred income	11,022	20,302
	<u>11,573</u>	<u>30,296</u>

**10. MOVEMENT IN FUNDS**

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
<b>Unrestricted funds</b>			
General fund	51,434	39,687	91,121
<b>TOTAL FUNDS</b>	<u>51,434</u>	<u>39,687</u>	<u>91,121</u>

**Src Community Nursery**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**10. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	431,815	(392,128)	39,687
<b>TOTAL FUNDS</b>	<u>431,815</u>	<u>(392,128)</u>	<u>39,687</u>

**Comparatives for movement in funds**

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
<b>Unrestricted funds</b>			
General fund	63,302	(11,868)	51,434
<b>TOTAL FUNDS</b>	<u>63,302</u>	<u>(11,868)</u>	<u>51,434</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	455,770	(467,638)	(11,868)
<b>TOTAL FUNDS</b>	<u>455,770</u>	<u>(467,638)</u>	<u>(11,868)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	At 31/3/21 £
<b>Unrestricted funds</b>			
General fund	63,302	27,819	91,121
<b>TOTAL FUNDS</b>	<u>63,302</u>	<u>27,819</u>	<u>91,121</u>

## Src Community Nursery

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	887,585	(859,766)	27,819
<b>TOTAL FUNDS</b>	<u>887,585</u>	<u>(859,766)</u>	<u>27,819</u>

#### 11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

**Src Community Nursery**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2021**

	31/3/21 £	31/3/20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Grants	-	6,500
<b>Investment income</b>		
Deposit account interest	25	78
<b>Charitable activities</b>		
Child care fees	139,242	262,495
FEEE grant	188,519	186,697
	327,761	449,192
<b>Other income</b>		
Job Retention Scheme income	104,029	-
	431,815	455,770
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	266,727	304,301
Social security	8,520	13,159
Pensions	17,096	5,420
Provisions and sundry household items	12,489	18,858
Play equipment and materials	2,666	8,899
Trips, outings and entertainment	-	2,016
Training and cover	-	1,925
Waste disposal	1,630	1,282
Cleaning	5,830	2,200
Subscriptions	7,640	1,773
	322,598	359,833
<b>Support costs</b>		
<b>Management</b>		
Wages	21,960	22,980
Social security	1,818	1,840
Equipment leases	9,162	15,737
Rent, rates and water	10,184	24,330
Insurance	1,401	1,641
Light and heat	6,180	10,744
Telephone	2,414	3,036
Postage and stationery	2,715	5,116
Sundries	636	1,213
Repairs and renewals	4,838	13,045
Bank charges	612	858
	61,920	100,540

This page does not form part of the statutory financial statements

**Src Community Nursery**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2021**

	31/3/21 £	31/3/20 £
<b>Management</b>		
<b>Other</b>		
Furniture and equipment	1,994	1,767
Computer equipment	216	218
	<u>2,210</u>	<u>1,985</u>
<b>Governance costs</b>		
Auditors' remuneration	5,400	5,280
	<u>5,400</u>	<u>5,280</u>
Total resources expended	<u>392,128</u>	<u>467,638</u>
<b>Net income/(expenditure)</b>	<u><u>39,687</u></u>	<u><u>(11,868)</u></u>

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