

Charity registration number: 702691

The Learning Tree

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2020

The Learning Tree

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 15
Non-statutory pages	16 to 19

The Learning Tree

Reference and Administrative Details

Chairman Mr R Bennington

Trustees Mrs S Baker
Mr S Mosley

Committee Members for the Nursery and Kids Club in 2020

Mrs C Wise	Treasurer
Mrs K Russell	Secretary
Mrs E Raisbeck	Member
Mrs H Kershaw	Member
Mr G Chapman	Member
Mrs S Wheelan	Member

Principal Office Rear of Carlton Miniott Primary School
Carlton Miniott
Thirsk
North Yorkshire
YO7 4NJ

Charity Registration Number 702691

Independent Examiner Ian Smithson
Public Finance Accountant
3 Orchard Court
Northallerton
North Yorkshire
DL7 8DQ

Accountants Colin Hutson Accounting Limited
Chartered Accountants
74 High Street
Northallerton
North Yorkshire
DL7 8EG

The Learning Tree

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

Objectives and activities

Objects and aims

The Learning Tree's objectives are to provide flexible and accessible child care on an "at cost" and "not for profit" basis. This is maintained by reviewing the hourly rate annually. This allows the Nursery to operate efficiently and effectively, being mindful of cost savings and necessary expenditure only.

Projects that require additional funding are met in the main by fundraising carried out by voluntary assistance.

Objectives, strategies and activities

The Learning Tree Nursery and Kids Club provide a choice of care for children aged between 2 years and 11 years on weekdays between 7:30am and 6:00pm throughout the year. The facilities are registered with local social services and the pre-school activities are subject to Ofsted inspections. The Learning Tree's last inspection by Ofsted was in March 2020, achieving a "Good" rating.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the nursery's aims and objectives and in planning future activities.

The Learning Tree Nursery and Kids Club exists to provide pre-school childcare from ages 2-4 and after school club ages 4-11. This provision meets the needs of the local community and allows families to have both partners working where necessary. The hours of the nursery are from 7:30am till 6:00pm, Monday through to Friday. The Nursery also operates throughout the year encompassing school holidays with closure only over the Christmas period.

The staffing of the nursery is met from the local community with all members being encouraged to follow Personal Development Programmes that meet the training and development plans governed by Ofsted and the local county council.

A close working relationship with the local community school is maintained and the nursery is the major feeder of primary age children starting at age 5.

Throughout the year the children receive a structured development plan of play and educational learning and enter the school at 5 with confidence in themselves and the ability to mix comfortably with children of their own age.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The Learning Tree

Trustees' Report

Achievements and performance

The hourly fee for attendance was reviewed in November 2019, and the Committee resolved to increase fees to £4.50 for before school, £7.25 for after school and £4.50/hr for nursery from 1st April 2020 of actual attendance, in order to maintain and ensure available funds for recruitment of additional and replacement staff of sufficient calibre, to fund repairs and maintenance, and enable a continued contribution through fees from members towards the foundation fund for the replacement buildings.

This fee rate is considered by the Committee to remain sufficiently low as to meet The Learning Tree's objectives of providing flexible and accessible child care on an "at cost" and not-for-profit basis, taking into account that surplus funds are for the express purpose of providing replacement buildings (and a redundancy contingency reserve) so as to ensure the long-term provision of such services.

Since the end of the period, long standing members of Committee have resigned and new members of Committee, including key officers, have been appointed and the existing Committee are continuing to hold the reserves for the resolved purposes stated above.

Financial review

As at December 2020 the financial position of The Learning Tree was £118,274.23. This comprises of £106,167.97 in the working account and £12,106.26 in reserves.

The Learning Tree has £12,106.26 in reserve to serve the purpose of potential future redundancies and to fund future activities.

All the committee and Trustees are in agreement that these reserves are necessary.

Structure, governance and management

Recruitment and appointment of trustees


Trustees and committee members are appointed or re-elected annually in November at the Annual General Meeting.

All staff members and parents using the childcare facility are invited to attend and are given one month's notice.

There is a child protection policy in place. DBS checks are carried out prior to commencement of employment, trusteeship or committee activity. The trustees and committee are formed from parents with children attending the facility.

All trustees and committee members give their time voluntarily and do not receive any remuneration or benefits of any kind.

The annual report was approved by the trustees of the charity on 8 October 2021 and signed on its behalf by:


.....
Mrs S Baker
Trustee


.....
Mr S Mosley
Trustee

The Learning Tree

Statement of Trustees' Responsibilities

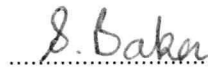
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.


The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 8 October 2021 and signed on its behalf by:


.....
Mrs S Baker
Trustee


.....
Mr S Mosley
Trustee

The Learning Tree

Independent Examiner's Report to the trustees of The Learning Tree

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 6 to 15.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Learning Tree you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Learning Tree's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of The Learning Tree as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



.....
Ian Smithson CPFA
Public Finance Accountant
Chartered Institute of Public Finance and Accountancy

3 Orchard Court
Northallerton
North Yorkshire
DL7 8DQ

8 October 2021

The Learning Tree

Statement of Financial Activities for the Year Ended 31 December 2020


	Note	Unrestricted £	Total 2020 £	Total 2019 £
Income and Endowments from:				
Charitable activities	2	216,639	216,639	224,177
Investment income	3	12	12	53
Other income	4	70	70	-
Total income		<u>216,721</u>	<u>216,721</u>	<u>224,230</u>
Expenditure on:				
Charitable activities	5	(162,759)	(162,759)	(167,006)
Other expenditure	6	<u>(42,475)</u>	<u>(42,475)</u>	<u>(47,619)</u>
Total expenditure		<u>(205,234)</u>	<u>(205,234)</u>	<u>(214,625)</u>
Net movement in funds		11,487	11,487	9,605
Reconciliation of funds				
Total funds brought forward		<u>142,679</u>	<u>142,679</u>	<u>133,074</u>
Total funds carried forward	17	<u><u>154,166</u></u>	<u><u>154,166</u></u>	<u><u>142,679</u></u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2019 and 2020 is shown in note 17.

The Learning Tree
(Registration number: 702691)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	31,487	38,354
Current assets			
Debtors	14	12,229	17,075
Cash at bank and in hand	15	<u>118,275</u>	<u>97,177</u>
		130,504	114,252
Creditors: Amounts falling due within one year	16	<u>(7,825)</u>	<u>(9,927)</u>
Net current assets		<u>122,679</u>	<u>104,325</u>
Net assets		<u>154,166</u>	<u>142,679</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>154,166</u>	<u>142,679</u>
Total funds	17	<u>154,166</u>	<u>142,679</u>

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on 8 October 2021 and signed on their behalf by:



 Mr S Mosley
 Trustee



 Mr R Bennington
 Chairman

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

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

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Income including fees, government funding and other fundraising activities is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including accountancy, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Copier and computer equipment	25% straight line
Portakabin	10% straight line
Fixtures and fittings	25% straight line

Trade debtors

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

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

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from charitable activities

	Unrestricted funds	Total	Total
	General	2020	2019
	£	£	£
Fees and funding	<u>216,639</u>	<u>216,639</u>	<u>224,177</u>

3 Investment income

	Unrestricted funds	Total	Total
	General	2020	2019
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>12</u>	<u>12</u>	<u>53</u>

4 Other income

	Unrestricted funds	Total	Total
	General	2020	2019
	£	£	£
Fundraising events	<u>70</u>	<u>70</u>	<u>-</u>

5 Expenditure on charitable activities

	Unrestricted funds	Total	Total
	General	2020	2019
	£	£	£
Direct costs	8,456	8,456	15,475
Staff costs	151,683	151,683	149,021
Governance costs	<u>2,620</u>	<u>2,620</u>	<u>2,510</u>
	<u>162,759</u>	<u>162,759</u>	<u>167,006</u>

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

6 Other expenditure

	Note	Unrestricted funds General £	Total 2020 £	Total 2019 £
Depreciation, amortisation and other similar costs		6,866	6,866	6,800
Other resources expended		35,609	35,609	40,819
		<u>42,475</u>	<u>42,475</u>	<u>47,619</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Independent examiner fees			
Examination of the financial statements	280	280	280
Other governance costs	2,340	2,340	2,230
	<u>2,620</u>	<u>2,620</u>	<u>2,510</u>

8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2020 £	2019 £
Depreciation of fixed assets	<u>6,866</u>	<u>6,800</u>

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

10 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	144,849	136,988
Social security costs	3,509	3,861
Pension costs	2,255	1,817
Other staff costs	1,070	6,355
	<u>151,683</u>	<u>149,021</u>

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

11 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>280</u>	<u>280</u>

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

13 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2020	58,083	58,083
At 31 December 2020	58,083	58,083
Depreciation		
At 1 January 2020	19,729	19,729
Charge for the year	6,867	6,867
At 31 December 2020	26,596	26,596
Net book value		
At 31 December 2020	31,487	31,487
At 31 December 2019	38,354	38,354

14 Debtors

	2020 £	2019 £
Trade debtors	7,841	11,284
Prepayments	4,076	4,358
Other debtors	312	1,433
	12,229	17,075

15 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	4	4
Cash at bank	118,271	97,173
	118,275	97,177
Bank credit card	(645)	(1,093)
Cash and cash equivalents in statement of cash flows	117,630	96,084

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank credit card	645	1,093
Trade creditors	2,706	2,522
Other taxation and social security	547	2,546
Other creditors	101	-
Accruals	3,826	3,766
	<u>7,825</u>	<u>9,927</u>

17 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted				
General	<u>142,679</u>	<u>216,721</u>	<u>(205,234)</u>	<u>154,166</u>
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted				
General	<u>133,074</u>	<u>224,230</u>	<u>(214,625)</u>	<u>142,679</u>

The Learning Tree

Notes to the Financial Statements for the Year Ended 31 December 2020

18 Analysis of net assets between funds

	Unrestricted General	Total funds
	£	£
2020		
Tangible fixed assets	31,487	31,487
Current assets	130,504	130,504
Current liabilities	(7,825)	(7,825)
Total net assets	<u>154,166</u>	<u>154,166</u>
	Unrestricted General	Total funds
	£	£
2019		
Tangible fixed assets	38,354	38,354
Current assets	114,252	114,252
Current liabilities	(9,927)	(9,927)
Total net assets	<u>142,679</u>	<u>142,679</u>

19 Analysis of net funds

	At 1 January 2020	Financing cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	97,177	21,094	118,271
Net debt	<u>97,177</u>	<u>21,094</u>	<u>118,271</u>
	At 1 January 2019	Financing cash flows	At 31 December 2019
	£	£	£
Cash at bank and in hand	88,887	8,290	97,177
Net debt	<u>88,887</u>	<u>8,290</u>	<u>97,177</u>

The Learning Tree

Statement of Financial Activities by fund for the Year Ended 31 December 2020

	Total Unrestricted 2020 £	Total Unrestricted 2019 £
Income and Endowments from:		
Charitable activities	216,639	224,177
Investment income	12	53
Other income	70	-
Total income	<u>216,721</u>	<u>224,230</u>
Expenditure on:		
Charitable activities	(162,759)	(167,006)
Other expenditure	<u>(42,475)</u>	<u>(47,619)</u>
Total expenditure	<u>(205,234)</u>	<u>(214,625)</u>
Net income	<u>11,487</u>	<u>9,605</u>
Net movement in funds	11,487	9,605
Reconciliation of funds		
Total funds brought forward	<u>142,679</u>	<u>133,074</u>
Total funds carried forward	<u><u>154,166</u></u>	<u><u>142,679</u></u>

The Learning Tree

Detailed Statement of Financial Activities for the Year Ended 31 December 2020

	Total Unrestricted 2020 £	Total Unrestricted 2019 £
Income and Endowments from:		
Charitable activities (analysed below)	216,639	224,177
Investment income (analysed below)	12	53
Other income (analysed below)	70	-
Total income	<u>216,721</u>	<u>224,230</u>
Expenditure on:		
Charitable activities (analysed below)	(162,759)	(167,006)
Other expenditure (analysed below)	<u>(42,475)</u>	<u>(47,619)</u>
Total expenditure	<u>(205,234)</u>	<u>(214,625)</u>
Net income	<u>11,487</u>	<u>9,605</u>
Net movement in funds	11,487	9,605
Reconciliation of funds		
Total funds brought forward	<u>142,679</u>	<u>133,074</u>
Total funds carried forward	<u><u>154,166</u></u>	<u><u>142,679</u></u>

The Learning Tree

Detailed Statement of Financial Activities for the Year Ended 31 December 2020

	Total 2020 £	Total 2019 £
Charitable activities		
North Yorkshire County Council	102,051	82,560
UK Government grants	7,966	-
Fees received	94,062	141,117
Other	12,560	500
	<u>216,639</u>	<u>224,177</u>
Investment income		
Interest on cash deposits	12	53
	<u>12</u>	<u>53</u>
Other income		
Fundraising events	70	-
	<u>70</u>	<u>-</u>
Charitable activities		
Materials	(4,072)	(8,779)
School meals/food	(4,384)	(6,696)
Wages and salaries	(144,104)	(136,438)
Staff NIC (Employers)	(3,509)	(3,861)
Staff pensions (Defined contribution)	(2,255)	(1,817)
Staff training	(1,070)	(6,355)
Staff welfare	(745)	(550)
Accountancy fees	(2,340)	(2,230)
Independent examiner's fee	(280)	(280)
	<u>(162,759)</u>	<u>(167,006)</u>
Other expenditure		
Advertising	(220)	-
Legal and professional fees	(9,351)	(7,253)
Rent	(5,258)	(7,807)
Water rates	(527)	(945)
Rates, heat & light	(1,356)	(2,353)
Insurance	(3,149)	(3,610)
Repairs and renewals / cleaning	(3,859)	(5,387)
Telephone	(2,101)	(823)
Computer software and maintenance costs	(144)	-
Printing, postage and stationery	(1,327)	(1,207)
Trade subscriptions	(2,617)	(2,954)
Charitable donations	(66)	-
Hire of photocopier	(255)	(254)

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

The Learning Tree

Detailed Statement of Financial Activities for the Year Ended 31 December 2020

Hire of mini bus for trips	(90)	(698)
Miscellaneous small items	(273)	(202)
Cleaning	(5,016)	(7,166)
Staff entertaining (allowable for tax)	-	(160)
Depreciation of portakabin	(5,103)	(5,103)
Depreciation of photocopier	(220)	(220)
Depreciation of F&F	(305)	(238)
Depreciation of computer and software	<u>(1,238)</u>	<u>(1,239)</u>
	<u>(42,475)</u>	<u>(47,619)</u>