

Drumahoe Childcare Limited

Northern Ireland · Charity number 100480

Details

Known as	Drumahoe Out of Schools Club
Status	Received
Registered	2015-01-30
Register	View on the Charity Commission for Northern Ireland register

Contact

Address	Londonderry Ymca 51 Glenshane Road Londonderry BT47 3sf BT47 3SF
Phone	028 7130 1662
Email	drumahoe@googlemail.com

Activities

Purposes: The Company is established to advance the education of school age children in Drumahoe, Co Derry/Londonderry and the wider Derry City Council area, by providing care facilities for school age children after school hours and during school holidays and to provide all necessary transport as and when required for the purpose of collecting children from school and as otherwise required time to time'.

What the charity does: The advancement of education

How the charity works: Playgroup/after schools

Who the charity helps: Children (5-13 year olds),Preschool (0-5 year olds)

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£714,973	£638,617	£-35,304	27

Trustees

Name	Role	Appointed
Catriona Coyle		
Gillian Simpson		
Kris Dunn		
Lorna Somers		
Mr Joesph Montgomery		
Mrs Lisa Dunn		

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Accounts

Company registration number NI039031 (Northern Ireland)

Charity registration number NI100480 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Gillian Simpson Lorna Somers Kerrie O'Hara Joseph Montgomery	(Appointed 24 January 2025)
Secretary	Kerrie O'Hara	
Country of incorporation	United Kingdom (Northern Ireland)	NI039031
Charity registration	Northern Ireland	NI100480
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF	
Auditor	PFS & Partners Limited 16 Main Street Limavady BT49 0EU	
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN	
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW	

DRUMAHOE CHILDCARE LIMITED

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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Public benefit

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

The objectives and activities of the charity are to advance the education of children aged 2 to 11 years old in Drumahoe, County Derry/Londonderry and the wider Derry City and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

In 2025, Drumahoe Childcare continued to progress against the strategic priorities set out in the three-year strategic plan. Work advanced across key areas of focus, supporting ongoing efforts to strengthen and enhance the quality, sustainability, and delivery of our childcare services. The organisation remains committed to achieving the goals outlined in the plan and building on the foundation established in 2024.

Building a culture of positive wellbeing for both staff and children is reinforced with the appointment of a Mental Health Champion.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

Drumahoe Childcare is a "not for profit" organisation that aims to become sustainable without grant assistance, using any surplus to reinvest into services and facilities.

Occupancy levels remained consistent throughout the year with a view to increasing this in the next financial year where possible.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain cautious moving into the next financial year given the unpredictability of the economy.

Opportunities for investment and growth will remain an area for exploration.

Reserves policy

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation arise.

Plans for future periods

The strategic plan will continue to guide our plans as we move into the next financial year, focusing on the priorities set out within the plan.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a Board of Trustees. The Manager is appointed to run the daily activities of the organisation and reports to the Board of Trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle	
Lisa Dunn	
Robert Dunn	
Adrian Johnston	(Resigned 24 January 2025)
Gillian Simpson	
Andrew Tate	(Resigned 1 October 2024)
Lorna Somers	
Kerrie O'Hara	
Joseph Montgomery	(Appointed 24 January 2025)

Recruitment and appointment of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.


Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The trustees' report was approved by the Board of Trustees.

DocuSigned by:

D29DDB4115354BB...
Lisa Dunn
Trustee

Signed by:

21F91288AED1473...
Gillian Simpson
Trustee

18 December 2025

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

PFS & Partners Limited

James Daniel Brolly (Senior Statutory Auditor)

For and on behalf of PFS & Partners Limited, Statutory Auditor

Chartered Certified Accountants

16 Main Street

Limavady

BT49 0EU

18 December 2025

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	-	22,155	22,155	-	25,655	25,655
Charitable activities	4	689,078	-	689,078	577,924	-	577,924
Other trading activities	5	-	850	850	-	2,607	2,607
Investments	6	2,890	-	2,890	968	-	968
Total income		<u>691,968</u>	<u>23,005</u>	<u>714,973</u>	<u>578,892</u>	<u>28,262</u>	<u>607,154</u>
Expenditure on:							
Raising funds	7	-	746	746	-	981	981
Charitable activities	8	615,298	22,155	637,453	559,411	25,655	585,066
Other expenditure		418	-	418	656	-	656
Total expenditure		<u>615,716</u>	<u>22,901</u>	<u>638,617</u>	<u>560,067</u>	<u>26,636</u>	<u>586,703</u>
Net income and movement in funds		76,252	104	76,356	18,825	1,626	20,451
Reconciliation of funds:							
Fund balances at 1 April 2024		<u>247,813</u>	<u>3,372</u>	<u>251,185</u>	<u>228,988</u>	<u>1,746</u>	<u>230,734</u>
Fund balances at 31 March 2025		<u>324,065</u>	<u>3,476</u>	<u>327,541</u>	<u>247,813</u>	<u>3,372</u>	<u>251,185</u>

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

DRUMAHOE CHILDCARE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	15		83,199		67,799
Current assets					
Debtors	16	12,373		20,895	
Cash at bank and in hand		267,273		211,538	
		279,646		232,433	
Creditors: amounts falling due within one year	18	(33,815)		(37,124)	
Net current assets			245,831		195,309
Total assets less current liabilities			329,030		263,108
Creditors: amounts falling due after more than one year	19		(1,489)		(11,923)
Net assets			327,541		251,185
The funds of the charity					
Restricted income funds	21		3,476		3,372
Unrestricted funds	22		324,065		247,813
			327,541		251,185

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 18 December 2025

DocuSigned by:

 D29DDB4115354BB...
 Lisa Dunn
Trustee

Signed by:

 21F81288AED1473...
 Gillian Simpson
Trustee

DRUMAHOE CHILDCARE LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	25		87,357		30,620
Investing activities					
Purchase of tangible fixed assets		(24,078)		(7,418)	
Investment income received		2,890		968	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(21,188)		(6,450)
Financing activities					
Repayment of bank loans		(10,434)		(8,526)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(10,434)		(8,526)
Net increase in cash and cash equivalents			55,735		15,644
Cash and cash equivalents at beginning of year			211,538		195,894
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			267,273		211,538
			<u> </u>		<u> </u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Motor vehicles	20% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Restricted funds 2025 £	Restricted funds 2024 £
Grants	22,155	25,655
Grants		
Bright Start	21,655	21,655
DCSDC	-	4,000
Rutledge	500	-
	<u>22,155</u>	<u>25,655</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Childcare income	689,078	577,924

5 Income from other trading activities

	Restricted funds 2025 £	Restricted funds 2024 £
Fundraising events	850	2,607

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	2,890	968

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on raising funds

	Restricted funds 2025 £	Restricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	746	981
	<u>746</u>	<u>981</u>

8 Charitable activities

	2025 £	2024 £
Childcare	630,853	579,666
Share of governance costs (see note 10)	6,600	5,400
	<u>637,453</u>	<u>585,066</u>
Analysis by fund		
Unrestricted funds	615,298	559,411
Restricted funds	22,155	25,655
	<u>637,453</u>	<u>585,066</u>

9 Description of charitable activities

Charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Support costs allocated to activities

	2025 £	2024 £
Governance costs	6,600	5,400
Analysed between:		
Charitable activities	6,600	5,400

11 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,200	4,200
Depreciation of owned tangible fixed assets	8,679	8,064

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Childcare staff	27	28
Employment costs	2025 £	2024 £
Wages and salaries	445,604	419,272
Social security costs	25,913	21,169
Other pension costs	5,252	4,581
	476,769	445,022

There were no employees whose annual remuneration was more than £60,000.

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DRUMAHOE CHILDCARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2025****15 Tangible fixed assets**

	Leasehold improvements	Motor vehicles	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£	£
Cost					
At 1 April 2024	47,000	-	75,337	28,934	151,271
Additions	-	21,995	2,083	-	24,078
	<u>47,000</u>	<u>21,995</u>	<u>77,420</u>	<u>28,934</u>	<u>175,349</u>
At 31 March 2025	47,000	21,995	77,420	28,934	175,349
Depreciation and impairment					
At 1 April 2024	8,225	-	59,881	15,365	83,471
Depreciation charged in the year	2,350	733	4,239	1,357	8,679
	<u>10,575</u>	<u>733</u>	<u>64,120</u>	<u>16,722</u>	<u>92,150</u>
At 31 March 2025	10,575	733	64,120	16,722	92,150
Carrying amount					
At 31 March 2025	<u>36,425</u>	<u>21,262</u>	<u>13,300</u>	<u>12,212</u>	<u>83,199</u>
At 31 March 2024	<u>38,775</u>	<u>-</u>	<u>15,455</u>	<u>13,569</u>	<u>67,799</u>

16 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	4,384	11,816
Other debtors	7,989	9,079
	<u>12,373</u>	<u>20,895</u>

17 Loans and overdrafts

	2025	2024
	£	£
Bank loans	11,506	21,940
	<u>11,506</u>	<u>21,940</u>
Payable within one year	10,017	10,017
Payable after one year	1,489	11,923
	<u>11,506</u>	<u>21,940</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	17	10,017	10,017
Other taxation and social security		-	4,726
Trade creditors		901	83
Other creditors		10,918	13,523
Accruals and deferred income		11,979	8,775
		<u>33,815</u>	<u>37,124</u>

19 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	17	1,489	11,923
		<u>1,489</u>	<u>11,923</u>

20 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	5,252	4,581
	<u>5,252</u>	<u>4,581</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Bright Start	-	21,655	(21,655)	-
Rutledge	-	500	(500)	-
Fundraising income	3,372	850	(746)	3,476
	<u>3,372</u>	<u>23,005</u>	<u>(22,901)</u>	<u>3,476</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Restricted funds (Continued)

Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Bright Start	-	21,655	(21,655)	-
DCSDC	-	4,000	(4,000)	-
Fundraising income	1,746	2,607	(981)	3,372
	<u>1,746</u>	<u>28,262</u>	<u>(26,636)</u>	<u>3,372</u>

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	<u>247,813</u>	<u>691,968</u>	<u>(615,716)</u>	<u>324,065</u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	<u>228,988</u>	<u>578,892</u>	<u>(560,067)</u>	<u>247,813</u>

23 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	83,199	-	83,199
Current assets/(liabilities)	242,355	3,476	245,831
Long term liabilities	(1,489)	-	(1,489)
	<u>324,065</u>	<u>3,476</u>	<u>327,541</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

23 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	67,799	-	67,799
Current assets/(liabilities)	191,937	3,372	195,309
Long term liabilities	(11,923)	-	(11,923)
	<u>247,813</u>	<u>3,372</u>	<u>251,185</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

25 Cash generated from operations

	2025 £	2024 £
Surplus for the year	76,356	20,451
Adjustments for:		
Investment income recognised in statement of financial activities	(2,890)	(968)
Depreciation and impairment of tangible fixed assets	8,679	8,064
Movements in working capital:		
Decrease/(increase) in debtors	8,522	(4,663)
(Decrease)/increase in creditors	(3,310)	7,736
Cash generated from operations	<u>87,357</u>	<u>30,620</u>

26 Analysis of changes in net funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	211,538	55,735	267,273
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(11,923)	10,434	(1,489)
	<u>189,598</u>	<u>66,169</u>	<u>255,767</u>

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Accounts



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

Unit B, 2 Fleming Way
LIMAVADY
BT49 0FB

T. 028 7776 5534
E. enquiries@pfsandpartners.co.uk
W. www.pfsandpartners.co.uk

21 October 2024
JDB/KT/L3238/161227

Drumahoe Childcare Limited
C/O Londonderry YMCA
51 Glenshane Road
Drumahoe
Londonderry
BT47 3SF

Dear Trustees

Drumahoe Childcare Limited
Audit for the year ended 31 March 2024

We have now completed the preparation of the Financial Statements for the above year and have concluded our audit of these also.

Please find attached for electronic signing:

- The Trustees' Report and Financial Statements as at 31 March 2024.
- Letter of Representation;
- Letter of Comment

We shall sign the Auditors' Report after receiving the signed documents back.

We have enclosed copies of our updated engagement letters for electronic signing setting out our respective responsibilities – please read these carefully and if you are in agreement sign electronically.

If you have any queries regarding any of the above, please do not hesitate to contact Kirsty Taylor on 02877765534 or e-mail kirstytaylor@pfsandpartners.co.uk.

Yours sincerely

DocuSigned by:
PFS & Partners
65368107E73E439...

PFS & Partners

Enc

Directors: S. Farren, FCCA J.D. Brolly, FCCA

PFS & Partners is the practicing name of PFS & Partners Limited. Registered Office: 16 Main Street, Limavady, BT49 0EU. Registered No. NI 43283. VAT Registration No. 796 02 1616. Registered as auditors in the United Kingdom and Ireland by the Association of Chartered Certified Accountants. Regulated for a range of investment business activities by the Association of Chartered Certified Accountants.



Charity registration number NI100480

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Adrian Johnston Gillian Simpson Andrew Tate Lorna Somers Kerrie O'Hara
Secretary	Kerrie O'Hara
Charity number	NI100480
Company number	NI039031
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF
Auditor	PFS & Partners Limited 16 Main Street Limavady BT49 0EU
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW

DRUMAHOE CHILDCARE LIMITED

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Statement of cash flows	9
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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Public benefit

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

The objectives and activities of the charity are to advance the education of children aged 2 to 11 years old in Drumahoe, County Derry/Londonderry and the wider Derry City and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

In 2024, Drumahoe Childcare launched its strategic plan, focusing on its vision, mission, and goals for the next three years. The plan aims to enhance and strengthen all aspects of our childcare services.

Building a culture of positive wellbeing for both staff and children is reinforced with the appointment of a Mental Health Champion.

The fundraising committee held events throughout the year, including, supper with Santa, an Easter hamper, a sponsored walk and the Big Family breakfast. More events have been planned into 2024.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

Drumahoe Childcare is a "not for profit" organisation that aims to become sustainable without grant assistance, using any surplus to reinvest into services and facilities.

Occupancy levels have steadily increased through the year.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain cautious moving into the next financial year given the unpredictability of the economy in recent times.

Opportunities for investment and growth will remain an area for exploration.

Reserves policy

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation ever arise.

Plans for future periods

With the launch of the strategic plan, we have a clear vision of where we will be moving forward and are focusing on the goals outlined in this.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a Board of Trustees. The Manager is appointed to run the daily activities of the organisation and reports to the Board of Trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle
Lisa Dunn
Robert Dunn
Adrian Johnston
Gillian Simpson
Andrew Tate
Lorna Somers
Kerrie O'Hara

Recruitment and appointment of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2024*

Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Signed by:

C28FBFEEF86C4A1...
Kerrie O'Hara
Trustee

DocuSigned by:

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Lisa Dunn
Trustee

16 October 2024

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
PFS & Partners Limited
65368107E73E439...

James Daniel Brolly (Senior Statutory Auditor)
for and on behalf of PFS & Partners Limited

16 October 2024

Chartered Certified Accountants
Statutory Auditor

16 Main Street
Limavady
BT49 0EU

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	-	25,655	25,655	-	23,643	23,643
Charitable activities	4	577,924	-	577,924	518,127	-	518,127
Other trading activities	5	-	2,607	2,607	-	2,359	2,359
Investments	6	968	-	968	314	-	314
Total income		578,892	28,262	607,154	518,441	26,002	544,443
Expenditure on:							
Raising funds	7	-	981	981	-	613	613
Charitable activities	8	559,411	25,655	585,066	505,566	23,643	529,209
Other expenditure		656	-	656	886	-	886
Total expenditure		560,067	26,636	586,703	506,452	24,256	530,708
Net income and movement in funds		18,825	1,626	20,451	11,989	1,746	13,735
Reconciliation of funds:							
Fund balances at 1 April 2023		228,988	1,746	230,734	216,999	-	216,999
Fund balances at 31 March 2024		247,813	3,372	251,185	228,988	1,746	230,734

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

DRUMAHOE CHILDCARE LIMITED**BALANCE SHEET****AS AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		67,799		68,447
Current assets					
Debtors	16	20,895		16,232	
Cash at bank and in hand		211,538		195,977	
		232,433		212,209	
Creditors: amounts falling due within one year	18	(37,124)		(29,473)	
Net current assets			195,309		182,736
Total assets less current liabilities			263,108		251,183
Creditors: amounts falling due after more than one year	19		(11,923)		(20,449)
Net assets excluding pension liability			251,185		230,734
Net assets			251,185		230,734
The funds of the charity					
Restricted income funds	21		3,372		1,746
Unrestricted funds			247,813		228,988
			251,185		230,734

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 16 October 2024

DocuSigned by:

D29DDB4115354BB...

Lisa Dunn

Trustee

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	25		30,620		29,017
Investing activities					
Purchase of tangible fixed assets		(7,418)		(6,540)	
Investment income received		968		314	
Net cash used in investing activities			(6,450)		(6,226)
Financing activities					
Repayment of bank loans		(8,526)		(9,131)	
Net cash used in financing activities			(8,526)		(9,131)
Net increase in cash and cash equivalents			15,644		13,660
Cash and cash equivalents at beginning of year			195,894		182,234
Cash and cash equivalents at end of year			211,538		195,894
Relating to:					
Cash at bank and in hand			211,538		195,977
Bank overdrafts included in creditors payable within one year			-		(83)

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Restricted funds 2024 £	Restricted funds 2023 £
Grants receivable	25,655	23,643
	<u>25,655</u>	<u>23,643</u>
Grants receivable for core activities		
Bright Start	21,655	21,654
DCSDC	4,000	1,989
	<u>25,655</u>	<u>23,643</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Childcare income	577,924	513,974
Other income	-	4,153
	<u>577,924</u>	<u>518,127</u>

5 Income from other trading activities

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising events	2,607	2,359
	<u>2,607</u>	<u>2,359</u>

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	968	314
	<u>968</u>	<u>314</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on raising funds

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	981	613
	<u> </u>	<u> </u>

8 Charitable activities

	2024 £	2023 £
Childcare	579,666	523,809
Share of governance costs (see note 10)	5,400	5,400
	<u> </u>	<u> </u>
	585,066	529,209
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds	559,411	505,566
Restricted funds	25,655	23,643
	<u> </u>	<u> </u>
	585,066	529,209
	<u> </u>	<u> </u>

9 Description of charitable activities

Charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Support costs allocated to activities

	2024 £	2023 £
Governance costs	5,400	5,400
Analysed between:		
Charitable activities	5,400	5,400

11 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,200	4,200
Depreciation of owned tangible fixed assets	8,064	7,094

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Childcare staff	28	27
Employment costs	2024 £	2023 £
Wages and salaries	419,272	382,292
Social security costs	21,169	19,022
Other pension costs	4,581	4,081
	445,022	405,395

There were no employees whose annual remuneration was more than £60,000.

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£
Cost				
At 1 April 2023	47,000	67,918	28,934	143,852
Additions	-	7,418	-	7,418
	<u>47,000</u>	<u>75,336</u>	<u>28,934</u>	<u>151,270</u>
At 31 March 2024	47,000	75,336	28,934	151,270
Depreciation and impairment				
At 1 April 2023	5,875	55,675	13,857	75,407
Depreciation charged in the year	2,350	4,206	1,508	8,064
	<u>8,225</u>	<u>59,881</u>	<u>15,365</u>	<u>83,471</u>
At 31 March 2024	8,225	59,881	15,365	83,471
Carrying amount				
At 31 March 2024	38,775	15,455	13,569	67,799
	<u>38,775</u>	<u>15,455</u>	<u>13,569</u>	<u>67,799</u>
At 31 March 2023	41,125	12,245	15,077	68,447
	<u>41,125</u>	<u>12,245</u>	<u>15,077</u>	<u>68,447</u>

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	11,816	10,818
Other debtors	9,079	5,414
	<u>20,895</u>	<u>16,232</u>

17 Loans and overdrafts

	2024	2023
	£	£
Bank overdrafts	-	83
Bank loans	21,940	30,466
	<u>21,940</u>	<u>30,549</u>
Payable within one year	10,017	10,100
Payable after one year	11,923	20,449
	<u>10,017</u>	<u>10,100</u>
	<u>11,923</u>	<u>20,449</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans and overdrafts	17	10,017	10,100
Other taxation and social security		4,726	2,786
Trade creditors		83	31
Other creditors		13,523	11,156
Accruals and deferred income		8,775	5,400
		<u>37,124</u>	<u>29,473</u>

19 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	17	11,923	20,449
		<u>11,923</u>	<u>20,449</u>

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	4,581	4,081
	<u>4,581</u>	<u>4,081</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Bright Start	-	21,655	(21,655)	-
DCSDC	-	4,000	(4,000)	-
Fundraising income	1,746	2,607	(981)	3,372
	<u>1,746</u>	<u>28,262</u>	<u>(26,636)</u>	<u>3,372</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Bright Start	-	21,654	(21,654)	-
DCSDC	-	1,989	(1,989)	-
Fundraising income	-	2,359	(613)	1,746
	-	26,002	(24,256)	1,746

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	228,988	578,892	(560,067)	247,813
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	216,999	518,441	(506,452)	228,988

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	67,799	-	67,799
Current assets/(liabilities)	191,937	3,372	195,309
Long term liabilities	(11,923)	-	(11,923)
	247,813	3,372	251,185

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

23 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	68,447	-	68,447
Current assets/(liabilities)	180,990	1,746	182,736
Long term liabilities	(20,449)	-	(20,449)
	<u>228,988</u>	<u>1,746</u>	<u>230,734</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

25 Cash generated from operations

	2024 £	2023 £
Surplus for the year	20,451	13,735
Adjustments for:		
Investment income recognised in statement of financial activities	(968)	(314)
Depreciation and impairment of tangible fixed assets	8,064	7,095
Movements in working capital:		
(Increase)/decrease in debtors	(4,663)	9,021
Increase/(decrease) in creditors	7,736	(520)
Cash generated from operations	<u>30,620</u>	<u>29,017</u>

26 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	195,977	15,561	211,538
Bank overdrafts	(83)	83	-
	<u>195,894</u>	<u>15,644</u>	<u>211,538</u>
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(20,449)	8,526	(11,923)
	<u>165,428</u>	<u>24,170</u>	<u>189,598</u>



PFS & Partners Limited, Statutory Auditor
Chartered Certified Accountants
16 Main Street
Limavady
BT49 0EU

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charitable company's financial statements for the year ended 31 March 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as directors / trustees as set out in the terms of your engagement letter dated 18 June 2024, under the Companies Act 2006 and Charities Act (Northern Ireland) 2008 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission for Northern Ireland.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 9 The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

13 The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Restricted grants and donations are as follows:

Bright Start
DCSDC


We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

DocuSigned by:

D29DDB4115354BB.....
Lisa Dunn
Directors

Signed by:

C28FBFEF80C4AT.....
Kerrie O'Hara
Secretary

Signed on behalf of the board of directors / trustees

16 October 2024



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

Unit B, 2 Fleming Way
LIMAVADY
BT49 0FB

T. 028 7776 5534
E. enquiries@pfsandpartners.co.uk
W. www.pfsandpartners.co.uk

16 October 2024
JB/ZMCC/L3238/B

Strictly Private & Confidential
For the attention of the Directors

Drumahoe Childcare Limited
c/o Londonderry YMCA
51 Glenshane Road
Drumahoe
Londonderry
BT47 3SF

Dear Sirs,

AUDIT FOR YEAR ENDED 31ST MARCH 2024

We have completed our audit of Drumahoe Childcare Limited for the year ended 31 March 2024 carried out over the period June 2024 to September 2024, and would like to bring the following issue to your attention:-

- As auditors we are responsible for forming and expressing an opinion on the financial statements, that have been prepared by management with the oversight of those charged with governance:
- As auditors, and in line with the company's accounts the materiality level for the audit was set at £18,000:
- Please note that there are no issues regarding our independence in terms of performing the audit duty:
- The audit of the financial statements does not relieve management or those charged with governance of their responsibilities:
- The significant findings arising from the audit are as follows;
 - No major weaknesses have been noted in the design or implementation of internal controls during the year ended 31 March 2024.

If you should have any queries regarding the above, please do not hesitate to contact us.

Yours faithfully,

DocuSigned by:

65368107E73E439...
PFS & Partners Limited

Directors: S. Farren, FCCA J.D. Brolly, FCCA



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

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18 June 2024
JB/ZMCC/L3238

FAO Trustees
Drumahoe Childcare Limited
C/O Londonderry YMCA
51 Glenshane Road
Drumahoe
BT47 3SF

Dear Trustees

APPENDIX 1A – SCHEDULE OF PROFESSIONAL SERVICES: AUDIT OF THE FINANCIAL STATEMENTS

1 Responsibilities of trustees and auditors

1.1 As trustees of Drumahoe Childcare Limited (the charitable company), in addition to your general duties as specified in sections 170 to 177 of the Companies Act 2006, you are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable you to ensure that the financial statements comply with the Companies Act 2006. You are also responsible for preparing financial statements which give a true and fair view and have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006 and regulations made under it.

1.2 In preparing these financial statements, you are required to:

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

You also have a responsibility not to approve these financial statements unless you are satisfied that they give a true and fair view.

1.3 As trustees of a charitable company, you have a duty under the Companies Act 2006 to prepare a directors' report and also an annual report for each financial year, complying in its form and content with regulations made under the Charities Act (Northern Ireland) 2008. You should also have regard to the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102), issued [July 2014 / October 2019] by the joint SORP-making body, and any subsequent amendments or variations to this statement.

1.4 You are responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error. Additionally, you are also responsible for safeguarding the assets of the charitable company, complying with laws and regulations and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

1.5 You are responsible for making available to us, as and when required, all the charitable company's accounting records and all other relevant records and related information, including minutes of all trustees' and management meetings and additional information that we may

Directors: S. Farren, FCCA J.D. Brolly, FCCA

- 1.6 request. You will also provide us with unrestricted access to persons within the charitable company from whom we determine it is necessary to obtain audit evidence.
- 1.7 You are required to confirm in the directors' report that so far as you are aware, there is no relevant audit information of which we, as the charitable company's auditors, are unaware and that you have taken all the steps that you ought to take as directors in order to make yourselves aware of any relevant audit information and to establish that we are aware of that information. We are entitled to require from the charitable company's officers and employees such other information and explanations as we think necessary for the performance of our duties as auditors.
- 1.8 We have a statutory responsibility to report to the trustees of the charitable company whether in our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at the year end and of its incoming resources and expenditure 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; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.

In addition, we have a statutory responsibility to report by exception if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

If we have nothing to report in respect of the above matters we will include a statement in our report confirming this.

- 1.9 We have a professional responsibility to report if the financial statements do not comply in any material respect with applicable accounting standards, unless in our opinion the non-compliance is justified in the circumstances. In determining whether or not the departure is justified we consider whether:
- the departure is required in order for the financial statements to give a true and fair view; and
 - adequate disclosure has been made concerning the departure.
- 1.10 As noted above, our report will be made solely to the charitable company's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. Our audit work will be undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. In those circumstances, to the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for the audit report, or for the opinions we form. The audit of the financial statements does not relieve you of your responsibilities.
- 1.11 We have a statutory duty to report to the Charity Commission for Northern Ireland (CCNI) under section 67 of the Charities Act (Northern Ireland) 2008 such matters (concerning the activities or affairs of the charitable company or any connected institution or body corporate) of which we become aware during the course of our audit which are (or are likely to be) of material

significance to the CCNI in the exercise of their powers of inquiry into, or acting for the protection of, charities.

- 1.12 The provision of audit services is a business in the regulated sector under the Proceeds of Crime Act 2002 and, as such partners and staff in audit firms have to comply with this legislation which includes provisions that may require us to make a money laundering disclosure in relation to information we obtain as part of our normal audit work. It is not our practice to inform you when such a disclosure is made or the reasons for it because of the restrictions imposed by the 'tipping off' provisions of the legislation.

2 Scope of audit

- 2.1 Our audit will be conducted in accordance with the International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Those standards require that we plan and perform our audit in order 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 an auditor's report 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.

- 2.2 As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Read all financial and non-financial information (other information) included in the annual report other than the financial statements and identify whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears materially misstated. You are responsible for the preparation of the other information and where, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report this fact.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. [We also communicate key audit matters in our auditor's report]¹.

- 2.3 Our work will be planned in advance and incorporated into an audit plan. This may be varied on the basis of our findings during the course of an audit from year to year. Accordingly, we may modify our audit scope, rotate our audit emphasis and propose matters of special audit emphasis, as circumstances dictate.
- 2.4 We shall obtain an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements, and to establish whether adequate accounting records have been maintained by the charitable company. We shall expect to obtain such appropriate evidence as we consider sufficient to enable us to draw reasonable conclusions therefrom.
- 2.5 The nature and extent of our procedures will vary according to our assessment of the charitable company's accounting system and, where we wish to place reliance on it, the internal control system, and may cover any aspect of the charitable company's operations that we consider appropriate. Our audit is not designed to identify all significant weaknesses in the charitable company's systems but, if such weaknesses come to our notice during the course of our audit which we think should be brought to your attention, we shall report them to you. Any such report may not be provided to third parties without our prior written consent. Such consent will be granted only on the basis that such reports are not prepared with the interests of anyone other than the charitable company in mind and that we accept no duty or responsibility to any other party as concerns the reports.
- 2.6 The information used by you in preparing the financial statements will invariably include facts or judgements which are not themselves recorded in the accounting records. As part of our normal audit procedures, we will ask you to provide written confirmation each year of such facts or judgments and any other oral representations that we have received from you during the course of the audit on matters having a material effect on the financial statements. In particular, where we bring misstatements in the financial statements to your attention that are not adjusted, we shall require written representation as to whether you believe the effects of the uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole.
- 2.7 In order to assist us with the examination of your financial statements, we shall request sight of all documents or statements, including the Trustees' Annual Report, which are due to be issued with the financial statements. We are also entitled to attend all general meetings of the charitable company and to receive notice of all such meetings as well as to receive details of all written resolutions that are to be circulated to members.
- 2.8 The responsibility of safeguarding the assets of the charitable company and for the prevention and detection of fraud, error and non-compliance with laws and regulations rests with yourselves. However, we shall plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records (including those resulting from fraud, error or non-compliance with laws and regulations), but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

¹ Auditors can choose to communicate key audit matters.

- 2.9 We shall not be treated as having notice, for the purposes of our audit responsibilities, of information provided to members of our firm other than those engaged on the audit (for example information provided in connection with accounting, taxation and other services).
- 2.10 In respect of the expected form and content of our report, we refer you to the most recent bulletin on auditor's reports published by the Financial Reporting Council at www.frc.org.uk. The form and content of our report may need to be amended in the light of our findings.
- 2.11 Once we have issued our report we have no further direct responsibility in relation to the financial statements for that financial year. However, we expect that you will inform us of any material event occurring between the date of our report and the date the financial statements are sent out in accordance with section 423 Companies Act 2006 which may affect the financial statements.
- 2.12 Where audited information is published on the charitable company's website or by other electronic means, it is your responsibility to advise us of any intended electronic publication before it occurs and to ensure that any such publication properly presents the financial information and auditor's report. We reserve the right to withhold consent to the electronic publication of our report if it or the financial statements are to be published in an inappropriate manner. It is your responsibility to ensure there are controls in place to prevent or detect quickly any changes to that information. We are not required to review such controls nor to carry out ongoing reviews of the information after it is first published. The maintenance and integrity of the charitable company's website is your responsibility and we accept no responsibility for changes made to audited information after it is first posted.

3 Communication

- 3.1 In order to promote effective two-way communication between us we set out below the expected form and timing of such communications.
- We shall contact the financial controller by telephone 12 weeks prior to each year-end for preliminary discussions concerning the audit. We will confirm in writing the matters discussed and any agreed action.

The formal communications set out above are the minimum required to comply with auditing standards. We shall of course contact you on a more frequent and regular basis regarding both audit and other matters.

4 Limitation of liability

You have agreed that our liability as auditors to the company will be limited in accordance with sections 532 to 538 of the Companies Act 2006.

We specifically draw your attention to the limitation of liability paragraphs in our standard terms and conditions which set out the basis on which we limit our liability to you and to others. You should read this in conjunction with the limitation of third party rights paragraphs in our standard terms and conditions which exclude liability to third parties. These are important provisions which you should read and consider carefully.

There are no Third Parties that we have agreed should be entitled to rely on the work done pursuant to this engagement letter.

Yours sincerely

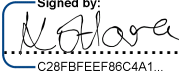
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65368107E73E439...

PFS & Partners Limited

Enc

We confirm that we have read and understood the contents of this letter and the related terms and conditions and agree that it accurately reflects our fair understanding of the services that we require you to undertake.

Signed ^{Signed by:}  Date: 18 June 2024
C28FBFEEF86C4A1...
Kerrie O'Hara

Signed ^{DocuSigned by:}  Date: 18 June 2024
b28db417635458...
Lisa Dunn

For and on behalf of
Drumahoe Childcare Limited

PFS & Partners

These terms and conditions should be read alongside the privacy notice.

Introduction

These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in separate letters of engagement.

Applicable law

This engagement letter, the schedule of services and our standard terms and conditions of business are governed by, and should be construed in accordance with, the law and practice of Northern Ireland. Each party agrees that the Courts of Northern Ireland will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.

Authorisation and registration

PFS & Partners are registered with the Association of Chartered Certified Accountants as chartered certified accountants and can be found on the register of members at <http://members.accaglobal.com/en/find-an-accountant>.

We are registered as auditors by the ACCA in the UK and details of our registration can be found at www.auditregister.org.uk under registration number 0720587 or at <http://members.accaglobal.com/en/find-an-accountant>.

Client identification and verification

As with other professional services firms, we are required to identify and verify our clients for the purposes of the UK anti-money laundering legislation. Save in exceptional circumstances we cannot start work until this requirement has been met. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases including ID verification software.

Client monies

We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Monies Rules of the Association of Chartered Certified Accountants. These rules can be found on the ACCA website at <http://www.accaglobal.com/en.html>.

We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are

unclaimed and the client to which they relate has remained untraced for five years or we as a firm cease to practise, then we may pay those monies to a registered charity.

Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies.

Commissions and other benefits

In some circumstances we may receive commissions and/or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. Where this happens, we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits.

Confidentiality

Communication between us is confidential. We shall take all reasonable steps not to disclose your information except where we are required to and as set out in our privacy notice. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality and security terms.

Conflicts of interest

If there is a conflict of interest in our relationship with you or in our relationship with you and another client that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, then we will adopt those safeguards.

Where conflicts are identified that cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services. If this arises, we will inform you promptly. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject, of course, to the obligations of confidentiality referred to above.

Consumer credit

The firm is not authorised by the Financial Conduct Authority (FCA) for non-credit related activities. We fall within the ACCA DPB regime (FSMA 2000 Part 20) for incidental Consumer Credit services that we provide to you as part of your professional accounting and tax services.

Data Protection

We confirm that we will comply with the provisions of the General Data Protection Regulation (GDPR) when processing personal data about you and your employees where appropriate.

Processing means:

- obtaining, recording, or holding personal data; or
- carrying out any operation or set of operations on personal data, including collecting and storage, organising, adapting, altering, using, disclosure (by any means) or removing (by any means) from the records manual and digital.

The information we obtain, process, use and disclose will be necessary for:

- the performance of the contract
- to comply with our legal and regulatory compliance and crime prevention
- contacting you with details of other services where you have consented to us doing so
- other legitimate interests relating to protection against potential claims and disciplinary action against us.

This includes, but is not limited to, purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns.

In regard to our professional obligations, we are a member firm of the Association of Chartered Certified Accountants (ACCA). Under the ethical and regulatory rules of ACCA we are required to allow access to client files and records for the purpose of maintaining our membership of this body.

Further details on the processing of data are contained in our privacy notice, which should be read alongside these terms and conditions.

Disengagement

Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

Should we have no contact with you for a period of 1 year or more, we may issue to your last known address a disengagement letter and thereafter cease to act.

We reserve the right following termination for any reason to destroy any of your documents that we have not been able to return to you after a period of six months unless other laws or regulations require otherwise.

Electronic and other communication

As instructed, we will communicate with you and with any third parties you instruct us to as set out in our covering letter and privacy notice via email or by other electronic means. The recipient is responsible for virus-checking emails and any attachments.

With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection, or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However, electronic communication is not totally secure, and we cannot be held responsible for damage or loss caused by viruses, nor for communications that are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication, especially in relation to commercially sensitive material. These are risks you must accept in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by hard copy, other than where electronic submission is mandatory.

Any communication by us with you sent through the post or DX system is deemed to arrive at your postal address two working days after the day that the document was sent.

When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.

You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.

Fees and payment terms

Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility, and the importance and value of the advice that we provide, as well as the level of risk.

If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

Where requested, we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership

of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

We will bill periodically, and our invoices are due for payment upon within 30 days of issue. Our fees are exclusive of VAT, which will be added where it is chargeable. Any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.

Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel, or other professional fees.

It is our normal practice to issue applications for payment when dealing with continuous or recurring work. The payment terms for applications for payment are the same as for invoiced fees. A VAT invoice will be issued to you upon receipt of your payment.

Clients can request to pay by monthly standing order and to periodically adjust the monthly payment by reference to actual billings.

You authorise us to settle our agreed fees from any money held on your behalf in the client account.

Where this contract exists between us and a purchaser acting in the course of a business, we reserve the right to charge interest on late-paid invoices at the rate of 8% above the Bank of England base rate under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

On termination of the engagement, you may appoint a new adviser. Where a new adviser requests professional clearance and handover information we reserve the right to charge you a reasonable fee for the provision of handover information.

Implementation

We will only assist with implementation of our advice if specifically instructed and agreed in writing.

Intellectual property rights

We will retain all copyright in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

Interpretation

If any provision of this engagement letter, schedules of services or standard terms and conditions is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted.

In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

Internal disputes

If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business, and we would not provide information or services to one party without the express knowledge and permission of all parties.

Investment services

Investment business is regulated under the Financial Services and Markets Act 2000 and the Financial Services Act 2012.

If, during the provision of professional services to you, you need advice on investments, including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority or the Prudential Regulation Authority or licensed by a Designated Professional Body as we are not authorised to give such advice.

Lien

In so far as permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

Limitation of liability

We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs, and expenses directly caused by our negligence or wilful default.

Exclusion of liability for loss caused by others

We will not be liable if such losses, penalties, interest, or additional tax liabilities are caused by the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information, or if they are caused by a failure to act on our advice or a failure to provide us with relevant information.

In particular, where we refer you to another firm whom you engage with directly, we accept no responsibility in relation to their work and will not be liable for any loss caused by them.

Exclusion of liability in relation to circumstances beyond our control

We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

Exclusion of liability relating to non-disclosure or misrepresentation

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or misrepresented to us.

This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures that we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry beyond that which it would have been reasonable for us to have carried out in the circumstances.

Indemnity for unauthorised disclosure

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.

Limitation of aggregate liability

Where the engagement letter specifies an aggregate limit of liability, then that sum shall be the maximum aggregate liability of this firm, principals, partners, directors or members agents and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter, you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it, you should contact us to discuss it before signing the engagement letter.

You have agreed that you will not bring any claim of a kind that is included within the subject of the limit against any of our principals/partners/directors/members or employees, on a personal basis.

Limitation of Third-Party Rights

The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our

work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. It may not be used or relied upon for any other purpose or by any other person other than you without our prior written consent. A party to this agreement is the only person who has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice.

If it is proposed that any documents or statement which refer to our name are to be circulated to third parties, please consult us before they are issued.

Money Laundering Regulations 2017

In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided, or information disclosed to the National Crime Agency (NCA).

You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

As with other professional services firms, we are required to have appropriate risk-based policies and procedures for assessing and managing money laundering risks: this applies at the start of any business relationship and through the lifetime of the relationship. This includes undertaking appropriate customer due diligence. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

Copies of such records created as part of the client due diligence process, including any non-engagement documents relating to the client relationship and ongoing monitoring of it, will be retained by us for a period of five years after we cease to act for the business unless we are required to retain them under statutory obligation, or to retain them for legal proceedings, or you consented to the retention in which case the records will be retained for not more than 10 years.

Notification

We shall not be treated as having notice, for the purposes of our audit/accounts/tax responsibilities, of information provided to members of our firm other than those engaged on the specific assignment (for example, information provided in connection with accounting, taxation, and other services).

Period of engagement and termination

Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.

Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

In the event of termination of this contract, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

If you engage us for a one-off piece of work (for example advice on a one-off transaction or preparation of a tax return for one year only) the engagement ceases as soon as that work is completed. The date of completion of the work is taken to be the termination date and we owe you no duties and we will not undertake further work beyond that date.

Where recurring work is provided (for example ongoing compliance work such as the completion of annual tax returns) the engagement ceases on the relevant date in relation to the termination as set out above. Unless immediate termination applies, in practice this means that the relevant termination date is:

- 21 days after the date of notice of termination; or
- a later agreed date

We owe you no duties beyond the date of termination and will not undertake any further work.

Professional rules and statutory obligations

We will observe and act in accordance with the by-laws, regulations, and ethical guidelines of the [Association of Chartered Certified Accountants \(ACCA\)](#) and will accept instructions to act for you on this basis.

You are responsible for bringing to our attention any errors, omissions, or inaccuracies in your returns that you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

In particular, you give us the authority to correct errors made by HMRC where we become aware of them. In addition, we will not undertake tax planning which breaches professional conduct in relation to taxation. We will therefore comply with the general anti-abuse rule and the targeted anti-avoidance rule. We will not be liable

for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements at our offices.

The requirements are also available online at www.accaglobal.com/en.html.

The implications of professional body membership as it relates to GDPR are set out in the privacy notice, which should be read alongside these standard terms and conditions of business.

Provision of Services Regulations 2009

In accordance with our professional body rules, we are required to hold professional indemnity insurance. Details of our current professional indemnity insurer are available on request and our level of cover is £2,000,000. Territorial coverage is worldwide excluding business carried out from the USA or Canada and excludes any action for a claim brought in any court in the USA or Canada

Quality of service

We aim to provide a high quality of service at all times. If you would like to discuss with us how our service could be improved or if you are dissatisfied with the service that you are receiving, please let us know by contacting Seamus Farren.

We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction, you may take up the matter with the Association of Chartered Certified Accountants. This should be done promptly and, in any event, no later than 6 months after exhausting our procedures.

Should ACCA consider a complaint appropriate for conciliation, it is competent to offer alternative dispute resolution through its Conciliation Service. ACCA's website address is www.accaglobal.com. Please note that, under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) conciliation process we are not obliged to submit to ACCA's conciliation process.

Reliance on advice

We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example, during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing. However, bear in mind that advice is only valid at the date it is given.

Retention of papers

You have a legal responsibility to retain documents and records relevant to your tax affairs. During the course of our work, we may collect information from you and others relevant to your tax affairs. We will return any original documents to you if requested.

When we cease to act for you, we will seek to agree the position on access to cloud-accounting records to ensure continuity of service. This may require you to enter direct engagements with the software providers and pay for that service separately. Documents and records relevant to your tax affairs are required by law to be retained as follows:

Individuals, trustees, and partnerships

- with trading or rental income: five years and 10 months after the end of the tax year.
- otherwise: 22 months after the end of the tax year.

Companies, LLPs, and other corporate entities

- six years from the end of the accounting period.

While certain documents may legally belong to you, we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than seven years old. This includes your documents if they have not been reclaimed by you within the seven-year period. You must tell us if you require the return of any specific document or their retention for a longer period.

You should retain documents that are sent to you by us as set out in the privacy notice, which should be read alongside these terms and conditions.

Timetable

The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.

The timing of our work will in any event be dependent on the prompt supply of all information and documentation as and when required by us.

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Annual report



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

Unit B, 2 Fleming Way
LIMAVADY
BT49 0FB

T. 028 7776 5534
E. enquiries@pfsandpartners.co.uk
W. www.pfsandpartners.co.uk

21 October 2024
JDB/KT/L3238/161227

Drumahoe Childcare Limited
C/O Londonderry YMCA
51 Glenshane Road
Drumahoe
Londonderry
BT47 3SF

Dear Trustees

Drumahoe Childcare Limited
Audit for the year ended 31 March 2024

We have now completed the preparation of the Financial Statements for the above year and have concluded our audit of these also.

Please find attached for electronic signing:

- The Trustees' Report and Financial Statements as at 31 March 2024.
- Letter of Representation;
- Letter of Comment

We shall sign the Auditors' Report after receiving the signed documents back.

We have enclosed copies of our updated engagement letters for electronic signing setting out our respective responsibilities – please read these carefully and if you are in agreement sign electronically.

If you have any queries regarding any of the above, please do not hesitate to contact Kirsty Taylor on 02877765534 or e-mail kirstytaylor@pfsandpartners.co.uk.

Yours sincerely

DocuSigned by:
PFS & Partners
65368107E73E439...

PFS & Partners

Enc

Directors: S. Farren, FCCA J.D. Brolly, FCCA

PFS & Partners is the practicing name of PFS & Partners Limited. Registered Office: 16 Main Street, Limavady, BT49 0EU. Registered No. NI 43283. VAT Registration No. 796 02 1616. Registered as auditors in the United Kingdom and Ireland by the Association of Chartered Certified Accountants. Regulated for a range of investment business activities by the Association of Chartered Certified Accountants.



Charity registration number NI100480

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Adrian Johnston Gillian Simpson Andrew Tate Lorna Somers Kerrie O'Hara
Secretary	Kerrie O'Hara
Charity number	NI100480
Company number	NI039031
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF
Auditor	PFS & Partners Limited 16 Main Street Limavady BT49 0EU
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW

DRUMAHOE CHILDCARE LIMITED

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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Public benefit

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

The objectives and activities of the charity are to advance the education of children aged 2 to 11 years old in Drumahoe, County Derry/Londonderry and the wider Derry City and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

In 2024, Drumahoe Childcare launched its strategic plan, focusing on its vision, mission, and goals for the next three years. The plan aims to enhance and strengthen all aspects of our childcare services.

Building a culture of positive wellbeing for both staff and children is reinforced with the appointment of a Mental Health Champion.

The fundraising committee held events throughout the year, including, supper with Santa, an Easter hamper, a sponsored walk and the Big Family breakfast. More events have been planned into 2024.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

Drumahoe Childcare is a "not for profit" organisation that aims to become sustainable without grant assistance, using any surplus to reinvest into services and facilities.

Occupancy levels have steadily increased through the year.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain cautious moving into the next financial year given the unpredictability of the economy in recent times.

Opportunities for investment and growth will remain an area for exploration.

Reserves policy

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation ever arise.

Plans for future periods

With the launch of the strategic plan, we have a clear vision of where we will be moving forward and are focusing on the goals outlined in this.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a Board of Trustees. The Manager is appointed to run the daily activities of the organisation and reports to the Board of Trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle
Lisa Dunn
Robert Dunn
Adrian Johnston
Gillian Simpson
Andrew Tate
Lorna Somers
Kerrie O'Hara

Recruitment and appointment of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2024*

Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Signed by:

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Kerrie O'Hara
Trustee

DocuSigned by:

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Lisa Dunn
Trustee

16 October 2024

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
PFS & Partners Limited
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James Daniel Brolly (Senior Statutory Auditor)
for and on behalf of PFS & Partners Limited

16 October 2024

Chartered Certified Accountants
Statutory Auditor

16 Main Street
Limavady
BT49 0EU

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	-	25,655	25,655	-	23,643	23,643
Charitable activities	4	577,924	-	577,924	518,127	-	518,127
Other trading activities	5	-	2,607	2,607	-	2,359	2,359
Investments	6	968	-	968	314	-	314
Total income		578,892	28,262	607,154	518,441	26,002	544,443
Expenditure on:							
Raising funds	7	-	981	981	-	613	613
Charitable activities	8	559,411	25,655	585,066	505,566	23,643	529,209
Other expenditure		656	-	656	886	-	886
Total expenditure		560,067	26,636	586,703	506,452	24,256	530,708
Net income and movement in funds		18,825	1,626	20,451	11,989	1,746	13,735
Reconciliation of funds:							
Fund balances at 1 April 2023		228,988	1,746	230,734	216,999	-	216,999
Fund balances at 31 March 2024		247,813	3,372	251,185	228,988	1,746	230,734

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

DRUMAHOE CHILDCARE LIMITED**BALANCE SHEET****AS AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		67,799		68,447
Current assets					
Debtors	16	20,895		16,232	
Cash at bank and in hand		211,538		195,977	
		232,433		212,209	
Creditors: amounts falling due within one year	18	(37,124)		(29,473)	
Net current assets			195,309		182,736
Total assets less current liabilities			263,108		251,183
Creditors: amounts falling due after more than one year	19		(11,923)		(20,449)
Net assets excluding pension liability			251,185		230,734
Net assets			251,185		230,734
The funds of the charity					
Restricted income funds	21		3,372		1,746
Unrestricted funds			247,813		228,988
			251,185		230,734

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 16 October 2024

DocuSigned by:

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Lisa Dunn

Trustee

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	25		30,620		29,017
Investing activities					
Purchase of tangible fixed assets		(7,418)		(6,540)	
Investment income received		968		314	
Net cash used in investing activities			(6,450)		(6,226)
Financing activities					
Repayment of bank loans		(8,526)		(9,131)	
Net cash used in financing activities			(8,526)		(9,131)
Net increase in cash and cash equivalents			15,644		13,660
Cash and cash equivalents at beginning of year			195,894		182,234
Cash and cash equivalents at end of year			211,538		195,894
Relating to:					
Cash at bank and in hand			211,538		195,977
Bank overdrafts included in creditors payable within one year			-		(83)

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Restricted funds 2024 £	Restricted funds 2023 £
Grants receivable	25,655	23,643
	<u>25,655</u>	<u>23,643</u>
Grants receivable for core activities		
Bright Start	21,655	21,654
DCSDC	4,000	1,989
	<u>25,655</u>	<u>23,643</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Childcare income	577,924	513,974
Other income	-	4,153
	<u>577,924</u>	<u>518,127</u>

5 Income from other trading activities

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising events	2,607	2,359
	<u>2,607</u>	<u>2,359</u>

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	968	314
	<u>968</u>	<u>314</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on raising funds

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	981	613
	<u> </u>	<u> </u>

8 Charitable activities

	2024 £	2023 £
Childcare	579,666	523,809
Share of governance costs (see note 10)	5,400	5,400
	<u> </u>	<u> </u>
	585,066	529,209
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds	559,411	505,566
Restricted funds	25,655	23,643
	<u> </u>	<u> </u>
	585,066	529,209
	<u> </u>	<u> </u>

9 Description of charitable activities

Charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Support costs allocated to activities

	2024 £	2023 £
Governance costs	5,400	5,400
Analysed between:		
Charitable activities	5,400	5,400

11 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,200	4,200
Depreciation of owned tangible fixed assets	8,064	7,094

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Childcare staff	28	27
Employment costs	2024 £	2023 £
Wages and salaries	419,272	382,292
Social security costs	21,169	19,022
Other pension costs	4,581	4,081
	445,022	405,395

There were no employees whose annual remuneration was more than £60,000.

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£
Cost				
At 1 April 2023	47,000	67,918	28,934	143,852
Additions	-	7,418	-	7,418
At 31 March 2024	47,000	75,336	28,934	151,270
Depreciation and impairment				
At 1 April 2023	5,875	55,675	13,857	75,407
Depreciation charged in the year	2,350	4,206	1,508	8,064
At 31 March 2024	8,225	59,881	15,365	83,471
Carrying amount				
At 31 March 2024	38,775	15,455	13,569	67,799
At 31 March 2023	41,125	12,245	15,077	68,447

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	11,816	10,818
Other debtors	9,079	5,414
	20,895	16,232

17 Loans and overdrafts

	2024	2023
	£	£
Bank overdrafts	-	83
Bank loans	21,940	30,466
	21,940	30,549
Payable within one year	10,017	10,100
Payable after one year	11,923	20,449

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans and overdrafts	17	10,017	10,100
Other taxation and social security		4,726	2,786
Trade creditors		83	31
Other creditors		13,523	11,156
Accruals and deferred income		8,775	5,400
		<u>37,124</u>	<u>29,473</u>

19 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	17	11,923	20,449
		<u>11,923</u>	<u>20,449</u>

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	4,581	4,081
	<u>4,581</u>	<u>4,081</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Bright Start	-	21,655	(21,655)	-
DCSDC	-	4,000	(4,000)	-
Fundraising income	1,746	2,607	(981)	3,372
	<u>1,746</u>	<u>28,262</u>	<u>(26,636)</u>	<u>3,372</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Bright Start	-	21,654	(21,654)	-
DCSDC	-	1,989	(1,989)	-
Fundraising income	-	2,359	(613)	1,746
	-	26,002	(24,256)	1,746

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	228,988	578,892	(560,067)	247,813
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	216,999	518,441	(506,452)	228,988

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	67,799	-	67,799
Current assets/(liabilities)	191,937	3,372	195,309
Long term liabilities	(11,923)	-	(11,923)
	247,813	3,372	251,185

DRUMAHOE CHILDCARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****23 Analysis of net assets between funds****(Continued)**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	68,447	-	68,447
Current assets/(liabilities)	180,990	1,746	182,736
Long term liabilities	(20,449)	-	(20,449)
	<u>228,988</u>	<u>1,746</u>	<u>230,734</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

25 Cash generated from operations

	2024 £	2023 £
Surplus for the year	20,451	13,735
Adjustments for:		
Investment income recognised in statement of financial activities	(968)	(314)
Depreciation and impairment of tangible fixed assets	8,064	7,095
Movements in working capital:		
(Increase)/decrease in debtors	(4,663)	9,021
Increase/(decrease) in creditors	7,736	(520)
Cash generated from operations	<u>30,620</u>	<u>29,017</u>

26 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	195,977	15,561	211,538
Bank overdrafts	(83)	83	-
	<u>195,894</u>	<u>15,644</u>	<u>211,538</u>
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(20,449)	8,526	(11,923)
	<u>165,428</u>	<u>24,170</u>	<u>189,598</u>



PFS & Partners Limited, Statutory Auditor
Chartered Certified Accountants
16 Main Street
Limavady
BT49 0EU

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charitable company's financial statements for the year ended 31 March 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as directors / trustees as set out in the terms of your engagement letter dated 18 June 2024, under the Companies Act 2006 and Charities Act (Northern Ireland) 2008 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission for Northern Ireland.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 9 The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

13 The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

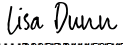
Restricted grants and donations are as follows:


Bright Start
DCSDC

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

DocuSigned by:

D29DDB4115354BB.....
Lisa Dunn
Directors

Signed by:

C28FBFEF80C4AT.....
Kerrie O'Hara
Secretary

Signed on behalf of the board of directors / trustees

16 October 2024



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

Unit B, 2 Fleming Way
LIMAVADY
BT49 0FB

T. 028 7776 5534
E. enquiries@pfsandpartners.co.uk
W. www.pfsandpartners.co.uk

16 October 2024
JB/ZMCC/L3238/B

Strictly Private & Confidential
For the attention of the Directors

Drumahoe Childcare Limited
c/o Londonderry YMCA
51 Glenshane Road
Drumahoe
Londonderry
BT47 3SF

Dear Sirs,

AUDIT FOR YEAR ENDED 31ST MARCH 2024

We have completed our audit of Drumahoe Childcare Limited for the year ended 31 March 2024 carried out over the period June 2024 to September 2024, and would like to bring the following issue to your attention:-

- As auditors we are responsible for forming and expressing an opinion on the financial statements, that have been prepared by management with the oversight of those charged with governance:
- As auditors, and in line with the company's accounts the materiality level for the audit was set at £18,000:
- Please note that there are no issues regarding our independence in terms of performing the audit duty:
- The audit of the financial statements does not relieve management or those charged with governance of their responsibilities:
- The significant findings arising from the audit are as follows;
 - No major weaknesses have been noted in the design or implementation of internal controls during the year ended 31 March 2024.

If you should have any queries regarding the above, please do not hesitate to contact us.

Yours faithfully,

DocuSigned by:

65368107E73E439...
PFS & Partners Limited

Directors: S. Farren, FCCA J.D. Brolly, FCCA



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

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18 June 2024
JB/ZMCC/L3238

FAO Trustees
Drumahoe Childcare Limited
C/O Londonderry YMCA
51 Glenshane Road
Drumahoe
BT47 3SF

Dear Trustees

APPENDIX 1A – SCHEDULE OF PROFESSIONAL SERVICES: AUDIT OF THE FINANCIAL STATEMENTS

1 Responsibilities of trustees and auditors

1.1 As trustees of Drumahoe Childcare Limited (the charitable company), in addition to your general duties as specified in sections 170 to 177 of the Companies Act 2006, you are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable you to ensure that the financial statements comply with the Companies Act 2006. You are also responsible for preparing financial statements which give a true and fair view and have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006 and regulations made under it.

1.2 In preparing these financial statements, you are required to:

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

You also have a responsibility not to approve these financial statements unless you are satisfied that they give a true and fair view.

1.3 As trustees of a charitable company, you have a duty under the Companies Act 2006 to prepare a directors' report and also an annual report for each financial year, complying in its form and content with regulations made under the Charities Act (Northern Ireland) 2008. You should also have regard to the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102), issued [July 2014 / October 2019] by the joint SORP-making body, and any subsequent amendments or variations to this statement.

1.4 You are responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error. Additionally, you are also responsible for safeguarding the assets of the charitable company, complying with laws and regulations and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

1.5 You are responsible for making available to us, as and when required, all the charitable company's accounting records and all other relevant records and related information, including minutes of all trustees' and management meetings and additional information that we may

Directors: S. Farren, FCCA J.D. Brolly, FCCA

- 1.6 request. You will also provide us with unrestricted access to persons within the charitable company from whom we determine it is necessary to obtain audit evidence.
- 1.7 You are required to confirm in the directors' report that so far as you are aware, there is no relevant audit information of which we, as the charitable company's auditors, are unaware and that you have taken all the steps that you ought to take as directors in order to make yourselves aware of any relevant audit information and to establish that we are aware of that information. We are entitled to require from the charitable company's officers and employees such other information and explanations as we think necessary for the performance of our duties as auditors.
- 1.8 We have a statutory responsibility to report to the trustees of the charitable company whether in our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at the year end and of its incoming resources and expenditure 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; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.

In addition, we have a statutory responsibility to report by exception if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

If we have nothing to report in respect of the above matters we will include a statement in our report confirming this.

- 1.9 We have a professional responsibility to report if the financial statements do not comply in any material respect with applicable accounting standards, unless in our opinion the non-compliance is justified in the circumstances. In determining whether or not the departure is justified we consider whether:
- the departure is required in order for the financial statements to give a true and fair view; and
 - adequate disclosure has been made concerning the departure.
- 1.10 As noted above, our report will be made solely to the charitable company's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. Our audit work will be undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. In those circumstances, to the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for the audit report, or for the opinions we form. The audit of the financial statements does not relieve you of your responsibilities.
- 1.11 We have a statutory duty to report to the Charity Commission for Northern Ireland (CCNI) under section 67 of the Charities Act (Northern Ireland) 2008 such matters (concerning the activities or affairs of the charitable company or any connected institution or body corporate) of which we become aware during the course of our audit which are (or are likely to be) of material

significance to the CCNI in the exercise of their powers of inquiry into, or acting for the protection of, charities.

- 1.12 The provision of audit services is a business in the regulated sector under the Proceeds of Crime Act 2002 and, as such partners and staff in audit firms have to comply with this legislation which includes provisions that may require us to make a money laundering disclosure in relation to information we obtain as part of our normal audit work. It is not our practice to inform you when such a disclosure is made or the reasons for it because of the restrictions imposed by the 'tipping off' provisions of the legislation.

2 Scope of audit

- 2.1 Our audit will be conducted in accordance with the International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Those standards require that we plan and perform our audit in order 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 an auditor's report 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.

- 2.2 As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Read all financial and non-financial information (other information) included in the annual report other than the financial statements and identify whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears materially misstated. You are responsible for the preparation of the other information and where, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report this fact.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. [We also communicate key audit matters in our auditor's report]¹.

- 2.3 Our work will be planned in advance and incorporated into an audit plan. This may be varied on the basis of our findings during the course of an audit from year to year. Accordingly, we may modify our audit scope, rotate our audit emphasis and propose matters of special audit emphasis, as circumstances dictate.
- 2.4 We shall obtain an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements, and to establish whether adequate accounting records have been maintained by the charitable company. We shall expect to obtain such appropriate evidence as we consider sufficient to enable us to draw reasonable conclusions therefrom.
- 2.5 The nature and extent of our procedures will vary according to our assessment of the charitable company's accounting system and, where we wish to place reliance on it, the internal control system, and may cover any aspect of the charitable company's operations that we consider appropriate. Our audit is not designed to identify all significant weaknesses in the charitable company's systems but, if such weaknesses come to our notice during the course of our audit which we think should be brought to your attention, we shall report them to you. Any such report may not be provided to third parties without our prior written consent. Such consent will be granted only on the basis that such reports are not prepared with the interests of anyone other than the charitable company in mind and that we accept no duty or responsibility to any other party as concerns the reports.
- 2.6 The information used by you in preparing the financial statements will invariably include facts or judgements which are not themselves recorded in the accounting records. As part of our normal audit procedures, we will ask you to provide written confirmation each year of such facts or judgments and any other oral representations that we have received from you during the course of the audit on matters having a material effect on the financial statements. In particular, where we bring misstatements in the financial statements to your attention that are not adjusted, we shall require written representation as to whether you believe the effects of the uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole.
- 2.7 In order to assist us with the examination of your financial statements, we shall request sight of all documents or statements, including the Trustees' Annual Report, which are due to be issued with the financial statements. We are also entitled to attend all general meetings of the charitable company and to receive notice of all such meetings as well as to receive details of all written resolutions that are to be circulated to members.
- 2.8 The responsibility of safeguarding the assets of the charitable company and for the prevention and detection of fraud, error and non-compliance with laws and regulations rests with yourselves. However, we shall plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records (including those resulting from fraud, error or non-compliance with laws and regulations), but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

¹ Auditors can choose to communicate key audit matters.

- 2.9 We shall not be treated as having notice, for the purposes of our audit responsibilities, of information provided to members of our firm other than those engaged on the audit (for example information provided in connection with accounting, taxation and other services).
- 2.10 In respect of the expected form and content of our report, we refer you to the most recent bulletin on auditor's reports published by the Financial Reporting Council at www.frc.org.uk. The form and content of our report may need to be amended in the light of our findings.
- 2.11 Once we have issued our report we have no further direct responsibility in relation to the financial statements for that financial year. However, we expect that you will inform us of any material event occurring between the date of our report and the date the financial statements are sent out in accordance with section 423 Companies Act 2006 which may affect the financial statements.
- 2.12 Where audited information is published on the charitable company's website or by other electronic means, it is your responsibility to advise us of any intended electronic publication before it occurs and to ensure that any such publication properly presents the financial information and auditor's report. We reserve the right to withhold consent to the electronic publication of our report if it or the financial statements are to be published in an inappropriate manner. It is your responsibility to ensure there are controls in place to prevent or detect quickly any changes to that information. We are not required to review such controls nor to carry out ongoing reviews of the information after it is first published. The maintenance and integrity of the charitable company's website is your responsibility and we accept no responsibility for changes made to audited information after it is first posted.

3 Communication

- 3.1 In order to promote effective two-way communication between us we set out below the expected form and timing of such communications.
- We shall contact the financial controller by telephone 12 weeks prior to each year-end for preliminary discussions concerning the audit. We will confirm in writing the matters discussed and any agreed action.

The formal communications set out above are the minimum required to comply with auditing standards. We shall of course contact you on a more frequent and regular basis regarding both audit and other matters.

4 Limitation of liability

You have agreed that our liability as auditors to the company will be limited in accordance with sections 532 to 538 of the Companies Act 2006.

We specifically draw your attention to the limitation of liability paragraphs in our standard terms and conditions which set out the basis on which we limit our liability to you and to others. You should read this in conjunction with the limitation of third party rights paragraphs in our standard terms and conditions which exclude liability to third parties. These are important provisions which you should read and consider carefully.

There are no Third Parties that we have agreed should be entitled to rely on the work done pursuant to this engagement letter.

Yours sincerely

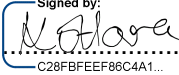
DocuSigned by:


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PFS & Partners Limited

Enc

We confirm that we have read and understood the contents of this letter and the related terms and conditions and agree that it accurately reflects our fair understanding of the services that we require you to undertake.

Signed ^{Signed by:}  Date: 18 June 2024
C28FBFEEF86C4A1...
Kerrie O'Hara

Signed ^{DocuSigned by:}  Date: 18 June 2024
b28db417635458...
Lisa Dunn

For and on behalf of
Drumahoe Childcare Limited

PFS & Partners

These terms and conditions should be read alongside the privacy notice.

Introduction

These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in separate letters of engagement.

Applicable law

This engagement letter, the schedule of services and our standard terms and conditions of business are governed by, and should be construed in accordance with, the law and practice of Northern Ireland. Each party agrees that the Courts of Northern Ireland will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.

Authorisation and registration

PFS & Partners are registered with the Association of Chartered Certified Accountants as chartered certified accountants and can be found on the register of members at <http://members.accaglobal.com/en/find-an-accountant>.

We are registered as auditors by the ACCA in the UK and details of our registration can be found at www.auditregister.org.uk under registration number 0720587 or at <http://members.accaglobal.com/en/find-an-accountant>.

Client identification and verification

As with other professional services firms, we are required to identify and verify our clients for the purposes of the UK anti-money laundering legislation. Save in exceptional circumstances we cannot start work until this requirement has been met. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases including ID verification software.

Client monies

We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Monies Rules of the Association of Chartered Certified Accountants. These rules can be found on the ACCA website at <http://www.accaglobal.com/en.html>.

We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are

unclaimed and the client to which they relate has remained untraced for five years or we as a firm cease to practise, then we may pay those monies to a registered charity.

Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies.

Commissions and other benefits

In some circumstances we may receive commissions and/or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. Where this happens, we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits.

Confidentiality

Communication between us is confidential. We shall take all reasonable steps not to disclose your information except where we are required to and as set out in our privacy notice. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality and security terms.

Conflicts of interest

If there is a conflict of interest in our relationship with you or in our relationship with you and another client that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, then we will adopt those safeguards.

Where conflicts are identified that cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services. If this arises, we will inform you promptly. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject, of course, to the obligations of confidentiality referred to above.

Consumer credit

The firm is not authorised by the Financial Conduct Authority (FCA) for non-credit related activities. We fall within the ACCA DPB regime (FSMA 2000 Part 20) for incidental Consumer Credit services that we provide to you as part of your professional accounting and tax services.

Data Protection

We confirm that we will comply with the provisions of the General Data Protection Regulation (GDPR) when processing personal data about you and your employees where appropriate.

Processing means:

- obtaining, recording, or holding personal data; or
- carrying out any operation or set of operations on personal data, including collecting and storage, organising, adapting, altering, using, disclosure (by any means) or removing (by any means) from the records manual and digital.

The information we obtain, process, use and disclose will be necessary for:

- the performance of the contract
- to comply with our legal and regulatory compliance and crime prevention
- contacting you with details of other services where you have consented to us doing so
- other legitimate interests relating to protection against potential claims and disciplinary action against us.

This includes, but is not limited to, purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns.

In regard to our professional obligations, we are a member firm of the Association of Chartered Certified Accountants (ACCA). Under the ethical and regulatory rules of ACCA we are required to allow access to client files and records for the purpose of maintaining our membership of this body.

Further details on the processing of data are contained in our privacy notice, which should be read alongside these terms and conditions.

Disengagement

Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

Should we have no contact with you for a period of 1 year or more, we may issue to your last known address a disengagement letter and thereafter cease to act.

We reserve the right following termination for any reason to destroy any of your documents that we have not been able to return to you after a period of six months unless other laws or regulations require otherwise.

Electronic and other communication

As instructed, we will communicate with you and with any third parties you instruct us to as set out in our covering letter and privacy notice via email or by other electronic means. The recipient is responsible for virus-checking emails and any attachments.

With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection, or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However, electronic communication is not totally secure, and we cannot be held responsible for damage or loss caused by viruses, nor for communications that are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication, especially in relation to commercially sensitive material. These are risks you must accept in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by hard copy, other than where electronic submission is mandatory.

Any communication by us with you sent through the post or DX system is deemed to arrive at your postal address two working days after the day that the document was sent.

When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.

You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.

Fees and payment terms

Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility, and the importance and value of the advice that we provide, as well as the level of risk.

If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

Where requested, we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership

of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

We will bill periodically, and our invoices are due for payment upon within 30 days of issue. Our fees are exclusive of VAT, which will be added where it is chargeable. Any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.

Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel, or other professional fees.

It is our normal practice to issue applications for payment when dealing with continuous or recurring work. The payment terms for applications for payment are the same as for invoiced fees. A VAT invoice will be issued to you upon receipt of your payment.

Clients can request to pay by monthly standing order and to periodically adjust the monthly payment by reference to actual billings.

You authorise us to settle our agreed fees from any money held on your behalf in the client account.

Where this contract exists between us and a purchaser acting in the course of a business, we reserve the right to charge interest on late-paid invoices at the rate of 8% above the Bank of England base rate under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

On termination of the engagement, you may appoint a new adviser. Where a new adviser requests professional clearance and handover information we reserve the right to charge you a reasonable fee for the provision of handover information.

Implementation

We will only assist with implementation of our advice if specifically instructed and agreed in writing.

Intellectual property rights

We will retain all copyright in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

Interpretation

If any provision of this engagement letter, schedules of services or standard terms and conditions is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted.

In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

Internal disputes

If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business, and we would not provide information or services to one party without the express knowledge and permission of all parties.

Investment services

Investment business is regulated under the Financial Services and Markets Act 2000 and the Financial Services Act 2012.

If, during the provision of professional services to you, you need advice on investments, including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority or the Prudential Regulation Authority or licensed by a Designated Professional Body as we are not authorised to give such advice.

Lien

In so far as permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

Limitation of liability

We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs, and expenses directly caused by our negligence or wilful default.

Exclusion of liability for loss caused by others

We will not be liable if such losses, penalties, interest, or additional tax liabilities are caused by the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information, or if they are caused by a failure to act on our advice or a failure to provide us with relevant information.

In particular, where we refer you to another firm whom you engage with directly, we accept no responsibility in relation to their work and will not be liable for any loss caused by them.

Exclusion of liability in relation to circumstances beyond our control

We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

Exclusion of liability relating to non-disclosure or misrepresentation

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or misrepresented to us.

This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures that we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry beyond that which it would have been reasonable for us to have carried out in the circumstances.

Indemnity for unauthorised disclosure

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.

Limitation of aggregate liability

Where the engagement letter specifies an aggregate limit of liability, then that sum shall be the maximum aggregate liability of this firm, principals, partners, directors or members agents and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter, you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it, you should contact us to discuss it before signing the engagement letter.

You have agreed that you will not bring any claim of a kind that is included within the subject of the limit against any of our principals/partners/directors/members or employees, on a personal basis.

Limitation of Third-Party Rights

The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our

work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. It may not be used or relied upon for any other purpose or by any other person other than you without our prior written consent. A party to this agreement is the only person who has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice.

If it is proposed that any documents or statement which refer to our name are to be circulated to third parties, please consult us before they are issued.

Money Laundering Regulations 2017

In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided, or information disclosed to the National Crime Agency (NCA).

You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

As with other professional services firms, we are required to have appropriate risk-based policies and procedures for assessing and managing money laundering risks: this applies at the start of any business relationship and through the lifetime of the relationship. This includes undertaking appropriate customer due diligence. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

Copies of such records created as part of the client due diligence process, including any non-engagement documents relating to the client relationship and ongoing monitoring of it, will be retained by us for a period of five years after we cease to act for the business unless we are required to retain them under statutory obligation, or to retain them for legal proceedings, or you consented to the retention in which case the records will be retained for not more than 10 years.

Notification

We shall not be treated as having notice, for the purposes of our audit/accounts/tax responsibilities, of information provided to members of our firm other than those engaged on the specific assignment (for example, information provided in connection with accounting, taxation, and other services).

Period of engagement and termination

Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.

Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

In the event of termination of this contract, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

If you engage us for a one-off piece of work (for example advice on a one-off transaction or preparation of a tax return for one year only) the engagement ceases as soon as that work is completed. The date of completion of the work is taken to be the termination date and we owe you no duties and we will not undertake further work beyond that date.

Where recurring work is provided (for example ongoing compliance work such as the completion of annual tax returns) the engagement ceases on the relevant date in relation to the termination as set out above. Unless immediate termination applies, in practice this means that the relevant termination date is:

- 21 days after the date of notice of termination; or
- a later agreed date

We owe you no duties beyond the date of termination and will not undertake any further work.

Professional rules and statutory obligations

We will observe and act in accordance with the by-laws, regulations, and ethical guidelines of the [Association of Chartered Certified Accountants \(ACCA\)](#) and will accept instructions to act for you on this basis.

You are responsible for bringing to our attention any errors, omissions, or inaccuracies in your returns that you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

In particular, you give us the authority to correct errors made by HMRC where we become aware of them. In addition, we will not undertake tax planning which breaches professional conduct in relation to taxation. We will therefore comply with the general anti-abuse rule and the targeted anti-avoidance rule. We will not be liable

for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements at our offices.

The requirements are also available online at www.accaglobal.com/en.html.

The implications of professional body membership as it relates to GDPR are set out in the privacy notice, which should be read alongside these standard terms and conditions of business.

Provision of Services Regulations 2009

In accordance with our professional body rules, we are required to hold professional indemnity insurance. Details of our current professional indemnity insurer are available on request and our level of cover is £2,000,000. Territorial coverage is worldwide excluding business carried out from the USA or Canada and excludes any action for a claim brought in any court in the USA or Canada

Quality of service

We aim to provide a high quality of service at all times. If you would like to discuss with us how our service could be improved or if you are dissatisfied with the service that you are receiving, please let us know by contacting Seamus Farren.

We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction, you may take up the matter with the Association of Chartered Certified Accountants. This should be done promptly and, in any event, no later than 6 months after exhausting our procedures.

Should ACCA consider a complaint appropriate for conciliation, it is competent to offer alternative dispute resolution through its Conciliation Service. ACCA's website address is www.accaglobal.com. Please note that, under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) conciliation process we are not obliged to submit to ACCA's conciliation process.

Reliance on advice

We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example, during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing. However, bear in mind that advice is only valid at the date it is given.

Retention of papers

You have a legal responsibility to retain documents and records relevant to your tax affairs. During the course of our work, we may collect information from you and others relevant to your tax affairs. We will return any original documents to you if requested.

When we cease to act for you, we will seek to agree the position on access to cloud-accounting records to ensure continuity of service. This may require you to enter direct engagements with the software providers and pay for that service separately. Documents and records relevant to your tax affairs are required by law to be retained as follows:

Individuals, trustees, and partnerships

- with trading or rental income: five years and 10 months after the end of the tax year.
- otherwise: 22 months after the end of the tax year.

Companies, LLPs, and other corporate entities

- six years from the end of the accounting period.

While certain documents may legally belong to you, we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than seven years old. This includes your documents if they have not been reclaimed by you within the seven-year period. You must tell us if you require the return of any specific document or their retention for a longer period.

You should retain documents that are sent to you by us as set out in the privacy notice, which should be read alongside these terms and conditions.

Timetable

The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.

The timing of our work will in any event be dependent on the prompt supply of all information and documentation as and when required by us.

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Annual return



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

Unit B, 2 Fleming Way
LIMAVADY
BT49 0FB

T. 028 7776 5534
E. enquiries@pfsandpartners.co.uk
W. www.pfsandpartners.co.uk

21 October 2024
JDB/KT/L3238/161227

Drumahoe Childcare Limited
C/O Londonderry YMCA
51 Glenshane Road
Drumahoe
Londonderry
BT47 3SF

Dear Trustees

Drumahoe Childcare Limited
Audit for the year ended 31 March 2024

We have now completed the preparation of the Financial Statements for the above year and have concluded our audit of these also.

Please find attached for electronic signing:

- The Trustees' Report and Financial Statements as at 31 March 2024.
- Letter of Representation;
- Letter of Comment

We shall sign the Auditors' Report after receiving the signed documents back.

We have enclosed copies of our updated engagement letters for electronic signing setting out our respective responsibilities – please read these carefully and if you are in agreement sign electronically.

If you have any queries regarding any of the above, please do not hesitate to contact Kirsty Taylor on 02877765534 or e-mail kirstytaylor@pfsandpartners.co.uk.

Yours sincerely

DocuSigned by:
PFS & Partners
65368107E73E439...
PFS & Partners
Enc

Directors: S. Farren, FCCA J.D. Brolly, FCCA

PFS & Partners is the practicing name of PFS & Partners Limited. Registered Office: 16 Main Street, Limavady, BT49 0EU. Registered No. NI 43283. VAT Registration No. 796 02 1616. Registered as auditors in the United Kingdom and Ireland by the Association of Chartered Certified Accountants. Regulated for a range of investment business activities by the Association of Chartered Certified Accountants.



Charity registration number NI100480

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Adrian Johnston Gillian Simpson Andrew Tate Lorna Somers Kerrie O'Hara
Secretary	Kerrie O'Hara
Charity number	NI100480
Company number	NI039031
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF
Auditor	PFS & Partners Limited 16 Main Street Limavady BT49 0EU
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW

DRUMAHOE CHILDCARE LIMITED

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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Public benefit

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

The objectives and activities of the charity are to advance the education of children aged 2 to 11 years old in Drumahoe, County Derry/Londonderry and the wider Derry City and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

In 2024, Drumahoe Childcare launched its strategic plan, focusing on its vision, mission, and goals for the next three years. The plan aims to enhance and strengthen all aspects of our childcare services.

Building a culture of positive wellbeing for both staff and children is reinforced with the appointment of a Mental Health Champion.

The fundraising committee held events throughout the year, including, supper with Santa, an Easter hamper, a sponsored walk and the Big Family breakfast. More events have been planned into 2024.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

Drumahoe Childcare is a "not for profit" organisation that aims to become sustainable without grant assistance, using any surplus to reinvest into services and facilities.

Occupancy levels have steadily increased through the year.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain cautious moving into the next financial year given the unpredictability of the economy in recent times.

Opportunities for investment and growth will remain an area for exploration.

Reserves policy

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation ever arise.

Plans for future periods

With the launch of the strategic plan, we have a clear vision of where we will be moving forward and are focusing on the goals outlined in this.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a Board of Trustees. The Manager is appointed to run the daily activities of the organisation and reports to the Board of Trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle
Lisa Dunn
Robert Dunn
Adrian Johnston
Gillian Simpson
Andrew Tate
Lorna Somers
Kerrie O'Hara

Recruitment and appointment of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2024*

Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Signed by:

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Kerrie O'Hara
Trustee

DocuSigned by:

D29DDB4115354BB...
Lisa Dunn
Trustee

16 October 2024

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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James Daniel Brolly (Senior Statutory Auditor)
for and on behalf of PFS & Partners Limited

16 October 2024

Chartered Certified Accountants
Statutory Auditor

16 Main Street
Limavady
BT49 0EU

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	-	25,655	25,655	-	23,643	23,643
Charitable activities	4	577,924	-	577,924	518,127	-	518,127
Other trading activities	5	-	2,607	2,607	-	2,359	2,359
Investments	6	968	-	968	314	-	314
Total income		578,892	28,262	607,154	518,441	26,002	544,443
Expenditure on:							
Raising funds	7	-	981	981	-	613	613
Charitable activities	8	559,411	25,655	585,066	505,566	23,643	529,209
Other expenditure		656	-	656	886	-	886
Total expenditure		560,067	26,636	586,703	506,452	24,256	530,708
Net income and movement in funds		18,825	1,626	20,451	11,989	1,746	13,735
Reconciliation of funds:							
Fund balances at 1 April 2023		228,988	1,746	230,734	216,999	-	216,999
Fund balances at 31 March 2024		247,813	3,372	251,185	228,988	1,746	230,734

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

DRUMAHOE CHILDCARE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		67,799		68,447
Current assets					
Debtors	16	20,895		16,232	
Cash at bank and in hand		211,538		195,977	
		232,433		212,209	
Creditors: amounts falling due within one year	18	(37,124)		(29,473)	
Net current assets			195,309		182,736
Total assets less current liabilities			263,108		251,183
Creditors: amounts falling due after more than one year	19		(11,923)		(20,449)
Net assets excluding pension liability			251,185		230,734
Net assets			251,185		230,734
The funds of the charity					
Restricted income funds	21		3,372		1,746
Unrestricted funds			247,813		228,988
			251,185		230,734

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 16 October 2024

DocuSigned by:

 D29DDB4115354BB...

Lisa Dunn

Trustee

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	25		30,620		29,017
Investing activities					
Purchase of tangible fixed assets		(7,418)		(6,540)	
Investment income received		968		314	
Net cash used in investing activities			(6,450)		(6,226)
Financing activities					
Repayment of bank loans		(8,526)		(9,131)	
Net cash used in financing activities			(8,526)		(9,131)
Net increase in cash and cash equivalents			15,644		13,660
Cash and cash equivalents at beginning of year			195,894		182,234
Cash and cash equivalents at end of year			211,538		195,894
Relating to:					
Cash at bank and in hand			211,538		195,977
Bank overdrafts included in creditors payable within one year			-		(83)

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Restricted funds 2024 £	Restricted funds 2023 £
Grants receivable	25,655	23,643
	<u>25,655</u>	<u>23,643</u>
Grants receivable for core activities		
Bright Start	21,655	21,654
DCSDC	4,000	1,989
	<u>25,655</u>	<u>23,643</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Childcare income	577,924	513,974
Other income	-	4,153
	<u>577,924</u>	<u>518,127</u>

5 Income from other trading activities

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising events	2,607	2,359
	<u>2,607</u>	<u>2,359</u>

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	968	314
	<u>968</u>	<u>314</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on raising funds

	Restricted funds 2024 £	Restricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	981	613
	<u> </u>	<u> </u>

8 Charitable activities

	2024 £	2023 £
Childcare	579,666	523,809
Share of governance costs (see note 10)	5,400	5,400
	<u> </u>	<u> </u>
	585,066	529,209
	<u> </u>	<u> </u>
Analysis by fund		
Unrestricted funds	559,411	505,566
Restricted funds	25,655	23,643
	<u> </u>	<u> </u>
	585,066	529,209
	<u> </u>	<u> </u>

9 Description of charitable activities

Charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Support costs allocated to activities

	2024 £	2023 £
Governance costs	5,400	5,400
Analysed between:		
Charitable activities	5,400	5,400

11 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,200	4,200
Depreciation of owned tangible fixed assets	8,064	7,094

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Childcare staff	28	27
Employment costs	2024 £	2023 £
Wages and salaries	419,272	382,292
Social security costs	21,169	19,022
Other pension costs	4,581	4,081
	445,022	405,395

There were no employees whose annual remuneration was more than £60,000.

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DRUMAHOE CHILDCARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****15 Tangible fixed assets**

	Leasehold improvements	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£
Cost				
At 1 April 2023	47,000	67,918	28,934	143,852
Additions	-	7,418	-	7,418
	<u>47,000</u>	<u>75,336</u>	<u>28,934</u>	<u>151,270</u>
Depreciation and impairment				
At 1 April 2023	5,875	55,675	13,857	75,407
Depreciation charged in the year	2,350	4,206	1,508	8,064
	<u>8,225</u>	<u>59,881</u>	<u>15,365</u>	<u>83,471</u>
Carrying amount				
At 31 March 2024	<u>38,775</u>	<u>15,455</u>	<u>13,569</u>	<u>67,799</u>
At 31 March 2023	<u>41,125</u>	<u>12,245</u>	<u>15,077</u>	<u>68,447</u>

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	11,816	10,818
Other debtors	9,079	5,414
	<u>20,895</u>	<u>16,232</u>

17 Loans and overdrafts

	2024	2023
	£	£
Bank overdrafts	-	83
Bank loans	21,940	30,466
	<u>21,940</u>	<u>30,549</u>
Payable within one year	10,017	10,100
Payable after one year	11,923	20,449

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans and overdrafts	17	10,017	10,100
Other taxation and social security		4,726	2,786
Trade creditors		83	31
Other creditors		13,523	11,156
Accruals and deferred income		8,775	5,400
		<u>37,124</u>	<u>29,473</u>

19 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	17	11,923	20,449
		<u>11,923</u>	<u>20,449</u>

20 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	4,581	4,081
	<u>4,581</u>	<u>4,081</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Bright Start	-	21,655	(21,655)	-
DCSDC	-	4,000	(4,000)	-
Fundraising income	1,746	2,607	(981)	3,372
	<u>1,746</u>	<u>28,262</u>	<u>(26,636)</u>	<u>3,372</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Bright Start	-	21,654	(21,654)	-
DCSDC	-	1,989	(1,989)	-
Fundraising income	-	2,359	(613)	1,746
	-	26,002	(24,256)	1,746

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	228,988	578,892	(560,067)	247,813
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	216,999	518,441	(506,452)	228,988

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	67,799	-	67,799
Current assets/(liabilities)	191,937	3,372	195,309
Long term liabilities	(11,923)	-	(11,923)
	247,813	3,372	251,185

DRUMAHOE CHILDCARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****23 Analysis of net assets between funds****(Continued)**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	68,447	-	68,447
Current assets/(liabilities)	180,990	1,746	182,736
Long term liabilities	(20,449)	-	(20,449)
	<u>228,988</u>	<u>1,746</u>	<u>230,734</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

25 Cash generated from operations

	2024 £	2023 £
Surplus for the year	20,451	13,735
Adjustments for:		
Investment income recognised in statement of financial activities	(968)	(314)
Depreciation and impairment of tangible fixed assets	8,064	7,095
Movements in working capital:		
(Increase)/decrease in debtors	(4,663)	9,021
Increase/(decrease) in creditors	7,736	(520)
Cash generated from operations	<u>30,620</u>	<u>29,017</u>

26 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	195,977	15,561	211,538
Bank overdrafts	(83)	83	-
	<u>195,894</u>	<u>15,644</u>	<u>211,538</u>
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(20,449)	8,526	(11,923)
	<u>165,428</u>	<u>24,170</u>	<u>189,598</u>



PFS & Partners Limited, Statutory Auditor
Chartered Certified Accountants
16 Main Street
Limavady
BT49 0EU

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charitable company's financial statements for the year ended 31 March 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as directors / trustees as set out in the terms of your engagement letter dated 18 June 2024, under the Companies Act 2006 and Charities Act (Northern Ireland) 2008 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission for Northern Ireland.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

Internal control and fraud

- 6 We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7 We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

- 9 The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

13 The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

14 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

15 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

17 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

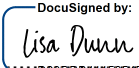
Restricted grants and donations are as follows:

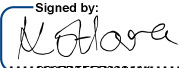
Bright Start
DCSDC

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

DocuSigned by:

D29DDB4115354BB.....
Lisa Dunn
Directors

Signed by:

C28FBFEF80C4AT.....
Kerrie O'Hara
Secretary

Signed on behalf of the board of directors / trustees

16 October 2024



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

Unit B, 2 Fleming Way
LIMAVADY
BT49 0FB

T. 028 7776 5534
E. enquiries@pfsandpartners.co.uk
W. www.pfsandpartners.co.uk

16 October 2024
JB/ZMCC/L3238/B

Strictly Private & Confidential
For the attention of the Directors

Drumahoe Childcare Limited
c/o Londonderry YMCA
51 Glenshane Road
Drumahoe
Londonderry
BT47 3SF

Dear Sirs,

AUDIT FOR YEAR ENDED 31ST MARCH 2024

We have completed our audit of Drumahoe Childcare Limited for the year ended 31 March 2024 carried out over the period June 2024 to September 2024, and would like to bring the following issue to your attention:-

- As auditors we are responsible for forming and expressing an opinion on the financial statements, that have been prepared by management with the oversight of those charged with governance:
- As auditors, and in line with the company's accounts the materiality level for the audit was set at £18,000:
- Please note that there are no issues regarding our independence in terms of performing the audit duty:
- The audit of the financial statements does not relieve management or those charged with governance of their responsibilities:
- The significant findings arising from the audit are as follows;
 - No major weaknesses have been noted in the design or implementation of internal controls during the year ended 31 March 2024.

If you should have any queries regarding the above, please do not hesitate to contact us.

Yours faithfully,

DocuSigned by:

65368107E73E439...
PFS & Partners Limited

Directors: S. Farren, FCCA J.D. Brolly, FCCA



Chartered Certified Accountants
Registered Auditors

16 Main Street
LIMAVADY
BT49 0EU

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18 June 2024
JB/ZMCC/L3238

FAO Trustees
Drumahoe Childcare Limited
C/O Londonderry YMCA
51 Glenshane Road
Drumahoe
BT47 3SF

Dear Trustees

APPENDIX 1A – SCHEDULE OF PROFESSIONAL SERVICES: AUDIT OF THE FINANCIAL STATEMENTS

1 Responsibilities of trustees and auditors

1.1 As trustees of Drumahoe Childcare Limited (the charitable company), in addition to your general duties as specified in sections 170 to 177 of the Companies Act 2006, you are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable you to ensure that the financial statements comply with the Companies Act 2006. You are also responsible for preparing financial statements which give a true and fair view and have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006 and regulations made under it.

1.2 In preparing these financial statements, you are required to:

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

You also have a responsibility not to approve these financial statements unless you are satisfied that they give a true and fair view.

1.3 As trustees of a charitable company, you have a duty under the Companies Act 2006 to prepare a directors' report and also an annual report for each financial year, complying in its form and content with regulations made under the Charities Act (Northern Ireland) 2008. You should also have regard to the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102), issued [July 2014 / October 2019] by the joint SORP-making body, and any subsequent amendments or variations to this statement.

1.4 You are responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error. Additionally, you are also responsible for safeguarding the assets of the charitable company, complying with laws and regulations and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

1.5 You are responsible for making available to us, as and when required, all the charitable company's accounting records and all other relevant records and related information, including minutes of all trustees' and management meetings and additional information that we may

Directors: S. Farren, FCCA J.D. Brolly, FCCA

- 1.6 request. You will also provide us with unrestricted access to persons within the charitable company from whom we determine it is necessary to obtain audit evidence.
- 1.7 You are required to confirm in the directors' report that so far as you are aware, there is no relevant audit information of which we, as the charitable company's auditors, are unaware and that you have taken all the steps that you ought to take as directors in order to make yourselves aware of any relevant audit information and to establish that we are aware of that information. We are entitled to require from the charitable company's officers and employees such other information and explanations as we think necessary for the performance of our duties as auditors.
- 1.8 We have a statutory responsibility to report to the trustees of the charitable company whether in our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at the year end and of its incoming resources and expenditure 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; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.

In addition, we have a statutory responsibility to report by exception if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

If we have nothing to report in respect of the above matters we will include a statement in our report confirming this.

- 1.9 We have a professional responsibility to report if the financial statements do not comply in any material respect with applicable accounting standards, unless in our opinion the non-compliance is justified in the circumstances. In determining whether or not the departure is justified we consider whether:
- the departure is required in order for the financial statements to give a true and fair view; and
 - adequate disclosure has been made concerning the departure.
- 1.10 As noted above, our report will be made solely to the charitable company's trustees as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. Our audit work will be undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. In those circumstances, to the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for the audit report, or for the opinions we form. The audit of the financial statements does not relieve you of your responsibilities.
- 1.11 We have a statutory duty to report to the Charity Commission for Northern Ireland (CCNI) under section 67 of the Charities Act (Northern Ireland) 2008 such matters (concerning the activities or affairs of the charitable company or any connected institution or body corporate) of which we become aware during the course of our audit which are (or are likely to be) of material

significance to the CCNI in the exercise of their powers of inquiry into, or acting for the protection of, charities.

- 1.12 The provision of audit services is a business in the regulated sector under the Proceeds of Crime Act 2002 and, as such partners and staff in audit firms have to comply with this legislation which includes provisions that may require us to make a money laundering disclosure in relation to information we obtain as part of our normal audit work. It is not our practice to inform you when such a disclosure is made or the reasons for it because of the restrictions imposed by the 'tipping off' provisions of the legislation.

2 Scope of audit

- 2.1 Our audit will be conducted in accordance with the International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Those standards require that we plan and perform our audit in order 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 an auditor's report 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.

- 2.2 As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Read all financial and non-financial information (other information) included in the annual report other than the financial statements and identify whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears materially misstated. You are responsible for the preparation of the other information and where, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report this fact.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. [We also communicate key audit matters in our auditor's report]¹.

- 2.3 Our work will be planned in advance and incorporated into an audit plan. This may be varied on the basis of our findings during the course of an audit from year to year. Accordingly, we may modify our audit scope, rotate our audit emphasis and propose matters of special audit emphasis, as circumstances dictate.
- 2.4 We shall obtain an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements, and to establish whether adequate accounting records have been maintained by the charitable company. We shall expect to obtain such appropriate evidence as we consider sufficient to enable us to draw reasonable conclusions therefrom.
- 2.5 The nature and extent of our procedures will vary according to our assessment of the charitable company's accounting system and, where we wish to place reliance on it, the internal control system, and may cover any aspect of the charitable company's operations that we consider appropriate. Our audit is not designed to identify all significant weaknesses in the charitable company's systems but, if such weaknesses come to our notice during the course of our audit which we think should be brought to your attention, we shall report them to you. Any such report may not be provided to third parties without our prior written consent. Such consent will be granted only on the basis that such reports are not prepared with the interests of anyone other than the charitable company in mind and that we accept no duty or responsibility to any other party as concerns the reports.
- 2.6 The information used by you in preparing the financial statements will invariably include facts or judgements which are not themselves recorded in the accounting records. As part of our normal audit procedures, we will ask you to provide written confirmation each year of such facts or judgments and any other oral representations that we have received from you during the course of the audit on matters having a material effect on the financial statements. In particular, where we bring misstatements in the financial statements to your attention that are not adjusted, we shall require written representation as to whether you believe the effects of the uncorrected misstatements are immaterial, individually and in aggregate, to the financial statements as a whole.
- 2.7 In order to assist us with the examination of your financial statements, we shall request sight of all documents or statements, including the Trustees' Annual Report, which are due to be issued with the financial statements. We are also entitled to attend all general meetings of the charitable company and to receive notice of all such meetings as well as to receive details of all written resolutions that are to be circulated to members.
- 2.8 The responsibility of safeguarding the assets of the charitable company and for the prevention and detection of fraud, error and non-compliance with laws and regulations rests with yourselves. However, we shall plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records (including those resulting from fraud, error or non-compliance with laws and regulations), but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance as may exist.

¹ Auditors can choose to communicate key audit matters.

- 2.9 We shall not be treated as having notice, for the purposes of our audit responsibilities, of information provided to members of our firm other than those engaged on the audit (for example information provided in connection with accounting, taxation and other services).
- 2.10 In respect of the expected form and content of our report, we refer you to the most recent bulletin on auditor's reports published by the Financial Reporting Council at www.frc.org.uk. The form and content of our report may need to be amended in the light of our findings.
- 2.11 Once we have issued our report we have no further direct responsibility in relation to the financial statements for that financial year. However, we expect that you will inform us of any material event occurring between the date of our report and the date the financial statements are sent out in accordance with section 423 Companies Act 2006 which may affect the financial statements.
- 2.12 Where audited information is published on the charitable company's website or by other electronic means, it is your responsibility to advise us of any intended electronic publication before it occurs and to ensure that any such publication properly presents the financial information and auditor's report. We reserve the right to withhold consent to the electronic publication of our report if it or the financial statements are to be published in an inappropriate manner. It is your responsibility to ensure there are controls in place to prevent or detect quickly any changes to that information. We are not required to review such controls nor to carry out ongoing reviews of the information after it is first published. The maintenance and integrity of the charitable company's website is your responsibility and we accept no responsibility for changes made to audited information after it is first posted.

3 Communication

- 3.1 In order to promote effective two-way communication between us we set out below the expected form and timing of such communications.
- We shall contact the financial controller by telephone 12 weeks prior to each year-end for preliminary discussions concerning the audit. We will confirm in writing the matters discussed and any agreed action.

The formal communications set out above are the minimum required to comply with auditing standards. We shall of course contact you on a more frequent and regular basis regarding both audit and other matters.

4 Limitation of liability

You have agreed that our liability as auditors to the company will be limited in accordance with sections 532 to 538 of the Companies Act 2006.

We specifically draw your attention to the limitation of liability paragraphs in our standard terms and conditions which set out the basis on which we limit our liability to you and to others. You should read this in conjunction with the limitation of third party rights paragraphs in our standard terms and conditions which exclude liability to third parties. These are important provisions which you should read and consider carefully.

There are no Third Parties that we have agreed should be entitled to rely on the work done pursuant to this engagement letter.

Yours sincerely

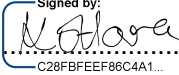
DocuSigned by:


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PFS & Partners Limited

Enc

We confirm that we have read and understood the contents of this letter and the related terms and conditions and agree that it accurately reflects our fair understanding of the services that we require you to undertake.

Signed ^{Signed by:}  Date: 18 June 2024
C28FBFEEF86C4A1...
Kerrie O'Hara

Signed ^{DocuSigned by:}  Date: 18 June 2024
b28db417635458...
Lisa Dunn

For and on behalf of
Drumahoe Childcare Limited

PFS & Partners

These terms and conditions should be read alongside the privacy notice.

Introduction

These terms and conditions set out the general terms under which we undertake our business. The specific conditions relating to particular assignments will be covered in separate letters of engagement.

Applicable law

This engagement letter, the schedule of services and our standard terms and conditions of business are governed by, and should be construed in accordance with, the law and practice of Northern Ireland. Each party agrees that the Courts of Northern Ireland will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it. Each party irrevocably waives any right to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those courts do not have jurisdiction.

Authorisation and registration

PFS & Partners are registered with the Association of Chartered Certified Accountants as chartered certified accountants and can be found on the register of members at <http://members.accaglobal.com/en/find-an-accountant>.

We are registered as auditors by the ACCA in the UK and details of our registration can be found at www.auditregister.org.uk under registration number 0720587 or at <http://members.accaglobal.com/en/find-an-accountant>.

Client identification and verification

As with other professional services firms, we are required to identify and verify our clients for the purposes of the UK anti-money laundering legislation. Save in exceptional circumstances we cannot start work until this requirement has been met. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases including ID verification software.

Client monies

We may, from time to time, hold money on your behalf. Such money will be held in trust in a client bank account, which is segregated from the firm's funds. The account will be operated, and all funds dealt with, in accordance with the Clients' Monies Rules of the Association of Chartered Certified Accountants. These rules can be found on the ACCA website at <http://www.accaglobal.com/en.html>.

We will return monies held on your behalf promptly as soon as there is no longer any reason to retain those funds. If any funds remain in our client account that are

unclaimed and the client to which they relate has remained untraced for five years or we as a firm cease to practise, then we may pay those monies to a registered charity.

Fees paid by you in advance for professional work to be performed and clearly identifiable as such shall not be regarded as clients' monies.

Commissions and other benefits

In some circumstances we may receive commissions and/or other benefits for introductions to other professionals or in respect of transactions which we arrange for you. Where this happens, we will notify you in writing of the amount and terms of payment and receipt of any such commissions or benefits.

Confidentiality

Communication between us is confidential. We shall take all reasonable steps not to disclose your information except where we are required to and as set out in our privacy notice. Unless we are authorised by you to disclose information on your behalf this undertaking will apply during and after this engagement.

We may, on occasions, subcontract work on your affairs to other tax or accounting professionals. The subcontractors will be bound by our client confidentiality and security terms.

Conflicts of interest

If there is a conflict of interest in our relationship with you or in our relationship with you and another client that is capable of being addressed successfully by the adoption of suitable safeguards to protect your interests, then we will adopt those safeguards.

Where conflicts are identified that cannot be managed in a way that protects your interests then we regret that we will be unable to provide further services. If this arises, we will inform you promptly. We reserve the right to act for other clients whose interests are not the same as or are adverse to yours, subject, of course, to the obligations of confidentiality referred to above.

Consumer credit

The firm is not authorised by the Financial Conduct Authority (FCA) for non-credit related activities. We fall within the ACCA DPB regime (FSMA 2000 Part 20) for incidental Consumer Credit services that we provide to you as part of your professional accounting and tax services.

Data Protection

We confirm that we will comply with the provisions of the General Data Protection Regulation (GDPR) when processing personal data about you and your employees where appropriate.

Processing means:

- obtaining, recording, or holding personal data; or
- carrying out any operation or set of operations on personal data, including collecting and storage, organising, adapting, altering, using, disclosure (by any means) or removing (by any means) from the records manual and digital.

The information we obtain, process, use and disclose will be necessary for:

- the performance of the contract
- to comply with our legal and regulatory compliance and crime prevention
- contacting you with details of other services where you have consented to us doing so
- other legitimate interests relating to protection against potential claims and disciplinary action against us.

This includes, but is not limited to, purposes such as updating and enhancing our client records, analysis for management purposes and statutory returns.

In regard to our professional obligations, we are a member firm of the Association of Chartered Certified Accountants (ACCA). Under the ethical and regulatory rules of ACCA we are required to allow access to client files and records for the purpose of maintaining our membership of this body.

Further details on the processing of data are contained in our privacy notice, which should be read alongside these terms and conditions.

Disengagement

Should we resign or be requested to resign we will normally issue a disengagement letter to ensure that our respective responsibilities are clear.

Should we have no contact with you for a period of 1 year or more, we may issue to your last known address a disengagement letter and thereafter cease to act.

We reserve the right following termination for any reason to destroy any of your documents that we have not been able to return to you after a period of six months unless other laws or regulations require otherwise.

Electronic and other communication

As instructed, we will communicate with you and with any third parties you instruct us to as set out in our covering letter and privacy notice via email or by other electronic means. The recipient is responsible for virus-checking emails and any attachments.

With electronic communication there is a risk of non-receipt, delayed receipt, inadvertent misdirection, or interception by third parties. We use virus-scanning software to reduce the risk of viruses and similar damaging items being transmitted through emails or electronic storage devices. However, electronic communication is not totally secure, and we cannot be held responsible for damage or loss caused by viruses, nor for communications that are corrupted or altered after despatch. Nor can we accept any liability for problems or accidental errors relating to this means of communication, especially in relation to commercially sensitive material. These are risks you must accept in return for greater efficiency and lower costs. If you do not wish to accept these risks, please let us know and we will communicate by hard copy, other than where electronic submission is mandatory.

Any communication by us with you sent through the post or DX system is deemed to arrive at your postal address two working days after the day that the document was sent.

When accessing information held electronically by HMRC, we may have access to more information than we need and will only access records reasonably required to carry out the contract.

You are required to keep us up to date with accurate contact details at all times. This is important to ensure that communications and papers are not sent to the incorrect address.

Fees and payment terms

Our fees may depend not only upon the time spent on your affairs but also on the level of skill and responsibility, and the importance and value of the advice that we provide, as well as the level of risk.

If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that that will be the case.

Where requested, we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. It is not our practice to identify fixed fees for more than a year ahead as such fee quotes need to be reviewed in the light of events. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.

In some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by HMRC. Assistance may be provided through insurance policies you hold or via membership

of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are liable to be paid by your insurers.

We will bill periodically, and our invoices are due for payment upon within 30 days of issue. Our fees are exclusive of VAT, which will be added where it is chargeable. Any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.

Unless otherwise agreed to the contrary, our fees do not include the costs of any third party, counsel, or other professional fees.

It is our normal practice to issue applications for payment when dealing with continuous or recurring work. The payment terms for applications for payment are the same as for invoiced fees. A VAT invoice will be issued to you upon receipt of your payment.

Clients can request to pay by monthly standing order and to periodically adjust the monthly payment by reference to actual billings.

You authorise us to settle our agreed fees from any money held on your behalf in the client account.

Where this contract exists between us and a purchaser acting in the course of a business, we reserve the right to charge interest on late-paid invoices at the rate of 8% above the Bank of England base rate under the Late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.

If you do not accept that an invoiced fee is fair and reasonable you must notify us within 21 days of receipt, failing which you will be deemed to have accepted that payment is due.

On termination of the engagement, you may appoint a new adviser. Where a new adviser requests professional clearance and handover information we reserve the right to charge you a reasonable fee for the provision of handover information.

Implementation

We will only assist with implementation of our advice if specifically instructed and agreed in writing.

Intellectual property rights

We will retain all copyright in any document prepared by us during the course of carrying out the engagement save where the law specifically provides otherwise.

Interpretation

If any provision of this engagement letter, schedules of services or standard terms and conditions is held to be void, then that provision will be deemed not to form part of this contract and the remainder of this agreement shall be interpreted as if such provision had never been inserted.

In the event of any conflict between these terms of business and the engagement letter or appendices, the relevant provision in the engagement letter or schedules will take precedence.

Internal disputes

If we become aware of a dispute between the parties who own or are in some way involved in the ownership and management of the business, it should be noted that our client is the business, and we would not provide information or services to one party without the express knowledge and permission of all parties.

Investment services

Investment business is regulated under the Financial Services and Markets Act 2000 and the Financial Services Act 2012.

If, during the provision of professional services to you, you need advice on investments, including insurances, we may have to refer you to someone who is authorised by the Financial Conduct Authority or the Prudential Regulation Authority or licensed by a Designated Professional Body as we are not authorised to give such advice.

Lien

In so far as permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

Limitation of liability

We will provide our services with reasonable care and skill. Our liability to you is limited to losses, damages, costs, and expenses directly caused by our negligence or wilful default.

Exclusion of liability for loss caused by others

We will not be liable if such losses, penalties, interest, or additional tax liabilities are caused by the acts or omissions of any other person or due to the provision to us of incomplete, misleading or false information, or if they are caused by a failure to act on our advice or a failure to provide us with relevant information.

In particular, where we refer you to another firm whom you engage with directly, we accept no responsibility in relation to their work and will not be liable for any loss caused by them.

Exclusion of liability in relation to circumstances beyond our control

We will not be liable to you for any delay or failure to perform our obligations under this engagement letter if the delay or failure is caused by circumstances outside our reasonable control.

Exclusion of liability relating to non-disclosure or misrepresentation

We will not be responsible or liable for any loss, damage or expense incurred or sustained if information material to the service we are providing is withheld or concealed from us or misrepresented to us.

This exclusion shall not apply where such misrepresentation, withholding or concealment is or should (in carrying out the procedures that we have agreed to perform with reasonable care and skill) have been evident to us without further enquiry beyond that which it would have been reasonable for us to have carried out in the circumstances.

Indemnity for unauthorised disclosure

You agree to indemnify us and our agents in respect of any claim (including any claim for negligence) arising out of any unauthorised disclosure by you or by any person for whom you are responsible of our advice and opinions, whether in writing or otherwise. This indemnity will extend to the cost of defending any such claim, including payment at our usual rates for the time that we spend in defending it.

Limitation of aggregate liability

Where the engagement letter specifies an aggregate limit of liability, then that sum shall be the maximum aggregate liability of this firm, principals, partners, directors or members agents and employees to all persons to whom the engagement letter is addressed and also any other person that we have agreed with you may rely on our work. By signing the engagement letter, you agree that you have given proper consideration to this limit and accept that it is reasonable in all the circumstances. If you do not wish to accept it, you should contact us to discuss it before signing the engagement letter.

You have agreed that you will not bring any claim of a kind that is included within the subject of the limit against any of our principals/partners/directors/members or employees, on a personal basis.

Limitation of Third-Party Rights

The advice and information we provide to you as part of our service is for your sole use and not for any third party to whom you may communicate it unless we have expressly agreed in the engagement letter that a specified third party may rely on our

work. We accept no responsibility to third parties, including any group company to whom the engagement letter is not addressed, for any advice, information or material produced as part of our work for you which you make available to them. It may not be used or relied upon for any other purpose or by any other person other than you without our prior written consent. A party to this agreement is the only person who has the right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

If our advice is disclosed to any third party (with or without our consent), then we accept no responsibility or liability to that third party for any consequences that may arise to them, should they rely on the advice.

If it is proposed that any documents or statement which refer to our name are to be circulated to third parties, please consult us before they are issued.

Money Laundering Regulations 2017

In accordance with the Proceeds of Crime Act, The Terrorism Act, Money Laundering Regulations 2017 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 you agree to waive your right to confidentiality to the extent of any report made, document provided, or information disclosed to the National Crime Agency (NCA).

You also acknowledge that we are required to report directly to the NCA without prior reference to you or your representatives if during the course of undertaking any assignment the person undertaking the role of Money Laundering Reporting Officer becomes suspicious of money laundering.

As with other professional services firms, we are required to have appropriate risk-based policies and procedures for assessing and managing money laundering risks: this applies at the start of any business relationship and through the lifetime of the relationship. This includes undertaking appropriate customer due diligence. We may request from you, and retain, such information and documentation as we require for these purposes and/or make searches of appropriate databases. If we are not able to obtain satisfactory evidence of your identity, we will not be able to proceed with the engagement.

Copies of such records created as part of the client due diligence process, including any non-engagement documents relating to the client relationship and ongoing monitoring of it, will be retained by us for a period of five years after we cease to act for the business unless we are required to retain them under statutory obligation, or to retain them for legal proceedings, or you consented to the retention in which case the records will be retained for not more than 10 years.

Notification

We shall not be treated as having notice, for the purposes of our audit/accounts/tax responsibilities, of information provided to members of our firm other than those engaged on the specific assignment (for example, information provided in connection with accounting, taxation, and other services).

Period of engagement and termination

Unless otherwise agreed in the engagement covering letter our work will begin when we receive your implicit or explicit acceptance of that letter. Except as stated in that letter we will not be responsible for periods before that date.

Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where you fail to cooperate with us or we have reason to believe that you have provided us or HMRC with misleading information, in which case we may terminate this agreement immediately. Termination will be without prejudice to any rights that may have accrued to either of us prior to termination.

In the event of termination of this contract, we will endeavour to agree with you the arrangements for the completion of work in progress at that time, unless we are required for legal or regulatory reasons to cease work immediately. In that event, we shall not be required to carry out further work and shall not be responsible or liable for any consequences arising from termination.

If you engage us for a one-off piece of work (for example advice on a one-off transaction or preparation of a tax return for one year only) the engagement ceases as soon as that work is completed. The date of completion of the work is taken to be the termination date and we owe you no duties and we will not undertake further work beyond that date.

Where recurring work is provided (for example ongoing compliance work such as the completion of annual tax returns) the engagement ceases on the relevant date in relation to the termination as set out above. Unless immediate termination applies, in practice this means that the relevant termination date is:

- 21 days after the date of notice of termination; or
- a later agreed date

We owe you no duties beyond the date of termination and will not undertake any further work.

Professional rules and statutory obligations

We will observe and act in accordance with the by-laws, regulations, and ethical guidelines of the [Association of Chartered Certified Accountants \(ACCA\)](#) and will accept instructions to act for you on this basis.

You are responsible for bringing to our attention any errors, omissions, or inaccuracies in your returns that you become aware of after the returns have been submitted in order that we may assist you to make a voluntary disclosure.

In particular, you give us the authority to correct errors made by HMRC where we become aware of them. In addition, we will not undertake tax planning which breaches professional conduct in relation to taxation. We will therefore comply with the general anti-abuse rule and the targeted anti-avoidance rule. We will not be liable

for any loss, damage or cost arising from our compliance with statutory or regulatory obligations. You can see copies of these requirements at our offices.

The requirements are also available online at www.accaglobal.com/en.html.

The implications of professional body membership as it relates to GDPR are set out in the privacy notice, which should be read alongside these standard terms and conditions of business.

Provision of Services Regulations 2009

In accordance with our professional body rules, we are required to hold professional indemnity insurance. Details of our current professional indemnity insurer are available on request and our level of cover is £2,000,000. Territorial coverage is worldwide excluding business carried out from the USA or Canada and excludes any action for a claim brought in any court in the USA or Canada

Quality of service

We aim to provide a high quality of service at all times. If you would like to discuss with us how our service could be improved or if you are dissatisfied with the service that you are receiving, please let us know by contacting Seamus Farren.

We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. If we do not answer your complaint to your satisfaction, you may take up the matter with the Association of Chartered Certified Accountants. This should be done promptly and, in any event, no later than 6 months after exhausting our procedures.

Should ACCA consider a complaint appropriate for conciliation, it is competent to offer alternative dispute resolution through its Conciliation Service. ACCA's website address is www.accaglobal.com. Please note that, under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) conciliation process we are not obliged to submit to ACCA's conciliation process.

Reliance on advice

We will endeavour to record all advice on important matters in writing. Advice given orally is not intended to be relied upon unless confirmed in writing. Therefore, if we provide oral advice (for example, during the course of a meeting or a telephone conversation) and you wish to be able to rely on that advice, you must ask for the advice to be confirmed by us in writing. However, bear in mind that advice is only valid at the date it is given.

Retention of papers

You have a legal responsibility to retain documents and records relevant to your tax affairs. During the course of our work, we may collect information from you and others relevant to your tax affairs. We will return any original documents to you if requested.

When we cease to act for you, we will seek to agree the position on access to cloud-accounting records to ensure continuity of service. This may require you to enter direct engagements with the software providers and pay for that service separately. Documents and records relevant to your tax affairs are required by law to be retained as follows:

Individuals, trustees, and partnerships

- with trading or rental income: five years and 10 months after the end of the tax year.
- otherwise: 22 months after the end of the tax year.

Companies, LLPs, and other corporate entities

- six years from the end of the accounting period.

While certain documents may legally belong to you, we may destroy correspondence and other papers that we store, electronically or otherwise, which are more than seven years old. This includes your documents if they have not been reclaimed by you within the seven-year period. You must tell us if you require the return of any specific document or their retention for a longer period.

You should retain documents that are sent to you by us as set out in the privacy notice, which should be read alongside these terms and conditions.

Timetable

The services we undertake to perform for you will be carried out on a timescale to be determined between us on an ongoing basis.

The timing of our work will in any event be dependent on the prompt supply of all information and documentation as and when required by us.

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Accounts

Charity registration number NI100480

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Adrian Johnston Gillian Simpson Andrew Tate Lorna Somers Kerrie O'Hara
Secretary	Kerrie O'Hara
Charity number	N100480
Company number	N039031
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF
Auditor	PFS & Partners Limited 10 Main Street Lisnavady BT49 0EU
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW

DRUMAHOE CHILDCARE LIMITED

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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

The objectives and activities of the charity are to advance the education of children 0 to primary 7 in Drumahoe, Co Derry/Londonderry and the wider Derry and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

Following the expansion of our services in 2019 some internal operational improvements were implemented. The outcome is improved efficiencies throughout the organisation. We seek to continue learning new strategies and implementing improvements in the coming months and years.

The hard work and dedication of our staff and management team to provide a safe and welcoming environment for our children was recognised in a report from Social Services following a routine inspection in October 2022.

We set up a fundraising committee in September 2022 to raise money for new outdoor equipment. The committee planned a series of events which included Halloween hamper, supper with Santa, Easter basket and have planned more events in summer 2023.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

We are a "not for profit" organisation but our aim is to become sustainable without grant assistance.

This year we welcomed the reduction of Covid19 restrictions and guidelines, however, the war in Ukraine and the impact this had on our economy with the "cost of living crisis" has proved financially difficult.

In response to the challenging economic outlook and our commitment to providing a high quality service at an affordable cost for our families the fundraising sub-committee organised a number of events to help raise funds for indoor and outdoor play equipment for the children.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain prudent as early predictions indicate the economic challenges are set to continue for the upcoming year.

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation ever arise.

Plans for future periods

We aim to review our vision, mission and values, alongside our strategic plan and objectives to define the direction the organisation is travelling.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a board of trustees. The manager is appointed to run the daily activities of the organisation and reports to the board of trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle
Lisa Dunn
Robert Dunn
Adrian Johnston
Gillian Simpson
Andrew Tate
Lorna Somers
Kerrie O'Hara

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

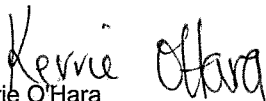
Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

DRUMAHOE CHILDCARE LIMITED

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The trustees' report was approved by the Board of Trustees.


Kerrie O'Hara
Trustee


Lisa Dunn
Trustee

10 November 2023

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

James Daniel Brolly (Senior Statutory Auditor)
for and on behalf of PFS & Partners Limited

10 November 2023

Chartered Certified Accountants
Statutory Auditor

16 Main Street
Limavady
BT49 0EU

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	-	23,643	23,643	28,779	75,150	103,929
Charitable activities	4	518,127	-	518,127	491,357	-	491,357
Other trading activities	5	-	2,359	2,359	-	-	-
Investments	6	314	-	314	73	-	73
Total income		518,441	23,002	544,443	520,209	75,150	595,359
Expenditure on:							
Raising funds	7	-	613	613	-	-	-
Charitable activities	8	505,566	23,643	529,209	410,424	75,150	485,574
Other		886	-	886	945	-	945
Total expenditure		506,452	24,256	530,708	411,369	75,150	486,519
Net income for the year/ Net movement in funds		11,989	1,746	13,735	108,840	-	108,840
Fund balances at 1 April 2022		216,999	-	216,999	108,159	-	108,159
Fund balances at 31 March 2023		228,988	1,746	230,734	216,999	-	216,999

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		68,447		69,001
Current assets					
Debtors	15	16,232		25,253	
Cash at bank and in hand		195,977		182,234	
		<u>212,209</u>		<u>207,487</u>	
Creditors: amounts falling due within one year	17	<u>(29,473)</u>		<u>(29,909)</u>	
Net current assets			182,736		177,578
Total assets less current liabilities			251,183		246,579
Creditors: amounts falling due after more than one year	18		(20,449)		(29,580)
Net assets			<u>230,734</u>		<u>216,999</u>
Income funds					
Restricted funds	19		1,746		-
Unrestricted funds			228,988		216,999
			<u>230,734</u>		<u>216,999</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

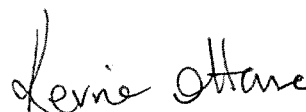
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 10 November 2023

Lisa Dunn
Trustee



Company registration number NI039031

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	22		29,017		108,542
Investing activities					
Purchase of tangible fixed assets		(6,540)		(639)	
Investment income received		314		73	
Net cash used in investing activities			(6,226)		(566)
Financing activities					
Repayment of bank loans		(9,131)		(7,403)	
Net cash used in financing activities			(9,131)		(7,403)
Net increase in cash and cash equivalents			13,660		100,573
Cash and cash equivalents at beginning of year			182,234		81,661
Cash and cash equivalents at end of year			195,894		182,234
Relating to:					
Cash at bank and in hand			195,977		182,234
Bank overdrafts included in creditors payable within one year			(83)		-

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Grants receivable	23,643	28,779	75,150	103,929
Grants receivable for core activities				
Bright Start	21,654	-	26,280	26,280
DCSDC	1,989	-	2,000	2,000
Early Years	-	28,779	-	28,779
Western Area Childcare Partnership	-	-	2,480	2,480
Government Grants	-	-	34,390	34,390
Education Authority	-	-	10,000	10,000
	23,643	28,779	75,150	103,929

4 Charitable activities

	2023 £	2022 £
Childcare income	513,974	489,820
Other income	4,153	1,537
	518,127	491,357

5 Other trading activities

	Restricted funds	Total
	2023 £	2022 £
Fundraising events	2,359	-

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	314	73
	<u>314</u>	<u>73</u>

7 Raising funds

	Restricted funds	Total
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	613	-
	<u>613</u>	<u>-</u>
	<u>613</u>	<u>-</u>

8 Charitable activities

	2023	2022
	£	£
Childcare	523,809	480,344
Share of governance costs (see note 10)	5,400	5,230
	<u>529,209</u>	<u>485,574</u>
Analysis by fund		
Unrestricted funds	505,566	410,424
Restricted funds	23,643	75,150
	<u>529,209</u>	<u>485,574</u>
	<u>529,209</u>	<u>485,574</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Description of charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

10 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Audit fees	-	4,200	4,200	4,200
Accountancy fees	-	1,200	1,200	1,030
	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,230</u>
Analysed between Charitable activities	-	5,400	5,400	5,230
	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,230</u>

Governance costs includes payments to the auditors of £4,200 (2022- £4,200) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Childcare staff	<u>27</u>	<u>26</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	382,292	343,080
Social security costs	19,022	15,280
Other pension costs	4,081	4,078
	<u>405,395</u>	<u>362,438</u>

There were no employees whose annual remuneration was more than £60,000.

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£
Cost				
At 1 April 2022	47,000	61,379	28,934	137,313
Additions	-	6,540	-	6,540
	<u>47,000</u>	<u>67,919</u>	<u>28,934</u>	<u>143,853</u>
At 31 March 2023				
Depreciation and impairment				
At 1 April 2022	3,525	52,605	12,182	68,312
Depreciation charged in the year	2,350	3,069	1,675	7,094
	<u>5,875</u>	<u>55,674</u>	<u>13,857</u>	<u>75,406</u>
At 31 March 2023				
Carrying amount				
At 31 March 2023	<u>41,125</u>	<u>12,245</u>	<u>15,077</u>	<u>68,447</u>
At 31 March 2022	<u>43,475</u>	<u>8,774</u>	<u>16,752</u>	<u>69,001</u>

15 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	10,818	25,253
Other debtors	5,414	-
	<u>16,232</u>	<u>25,253</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16	Loans and overdrafts		2023	2022
			£	£
	Bank overdrafts		83	-
	Bank loans		30,466	39,597
			<u>30,549</u>	<u>39,597</u>
			<u><u>30,549</u></u>	<u><u>39,597</u></u>
	Payable within one year		10,100	10,017
	Payable after one year		20,449	29,580
			<u>20,449</u>	<u>29,580</u>
			<u><u>20,449</u></u>	<u><u>29,580</u></u>
17	Creditors: amounts falling due within one year		2023	2022
		Notes	£	£
	Bank loans and overdrafts	16	10,100	10,017
	Other taxation and social security		2,786	-
	Trade creditors		31	3,664
	Other creditors		11,156	10,828
	Accruals and deferred income		5,400	5,400
			<u>29,473</u>	<u>29,909</u>
			<u><u>29,473</u></u>	<u><u>29,909</u></u>
18	Creditors: amounts falling due after more than one year		2023	2022
		Notes	£	£
	Bank loans	16	20,449	29,580
			<u>20,449</u>	<u>29,580</u>
			<u><u>20,449</u></u>	<u><u>29,580</u></u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£
Bright Start	26,280	(26,280)	-	21,654	(21,654)	-
DCSDC	2,000	(2,000)	-	1,989	(1,989)	-
CJRS	34,390	(34,390)	-	-	-	-
Western Area Partnership	2,480	(2,480)	-	-	-	-
Education Authority	10,000	(10,000)	-	-	-	-
Fundraising income	-	-	-	2,359	(613)	1,746
	<u>75,150</u>	<u>(75,150)</u>	<u>-</u>	<u>26,002</u>	<u>(24,256)</u>	<u>1,746</u>

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	68,447	-	68,447	69,001	69,001
Current assets/(liabilities)	182,736	-	182,736	177,578	177,578
Long term liabilities	(20,449)	-	(20,449)	(29,580)	(29,580)
	<u>230,734</u>	<u>-</u>	<u>230,734</u>	<u>216,999</u>	<u>216,999</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

22 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	13,735	108,840
Adjustments for:		
Investment income recognised in statement of financial activities	(314)	(73)
Depreciation and impairment of tangible fixed assets	7,095	6,928
Movements in working capital:		
Decrease/(increase) in debtors	9,021	(12,788)
(Decrease)/increase in creditors	(520)	5,635
Cash generated from operations	<u>29,017</u>	<u>108,542</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of changes in net funds

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	182,234	13,743	195,977
Bank overdrafts	-	(83)	(83)
	<u>182,234</u>	<u>13,660</u>	<u>195,894</u>
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(29,580)	9,131	(20,449)
	<u>142,637</u>	<u>22,791</u>	<u>165,428</u>

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Annual report

Charity registration number NI100480

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Adrian Johnston Gillian Simpson Andrew Tate Lorna Somers Kerrie O'Hara
Secretary	Kerrie O'Hara
Charity number	N100480
Company number	N039031
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF
Auditor	PFS & Partners Limited 10 Main Street Lisnavady BT49 0EU
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW

DRUMAHOE CHILDCARE LIMITED

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Statement of cash flows	9
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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

The objectives and activities of the charity are to advance the education of children 0 to primary 7 in Drumahoe, Co Derry/Londonderry and the wider Derry and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

Following the expansion of our services in 2019 some internal operational improvements were implemented. The outcome is improved efficiencies throughout the organisation. We seek to continue learning new strategies and implementing improvements in the coming months and years.

The hard work and dedication of our staff and management team to provide a safe and welcoming environment for our children was recognised in a report from Social Services following a routine inspection in October 2022.

We set up a fundraising committee in September 2022 to raise money for new outdoor equipment. The committee planned a series of events which included Halloween hamper, supper with Santa, Easter basket and have planned more events in summer 2023.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

We are a "not for profit" organisation but our aim is to become sustainable without grant assistance.

This year we welcomed the reduction of Covid19 restrictions and guidelines, however, the war in Ukraine and the impact this had on our economy with the "cost of living crisis" has proved financially difficult.

In response to the challenging economic outlook and our commitment to providing a high quality service at an affordable cost for our families the fundraising sub-committee organised a number of events to help raise funds for indoor and outdoor play equipment for the children.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain prudent as early predictions indicate the economic challenges are set to continue for the upcoming year.

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation ever arise.

Plans for future periods

We aim to review our vision, mission and values, alongside our strategic plan and objectives to define the direction the organisation is travelling.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a board of trustees. The manager is appointed to run the daily activities of the organisation and reports to the board of trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle
Lisa Dunn
Robert Dunn
Adrian Johnston
Gillian Simpson
Andrew Tate
Lorna Somers
Kerrie O'Hara

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

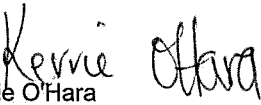
Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

DRUMAHOE CHILDCARE LIMITED

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The trustees' report was approved by the Board of Trustees.


Kerrie O'Hara
Trustee


Lisa Dunn
Trustee

10 November 2023

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

James Daniel Brolly (Senior Statutory Auditor)
for and on behalf of PFS & Partners Limited

10 November 2023

Chartered Certified Accountants
Statutory Auditor

16 Main Street
Limavady
BT49 0EU

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	-	23,643	23,643	28,779	75,150	103,929
Charitable activities	4	518,127	-	518,127	491,357	-	491,357
Other trading activities	5	-	2,359	2,359	-	-	-
Investments	6	314	-	314	73	-	73
Total income		518,441	23,002	544,443	520,209	75,150	595,359
Expenditure on:							
Raising funds	7	-	613	613	-	-	-
Charitable activities	8	505,566	23,643	529,209	410,424	75,150	485,574
Other		886	-	886	945	-	945
Total expenditure		506,452	24,256	530,708	411,369	75,150	486,519
Net income for the year/ Net movement in funds		11,989	1,746	13,735	108,840	-	108,840
Fund balances at 1 April 2022		216,999	-	216,999	108,159	-	108,159
Fund balances at 31 March 2023		228,988	1,746	230,734	216,999	-	216,999

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		68,447		69,001
Current assets					
Debtors	15	16,232		25,253	
Cash at bank and in hand		195,977		182,234	
		<u>212,209</u>		<u>207,487</u>	
Creditors: amounts falling due within one year	17	<u>(29,473)</u>		<u>(29,909)</u>	
Net current assets			182,736		177,578
Total assets less current liabilities			251,183		246,579
Creditors: amounts falling due after more than one year	18		(20,449)		(29,580)
Net assets			<u>230,734</u>		<u>216,999</u>
Income funds					
Restricted funds	19		1,746		-
Unrestricted funds			228,988		216,999
			<u>230,734</u>		<u>216,999</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

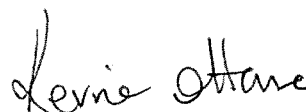
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 10 November 2023

Lisa Dunn
Trustee



Company registration number NI039031

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	22		29,017		108,542
Investing activities					
Purchase of tangible fixed assets		(6,540)		(639)	
Investment income received		314		73	
Net cash used in investing activities			(6,226)		(566)
Financing activities					
Repayment of bank loans		(9,131)		(7,403)	
Net cash used in financing activities			(9,131)		(7,403)
Net increase in cash and cash equivalents			13,660		100,573
Cash and cash equivalents at beginning of year			182,234		81,661
Cash and cash equivalents at end of year			195,894		182,234
Relating to:					
Cash at bank and in hand			195,977		182,234
Bank overdrafts included in creditors payable within one year			(83)		-

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Grants receivable	23,643	28,779	75,150	103,929
Grants receivable for core activities				
Bright Start	21,654	-	26,280	26,280
DCSDC	1,989	-	2,000	2,000
Early Years	-	28,779	-	28,779
Western Area Childcare Partnership	-	-	2,480	2,480
Government Grants	-	-	34,390	34,390
Education Authority	-	-	10,000	10,000
	23,643	28,779	75,150	103,929

4 Charitable activities

	2023 £	2022 £
Childcare income	513,974	489,820
Other income	4,153	1,537
	518,127	491,357

5 Other trading activities

	Restricted funds	Total
	2023 £	2022 £
Fundraising events	2,359	-

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	314	73
	<u>314</u>	<u>73</u>

7 Raising funds

	Restricted funds	Total
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	613	-
	<u>613</u>	<u>-</u>
	<u>613</u>	<u>-</u>

8 Charitable activities

	2023	2022
	£	£
Childcare	523,809	480,344
Share of governance costs (see note 10)	5,400	5,230
	<u>529,209</u>	<u>485,574</u>
Analysis by fund		
Unrestricted funds	505,566	410,424
Restricted funds	23,643	75,150
	<u>529,209</u>	<u>485,574</u>
	<u>529,209</u>	<u>485,574</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Description of charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

10 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Audit fees	-	4,200	4,200	4,200
Accountancy fees	-	1,200	1,200	1,030
	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,230</u>
Analysed between Charitable activities	-	5,400	5,400	5,230
	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,230</u>

Governance costs includes payments to the auditors of £4,200 (2022- £4,200) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Childcare staff	<u>27</u>	<u>26</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (Continued)

Employment costs	2023	2022
	£	£
Wages and salaries	382,292	343,080
Social security costs	19,022	15,280
Other pension costs	4,081	4,078
	<u>405,395</u>	<u>362,438</u>

There were no employees whose annual remuneration was more than £60,000.

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£
Cost				
At 1 April 2022	47,000	61,379	28,934	137,313
Additions	-	6,540	-	6,540
	<u>47,000</u>	<u>67,919</u>	<u>28,934</u>	<u>143,853</u>
At 31 March 2023				
Depreciation and impairment				
At 1 April 2022	3,525	52,605	12,182	68,312
Depreciation charged in the year	2,350	3,069	1,675	7,094
	<u>5,875</u>	<u>55,674</u>	<u>13,857</u>	<u>75,406</u>
At 31 March 2023				
Carrying amount				
At 31 March 2023	<u>41,125</u>	<u>12,245</u>	<u>15,077</u>	<u>68,447</u>
At 31 March 2022	<u>43,475</u>	<u>8,774</u>	<u>16,752</u>	<u>69,001</u>

15 Debtors

Amounts falling due within one year:	2023	2022
	£	£
Trade debtors	10,818	25,253
Other debtors	5,414	-
	<u>16,232</u>	<u>25,253</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Loans and overdrafts		2023	2022
		£	£
Bank overdrafts		83	-
Bank loans		30,466	39,597
		<u>30,549</u>	<u>39,597</u>
		<u><u>30,549</u></u>	<u><u>39,597</u></u>
Payable within one year		10,100	10,017
Payable after one year		20,449	29,580
		<u>20,449</u>	<u>29,580</u>
		<u><u>20,449</u></u>	<u><u>29,580</u></u>
17 Creditors: amounts falling due within one year		2023	2022
		£	£
		Notes	
Bank loans and overdrafts	16	10,100	10,017
Other taxation and social security		2,786	-
Trade creditors		31	3,664
Other creditors		11,156	10,828
Accruals and deferred income		5,400	5,400
		<u>29,473</u>	<u>29,909</u>
		<u><u>29,473</u></u>	<u><u>29,909</u></u>
18 Creditors: amounts falling due after more than one year		2023	2022
		£	£
		Notes	
Bank loans	16	20,449	29,580
		<u>20,449</u>	<u>29,580</u>
		<u><u>20,449</u></u>	<u><u>29,580</u></u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£
Bright Start	26,280	(26,280)	-	21,654	(21,654)	-
DCSDC	2,000	(2,000)	-	1,989	(1,989)	-
CJRS	34,390	(34,390)	-	-	-	-
Western Area Partnership	2,480	(2,480)	-	-	-	-
Education Authority	10,000	(10,000)	-	-	-	-
Fundraising income	-	-	-	2,359	(613)	1,746
	<u>75,150</u>	<u>(75,150)</u>	<u>-</u>	<u>26,002</u>	<u>(24,256)</u>	<u>1,746</u>

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	68,447	-	68,447	69,001	69,001
Current assets/(liabilities)	182,736	-	182,736	177,578	177,578
Long term liabilities	(20,449)	-	(20,449)	(29,580)	(29,580)
	<u>230,734</u>	<u>-</u>	<u>230,734</u>	<u>216,999</u>	<u>216,999</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

22 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	13,735	108,840
Adjustments for:		
Investment income recognised in statement of financial activities	(314)	(73)
Depreciation and impairment of tangible fixed assets	7,095	6,928
Movements in working capital:		
Decrease/(increase) in debtors	9,021	(12,788)
(Decrease)/increase in creditors	(520)	5,635
Cash generated from operations	<u>29,017</u>	<u>108,542</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of changes in net funds

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	182,234	13,743	195,977
Bank overdrafts	-	(83)	(83)
	<u>182,234</u>	<u>13,660</u>	<u>195,894</u>
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(29,580)	9,131	(20,449)
	<u>142,637</u>	<u>22,791</u>	<u>165,428</u>

Drumahoe Childcare Limited

Northern Ireland - Charity number 100480

Annual return

Charity registration number NI100480

Company registration number NI039031 (Northern Ireland)

DRUMAHOE CHILDCARE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DRUMAHOE CHILDCARE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Catriona Coyle Lisa Dunn Robert Dunn Adrian Johnston Gillian Simpson Andrew Tate Lorna Somers Kerrie O'Hara
Secretary	Kerrie O'Hara
Charity number	N100480
Company number	N039031
Registered office	C/O Londonderry YMCA 51 Glenshane Road Drumahoe Londonderry BT47 3SF
Auditor	PFS & Partners Limited 10 Main Street Lisnavady BT49 0EU
Bankers	Danske Bank 27 Glenshane Rd Londonderry BT47 2LN
Solicitors	Turley Legal Ltd Enterprise Causeway Knocklynn Road Coleraine BT52 1WW

DRUMAHOE CHILDCARE LIMITED

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Statement of cash flows	9
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DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

This document has been prepared based on the guidance provided by the Charity Commission for Northern Ireland and Trustees have had regard to the Commission's Public Benefit requirement statutory guidance. The trustees have paid due regard to guidance issued by the Charity Commission for Northern Ireland in deciding what activities the charity should undertake.

Achievements and performance

The objectives and activities of the charity are to advance the education of children 0 to primary 7 in Drumahoe, Co Derry/Londonderry and the wider Derry and Strabane District Council area, by providing care facilities for children from 7.45am to 6pm.

Following the expansion of our services in 2019 some internal operational improvements were implemented. The outcome is improved efficiencies throughout the organisation. We seek to continue learning new strategies and implementing improvements in the coming months and years.

The hard work and dedication of our staff and management team to provide a safe and welcoming environment for our children was recognised in a report from Social Services following a routine inspection in October 2022.

We set up a fundraising committee in September 2022 to raise money for new outdoor equipment. The committee planned a series of events which included Halloween hamper, supper with Santa, Easter basket and have planned more events in summer 2023.

Financial review

Drumahoe Childcare Limited's financial year runs from 1 April to 31 March.

The Board of Directors is responsible for the control and management of the organisation's financial budget.

We are a "not for profit" organisation but our aim is to become sustainable without grant assistance.

This year we welcomed the reduction of Covid19 restrictions and guidelines, however, the war in Ukraine and the impact this had on our economy with the "cost of living crisis" has proved financially difficult.

In response to the challenging economic outlook and our commitment to providing a high quality service at an affordable cost for our families the fundraising sub-committee organised a number of events to help raise funds for indoor and outdoor play equipment for the children.

Funding was received from Bright Start and Derry City and Strabane District Council.

We will remain prudent as early predictions indicate the economic challenges are set to continue for the upcoming year.

Our reserves policy is equivalent to 3 months' operations costs and would cover redundancies should that situation ever arise.

Plans for future periods

We aim to review our vision, mission and values, alongside our strategic plan and objectives to define the direction the organisation is travelling.

DRUMAHOE CHILDCARE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Drumahoe Childcare Limited has a Memorandum and Articles of Association and is incorporated under the Companies Act 2006.

We are a Company limited by guarantee, not having a share capital.

The organisation is controlled and directed by a board of trustees. The manager is appointed to run the daily activities of the organisation and reports to the board of trustees at bi-monthly meetings. The quorum for a meeting is 5.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Catriona Coyle
Lisa Dunn
Robert Dunn
Adrian Johnston
Gillian Simpson
Andrew Tate
Lorna Somers
Kerrie O'Hara

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Statement of trustees' responsibilities

The trustees, who are also the directors of Drumahoe Childcare Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. They 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.

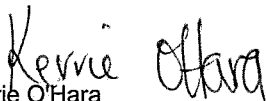
Auditor

In accordance with the company's articles, a resolution proposing that PFS & Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

DRUMAHOE CHILDCARE LIMITED

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The trustees' report was approved by the Board of Trustees.


Kerrie O'Hara
Trustee


Lisa Dunn
Trustee

10 November 2023

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Opinion

We have audited the financial statements of Drumahoe Childcare Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

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, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 8 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DRUMAHOE CHILDCARE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DRUMAHOE CHILDCARE LIMITED

James Daniel Brolly (Senior Statutory Auditor)
for and on behalf of PFS & Partners Limited

10 November 2023

Chartered Certified Accountants
Statutory Auditor

16 Main Street
Limavady
BT49 0EU

PFS & Partners Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	-	23,643	23,643	28,779	75,150	103,929
Charitable activities	4	518,127	-	518,127	491,357	-	491,357
Other trading activities	5	-	2,359	2,359	-	-	-
Investments	6	314	-	314	73	-	73
Total income		518,441	23,002	544,443	520,209	75,150	595,359
Expenditure on:							
Raising funds	7	-	613	613	-	-	-
Charitable activities	8	505,566	23,643	529,209	410,424	75,150	485,574
Other		886	-	886	945	-	945
Total expenditure		506,452	24,256	530,708	411,369	75,150	486,519
Net income for the year/ Net movement in funds		11,989	1,746	13,735	108,840	-	108,840
Fund balances at 1 April 2022		216,999	-	216,999	108,159	-	108,159
Fund balances at 31 March 2023		228,988	1,746	230,734	216,999	-	216,999

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DRUMAHOE CHILDCARE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		68,447		69,001
Current assets					
Debtors	15	16,232		25,253	
Cash at bank and in hand		195,977		182,234	
		<u>212,209</u>		<u>207,487</u>	
Creditors: amounts falling due within one year	17	<u>(29,473)</u>		<u>(29,909)</u>	
Net current assets			182,736		177,578
Total assets less current liabilities			251,183		246,579
Creditors: amounts falling due after more than one year	18		(20,449)		(29,580)
Net assets			<u>230,734</u>		<u>216,999</u>
Income funds					
Restricted funds	19		1,746		-
Unrestricted funds			228,988		216,999
			<u>230,734</u>		<u>216,999</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008.

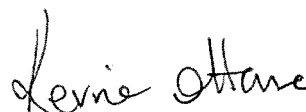
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 10 November 2023

Lisa Dunn
Trustee



Company registration number NI039031

DRUMAHOE CHILDCARE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	22		29,017		108,542
Investing activities					
Purchase of tangible fixed assets		(6,540)		(639)	
Investment income received		314		73	
Net cash used in investing activities			(6,226)		(566)
Financing activities					
Repayment of bank loans		(9,131)		(7,403)	
Net cash used in financing activities			(9,131)		(7,403)
Net increase in cash and cash equivalents			13,660		100,573
Cash and cash equivalents at beginning of year			182,234		81,661
Cash and cash equivalents at end of year			195,894		182,234
Relating to:					
Cash at bank and in hand			195,977		182,234
Bank overdrafts included in creditors payable within one year			(83)		-

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Drumahoe Childcare Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is C/O Londonderry YMCA, 51 Glenshane Road, Drumahoe, Londonderry, BT47 3SF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5% straight line
Fixtures, fittings & equipment	25% reducing balance
Play park	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Grants receivable	23,643	28,779	75,150	103,929
Grants receivable for core activities				
Bright Start	21,654	-	26,280	26,280
DCSDC	1,989	-	2,000	2,000
Early Years	-	28,779	-	28,779
Western Area Childcare Partnership	-	-	2,480	2,480
Government Grants	-	-	34,390	34,390
Education Authority	-	-	10,000	10,000
	23,643	28,779	75,150	103,929

4 Charitable activities

	2023 £	2022 £
Childcare income	513,974	489,820
Other income	4,153	1,537
	518,127	491,357

5 Other trading activities

	Restricted funds	Total
	2023 £	2022 £
Fundraising events	2,359	-

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Interest receivable	314	73
	<u>314</u>	<u>73</u>

7 Raising funds

	Restricted funds	Total
	2023 £	2022 £
<u>Fundraising and publicity</u>		
Other fundraising costs	613	-
	<u>613</u>	<u>-</u>
	<u>613</u>	<u>-</u>

8 Charitable activities

	2023 £	2022 £
Childcare	523,809	480,344
Share of governance costs (see note 10)	5,400	5,230
	<u>529,209</u>	<u>485,574</u>
Analysis by fund		
Unrestricted funds	505,566	410,424
Restricted funds	23,643	75,150
	<u>529,209</u>	<u>485,574</u>
	<u>529,209</u>	<u>485,574</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Description of charitable activities

Childcare

We provide care facilities for up to 100 children on a daily basis, Monday to Friday. We operate a daycare facility and an out of schools. We open daycare at 8am to 6pm every day throughout the year. Our out of schools opens at 2pm to 6pm weekdays but during the summer and school holidays, we open at 8am. We pick up and drop off daycare children for nursery and preschool while out of school children are collected from their schools at 2pm, 3pm and when activities are taking place, 4pm. They are brought to the club where they are given a snack and then go to their separate rooms. We operate 5 rooms: daycare has 2 rooms with children aged from 2 to 4 years. Out of schools has 3 rooms: P1-2, P3-4 and P5-7. There are room leaders and playworkers in each room. The planning of activities are carried out with the involvement of the children. All activities are age appropriate. We have a sports hall and play parks so that activities for their physical well being are provided all year round. This also improves their social well being and interpersonal skills. Parents then collect their children from us at whatever time suits. During the summer our activities are much more extensive and would also involve trips off site.

10 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Audit fees	-	4,200	4,200	4,200
Accountancy fees	-	1,200	1,200	1,030
	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,230</u>
Analysed between Charitable activities	-	5,400	5,400	5,230
	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,230</u>

Governance costs includes payments to the auditors of £4,200 (2022- £4,200) for audit fees.

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Childcare staff	<u>27</u>	<u>26</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (Continued)

Employment costs	2023	2022
	£	£
Wages and salaries	382,292	343,080
Social security costs	19,022	15,280
Other pension costs	4,081	4,078
	<u>405,395</u>	<u>362,438</u>

There were no employees whose annual remuneration was more than £60,000.

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Play park	Total
	£	£	£	£
Cost				
At 1 April 2022	47,000	61,379	28,934	137,313
Additions	-	6,540	-	6,540
	<u>47,000</u>	<u>67,919</u>	<u>28,934</u>	<u>143,853</u>
At 31 March 2023				
Depreciation and impairment				
At 1 April 2022	3,525	52,605	12,182	68,312
Depreciation charged in the year	2,350	3,069	1,675	7,094
	<u>5,875</u>	<u>55,674</u>	<u>13,857</u>	<u>75,406</u>
At 31 March 2023				
Carrying amount				
At 31 March 2023	<u>41,125</u>	<u>12,245</u>	<u>15,077</u>	<u>68,447</u>
At 31 March 2022	<u>43,475</u>	<u>8,774</u>	<u>16,752</u>	<u>69,001</u>

15 Debtors

Amounts falling due within one year:	2023	2022
	£	£
Trade debtors	10,818	25,253
Other debtors	5,414	-
	<u>16,232</u>	<u>25,253</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Loans and overdrafts		2023	2022
		£	£
Bank overdrafts		83	-
Bank loans		30,466	39,597
		<u>30,549</u>	<u>39,597</u>
Payable within one year		10,100	10,017
Payable after one year		20,449	29,580
		<u>20,449</u>	<u>29,580</u>
17 Creditors: amounts falling due within one year		2023	2022
		£	£
	Notes		
Bank loans and overdrafts	16	10,100	10,017
Other taxation and social security		2,786	-
Trade creditors		31	3,664
Other creditors		11,156	10,828
Accruals and deferred income		5,400	5,400
		<u>29,473</u>	<u>29,909</u>
18 Creditors: amounts falling due after more than one year		2023	2022
		£	£
Bank loans	16	20,449	29,580

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 31 March 2023
	£	£	£	£	£	£
Bright Start	26,280	(26,280)	-	21,654	(21,654)	-
DCSDC	2,000	(2,000)	-	1,989	(1,989)	-
CJRS	34,390	(34,390)	-	-	-	-
Western Area Partnership	2,480	(2,480)	-	-	-	-
Education Authority	10,000	(10,000)	-	-	-	-
Fundraising income	-	-	-	2,359	(613)	1,746
	<u>75,150</u>	<u>(75,150)</u>	<u>-</u>	<u>26,002</u>	<u>(24,256)</u>	<u>1,746</u>

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Tangible assets	68,447	-	68,447	69,001	69,001
Current assets/(liabilities)	182,736	-	182,736	177,578	177,578
Long term liabilities	(20,449)	-	(20,449)	(29,580)	(29,580)
	<u>230,734</u>	<u>-</u>	<u>230,734</u>	<u>216,999</u>	<u>216,999</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

22 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	13,735	108,840
Adjustments for:		
Investment income recognised in statement of financial activities	(314)	(73)
Depreciation and impairment of tangible fixed assets	7,095	6,928
Movements in working capital:		
Decrease/(increase) in debtors	9,021	(12,788)
(Decrease)/increase in creditors	(520)	5,635
Cash generated from operations	<u>29,017</u>	<u>108,542</u>

DRUMAHOE CHILDCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Analysis of changes in net funds

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	182,234	13,743	195,977
Bank overdrafts	-	(83)	(83)
	<u>182,234</u>	<u>13,660</u>	<u>195,894</u>
Loans falling due within one year	(10,017)	-	(10,017)
Loans falling due after more than one year	(29,580)	9,131	(20,449)
	<u>142,637</u>	<u>22,791</u>	<u>165,428</u>