

Portree Nursery Ltd

Scotland · Charity number SC021324

Details

Status	Active
Legal form	Company (the charity is registered with Companies House)
Registered	1993-03-24
Register	View on the OSCR register

Contact

Address	Camanachd Square Portree Isle Of Skye IV51 9BW
Website	www.portreenursery.co.uk

Activities

Activities: 'It carries out activities or services itself'

Purposes: 'the advancement of education', 'the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage'

What the charity does: Provides nursery and childcare facilities for the public benefit in Isle of Skye.

Beneficiaries: 'Children or young people'

Objectives: The company's objects are: 3.1 (a) to advance the education of pre-school children. (b) to establish and operate, for the public benefit, nursery and child care facilities on the Island of Skye: and (c) to advance education through the provision of training in the skills associated with the care and supervision of children of pre-school age.

Geography

- **Main operating location:** Highland
- **Geographical spread:** A specific local point, community or neighbourhood

Finances

Period end	Income	Expenditure	Assets	Employees
2026-02-28	£441,832	£457,668	-	20
2025-02-28	£417,435	£450,469	-	21
2024-02-28	£378,597	£412,039	-	20
2023-02-28	£344,667	£356,987	-	18
2022-02-28	£339,969	£338,594	-	17
2021-02-28	£319,564	£302,934	-	18

Portree Nursery Ltd

Scotland - Charity number SC021324

Accounts

Company registration number SC142782 (Scotland)

Charity registration number SC021324 (Scotland)

PORTREE NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

A9 Accountancy Limited
Chartered Accountants
Elm House
Cradlehall Business Park
Inverness
IV2 5GH

PORTREE NURSERY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

H Fraser
C Macdonald
C Macdonald
A Mackinnon
L Scott-Tomney
R Simmister
I Allinson
S Coughlin
C A Howitt

(Appointed 13 February 2026)

(Appointed 13 February 2026)

(Appointed 13 February 2026)

Key management

M Kean

Charity Registration number

SC021324

Company Registration number

SC142782

Registered office

Camanachd Square
Portree
Isle of Skye
IV51 9BW

Independent examiner

Hollie Mackay CA
A9 Accountancy Limited
Elm House
Cradlehall Business Park
Inverness
United Kingdom
IV2 5GH

PORTREE NURSERY LIMITED

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PORTREE NURSERY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2026

The trustees present their annual report and financial statements for the year ended 28 February 2026.

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 governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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

The Nursery provides day care for children aged from birth to 8 years and preschool education on behalf of Highland Council. The nursery operates from two settings, enabling us to provide 1140 hours of Early Learning and childcare funding. The nursery at the year-end had 78 children registered throughout its three sections, Babies 19, Movers (2-3 years) 24 and preschool 35. This was another very busy year, with nearly all sessions being full capacity. The waiting list for the baby room remains closed due to being full to capacity.

The Nursery provides a very friendly, stimulating and safe environment, enabling children to develop in all the areas of the curriculum. Each child is treated as an individual and encouraged to be independent and free thinking whilst tolerating the beliefs and opinions of others. Day care costs are continuing to be kept as low as possible and fees have remained at £7 per hour during the year under review. Management have continued to make improvements throughout the year, including enhancing outdoor spaces to support better play opportunities. New bathrooms were installed in the middle room, allowing all children to be cared for in one building during staff shortages. This supports continuity, stronger peer relationships, and a more consistent learning environment. These updates have made Portree Nursery Ltd safer, brighter, and more engaging for staff and children. New resources are regularly added to enrich activities, while trustees work closely with staff to ensure finances are used effectively to keep improving the Nursery. The Nursery takes all reasonable steps to meet the childcare requirements of parents in a flexible way, thus making childcare more accessible and affordable to parents. In providing preschool education, the Nursery liaises closely with the local primary school, using the same ethos and golden rules and actively supporting children in preparing for the transition to school. We continue to be able to provide funded childcare for eligible two year olds. This has been warmly accepted by Portree Nursery Ltd allowing for the Nursery to offer its services to a wider variety of families in the community.

Our current priorities are:

- to continue to maintain the surpluses achieved over the past years
- to improve staff salaries
- to continue to remain at a fair and affordable price for parents
- to continue to improve the internal and external environment of the building
- to continue to improve to achieve great reports from the Care Inspectorate

Achievements and performance

Significant activities and achievements against objectives

The trustees and management acknowledge that there are things that can be done to improve our service and will continue working towards these. Quality Assurance is top priority as is developing the 4 outdoor areas that the children have access to.

There was a Care Inspection at the nursery on 7th October 2025.

PORTREE NURSERY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

Feedback from parents was positive and the inspectors commented that

- Children experienced warm, consistent care that supported their wellbeing.
- Personal planning and routines promoted responsive, individualised care.
- Strong partnerships with families enhanced children's experiences.
- The movers room provided engaging and developmentally appropriate experiences for children which supported their curiosity, independence, and early learning.
- Development within the service is underway, with improvements evident, but continued focus is needed to accelerate and sustain change.

The report scored:

- Leadership = 2
- Children play and learn = 3
- Children are supported to achieve = 4

There was a Care Inspection at pre-school on 7th October 2025.

Feedback from parents was positive and the inspectors commented that

- Children were safe, loved and secure in their attachments with staff.
- Children were happy and settled in the nursery.
- Staff were kind, caring and nurturing in their interactions with children.
- Staff had developed personal plans and used the information in them to support children and meet their needs effectively.
- Work had been done to improve the layout of the playroom and the range of resources and experiences available.
- Work was still required to improve the opportunities for play and learning outdoors.
- The service should continue to embed quality assurance systems and ensure this impacts positively on all areas of practice.

The report scored:

- How good is our care play and learning? = 4
- How good is our setting? = 4
- How good is our leadership? = 4
- How good is our staff team? = 5

Fundraising has been limited due to a lack of events and volunteers to attend events. A total of £1767.03 was raised this financial year. This was from the Skye agricultural show and the Christmas fair event organised by Light Up Portree. We hope to see an increase in fundraising events over the next financial year. We were very lucky to receive a donation of £317.00 from Sub Skye, we also received £265.00 from donations from Anne Jolly's Funeral. This was gratefully received and we extend our thanks to the local community for their support.

The Trustees will continue to work with the Highland Council to ensure the area around the nursery is a safe and welcoming environment for all who use the Nursery. This includes general maintenance and grass cutting of Highland Council property around the nursery building.

PORTREE NURSERY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

The Nursery continues to focus efforts both inside and outside the property, including maintenance and new resources. Looking to the future the Nursery would like to replace the flooring throughout the remaining rooms/areas of the building as we did not achieve this in the last financial year and we would like to continue to update and replace resources. The nursery would like to look at renewable energy sources and updating the heating systems.

The Nursery continues to take a variety of steps to achieve financial sustainability and to avoid repeating the losses of previous years. The Trustees feel that, while there is work still to be done, the Nursery continues to be far more robust financially than previous years. Any subsequent surplus will go towards future renovation and improving the current nursery space to allow us to increase the spaces we are able to offer since pre-school have moved.

Another area of concern for the Trustees was staff salaries. The financial position of the nursery has now allowed these to be improved significantly and are pleased to report significant improvements bringing all salaries significantly above the living wage. Further increases will remain part of future planning, along with discussions on bonuses to reflect staff performance and as a show of appreciation.

The nursery has seen changes in staff with people leaving for pastures new. The Trustees are pleased to see the employment of new staff, and also current staff taking on new roles, extra training and challenges. We are very pleased to have been able to offer staff the opportunity to gain qualifications while working. Staffing continues to grow and the Trustees are happy to offer these employment opportunities to the local community.

Financial review

During the year the charity made a deficit of £15,836 (2025 - £33,034). At the year end, the total reserves were £192,898 (£2025 - £208,734).

Reserves policy

The trustees acknowledge their responsibility to ensure sufficient funds are available to safeguard the nursery's future activities. The reserve policy of the charity is to retain sufficient unrestricted funds equal to three months annual running costs which they estimate to be £50,000. The unrestricted income funds as at 28 February 2026 were £109,573 (2025: £121,548) and the liquid unrestricted funds represented by cash balances were £48,057 (2025: £55,396). The nursery has made significant steps to improve reserves in recent years and the reserves level has been achieved this year and in the prior year. The nursery is now in a strong position and will be careful going forwards to maintain reserves levels. It is their opinion that with careful management the funds available are sufficient to secure the continuing activities of the charity.

Structure, governance and management

The nursery is a charitable company limited by guarantee whose directors are the Trustees and is governed by its Memorandum and Articles of Association. This governing document imposes no restrictions on the operation of the nursery or the investment powers of the Trustees other than those imposed by company and charitable law.

The day to day operation of the nursery is delegated by the Trustees to the manager Maria Kean or assistant manager Cassandra Bethune in the context of policies and procedures approved by the Trustees which set out the required standard of good practice.

The trustees are responsible for:

- Approving operational policies and procedures
- Approving and reviewing the nursery's aims and objectives
- Setting reserves policy
- Setting pay and conditions of employment for all staff
- Providing an annual appraisal of the Manager's performance
- Reviewing all aspects of the organisation's performance through the Manager's regular reports and instructing changes where necessary.

PORTREE NURSERY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

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:

H Fraser

C Macdonald

C Macdonald

A Mackinnon

K Macleod

(Resigned 30 October 2025)

L Scott-Tomney

R Simmister

I Allinson

(Appointed 13 February 2026)

S Coughlin

(Appointed 13 February 2026)

C A Howitt

(Appointed 13 February 2026)

Recruitment and appointment of trustees

In the year under review the nursery has 8 trustees, with the previous 1 terminating at the AGM. It is expected that the life cycle of trustees is short due to children leaving the nursery and parents in turn leaving the Board. The nursery still aims to be an active Board delivering a supporting and more involved service for staff and parents alike. New trustees are always being sought from amongst the parents of children who attend the nursery and the wider community. We continue to actively encourage parents to be involved with Portree Nursery Ltd in a variety of forms; and this financial year it has been improved and great effort has been put forward by all. We think this is due to an increased use of social media to interact with the community as a whole. The nursery hopes to retain and recruit more trustees at the AGM this year.

New trustees are given a Director's hand out which details their responsibilities as a member and on each specific role within the board i.e. Chair, Vice-Chair, Treasurer and Secretary. The hand out also contains guidance on preparing reports and organising the AGM's.

Risk management

The Trustees recognise their duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees are confident that these provide reasonable, but not absolute, protection against material misstatement and loss.

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

R Simmister

Trustee

Date: 19/6/26

PORTREE NURSERY LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 28 FEBRUARY 2026

The trustees, who are also the directors of Portree Nursery 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.

PORTREE NURSERY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PORTREE NURSERY LIMITED

I report on the financial statements of the charity for the year ended 28 February 2026, which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Portree Nursery Limited for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Hollie Mackay

Hollie Mackay CA
Elm House
Cradlehall Business Park
Inverness
IV2 5GH
United Kingdom

Dated: 6/7/26

PORTREE NURSERY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2026

	Notes	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Income from:							
Charitable activities	3	441,041	-	441,041	416,232	-	416,232
Investments	4	791	-	791	1,203	-	1,203
Total income		441,832	-	441,832	417,435	-	417,435
Expenditure on:							
Charitable activities	5	453,807	3,861	457,668	446,608	3,861	450,469
Total expenditure		453,807	3,861	457,668	446,608	3,861	450,469
Net expenditure and movement in funds		(11,975)	(3,861)	(15,836)	(29,173)	(3,861)	(33,034)
Reconciliation of funds:							
Fund balances at 1 March 2025		121,548	87,186	208,734	150,721	91,047	241,768
Fund balances at 28 February 2026		109,573	83,325	192,898	121,548	87,186	208,734

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

PORTREE NURSERY LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2026

	Notes	2026 £	£	2025 £	£
Fixed assets					
Tangible assets	11		131,751		137,300
Current assets					
Debtors	12	23,256		24,453	
Cash at bank and in hand		48,057		55,396	
		71,313		79,849	
Creditors: amounts falling due within one year	13	(10,166)		(8,415)	
Net current assets			61,147		71,434
Total assets less current liabilities			192,898		208,734
The funds of the charity					
Restricted income funds	16		83,325		87,186
Unrestricted funds	17		109,573		121,548
			192,898		208,734

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2026.

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 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 19/6/26

Rachel Simmister

R Simmister
Trustee

Company registration number SC142782 (Scotland)

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2026

1 Accounting policies

Charity information

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Camanachd Square
Portree
Isle of Skye
IV51 9BW

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), 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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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 £.

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

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

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.

Grants, including government grants, donations and income from nursery fees are usually recognised once receivable, unless performance related conditions satisfy early recognition or deferral of the income.

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2026

1 Accounting policies

(Continued)

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in the future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

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

1.5 Expenditure

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

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

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

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:

Freehold interest in land and buildings	2% straight line
Furniture and equipment	20% 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.

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2026

1 Accounting policies

(Continued)

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.

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.

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2026

1 Accounting policies

(Continued)

1.11 Retirement benefits

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

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

2 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.

3 Income from charitable activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Charitable activities		
Fee income	218,058	206,983
Donations	582	2,200
Highland council - preschool grant	220,177	205,976
Fundraising activities	1,182	1,073
Other income	1,042	-
	<u>441,041</u>	<u>416,232</u>

4 Income from investments

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Interest receivable	<u>791</u>	<u>1,203</u>

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2026

5 Expenditure on charitable activities

	Charitable activities 2026 £	Charitable activities 2025 £
Direct costs		
Staff costs	398,204	379,513
Depreciation and impairment	7,178	7,388
	<u>405,382</u>	<u>386,901</u>
Share of support and governance costs (see note 6)		
Support	49,154	60,518
Governance	3,132	3,050
	<u>457,668</u>	<u>450,469</u>
Analysis by fund		
Unrestricted funds	453,807	446,608
Restricted funds	3,861	3,861
	<u>457,668</u>	<u>450,469</u>

In addition to the expenditure analysed above, there are also governance costs of £3,132 (2025 - £3,050) which relate directly to charitable activities.

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

6 Support costs allocated to activities

	2026 £	2025 £
Materials and equipment	4,698	5,672
Rent and rates	8,275	7,457
Light, heat and power	(1,690)	5,212
Insurance	3,481	3,298
Repairs and renewals	5,712	3,736
Telephone and fax	1,492	1,728
Printing, postage and stationery	1,591	1,996
Trade subscriptions	5,734	5,482
Hire of other assets	5,095	5,943
Catering	5,801	6,350
Governance costs	3,132	3,050
Sundry expenses	1,164	1,531
Cleaning	6,909	3,052
Advertising	-	358
Staff training	-	4,210
Bank charges	543	550
Fundraising expenses	349	429
Bad debts	-	3,514
	<u>52,286</u>	<u>63,568</u>
Analysed between:		
Charitable activities	<u>52,286</u>	<u>63,568</u>

	2026 £	2025 £
Governance costs comprise:		
Independent Examiner's remuneration	3,132	3,050
	<u>3,132</u>	<u>3,050</u>

7 Independent examiner's fee

	2026 £	2025 £
Examination of the financial statements	<u>3,132</u>	<u>3,050</u>

8 Trustees

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

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

9 Employees

The monthly average number of persons (including senior management/ leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2026 Number	2025 Number
Administration	3	3
Daycare	10	11
Preschool	6	5
Carer 1:1	-	1
Cleaner	1	1
Total	20	21

Employment costs

	2026 £	2025 £
Wages and salaries	349,629	343,417
Social security costs	38,338	25,326
Other pension costs	10,237	10,770
	398,204	379,513

13 (2025 - 13) of the above employees participated in the Defined Contribution Pension Schemes.

The total employee benefits of the key management personnel of the charity were £42,004 (2025 - £26,354).

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

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2026

11 Tangible fixed assets

	Freehold interest in land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 March 2025	235,597	73,217	308,814
Additions	-	1,629	1,629
At 28 February 2026	235,597	74,846	310,443
Depreciation and impairment			
At 1 March 2025	109,053	62,461	171,514
Depreciation charged in the year	4,712	2,466	7,178
At 28 February 2026	113,765	64,927	178,692
Carrying amount			
At 28 February 2026	121,832	9,919	131,751
At 28 February 2025	126,544	10,756	137,300

12 Debtors

	2026 £	2025 £
Amounts falling due within one year:		
Trade debtors	256	1,453
Other debtors	23,000	23,000
	23,256	24,453

13 Creditors: amounts falling due within one year

	Notes	2026 £	2025 £
Deferred income	14	7,316	3,092
Trade creditors		313	905
Other creditors		67	2,068
Accruals		2,470	2,350
		10,166	8,415

14 Deferred income

	2026 £	2025 £
Other deferred income	7,316	3,092

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

14 Deferred income

(Continued)

Deferred income is included in the financial statements as follows:

	2026 £	2025 £
Deferred income is included within:		
Current liabilities	7,316	3,092
Movements in the year:		
Deferred income at 1 March 2025	3,092	1,636
Released from previous periods	(3,092)	(1,636)
Resources deferred in the year	7,316	3,092
Deferred income at 28 February 2026	7,316	3,092

Deferred income relates to nursery fee income received in advance.

15 Retirement benefit schemes

	2026 £	2025 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,237	10,770

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.

16 Restricted funds

The restricted funds of the charity relates to fixed assets and is released annually over the lifetime of the assets.

	At 1 March 2025 £	Resources expended £	At 28 February 2026 £
Restricted funds	87,186	(3,861)	83,325
Previous year:			
	At 1 March 2024 £	Resources expended £	At 28 February 2025 £
Restricted funds	91,047	(3,861)	87,186

PORTREE NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2026

17 Unrestricted funds

	At 1 March 2025 £	Incoming resources £	Resources expended £	At 28 February 2026 £
General funds	121,548	441,832	(453,807)	109,573
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 March 2024 £	Incoming resources £	Resources expended £	At 28 February 2025 £
General funds	150,721	417,435	(446,608)	121,548
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Analysis of net assets between funds

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £
At 28 February 2026:			
Tangible assets	48,426	83,325	131,751
Current assets/(liabilities)	61,147	-	61,147
	<u>109,573</u>	<u>83,325</u>	<u>192,898</u>
	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 28 February 2025:			
Tangible assets	50,114	87,186	137,300
Current assets/(liabilities)	71,434	-	71,434
	<u>121,548</u>	<u>87,186</u>	<u>208,734</u>
	<u> </u>	<u> </u>	<u> </u>

19 Related party transactions

During the year the Trustees paid £18,710 (2025 - £18,196) for childcare on a commercial arm's length basis. At the balance sheet date the amount due from trustees was £312 (2025 - £895).