

Charity registration number: SC023360

# Muirton Community Nursery

Annual Report and Financial Statements

for the Year Ended 31 March 2025

Morris & Young, Statutory Auditor  
Chartered Accountants  
6 Atholl Crescent  
PERTH  
PH1 5JN

## **Muirton Community Nursery**

### **Contents (continued)**

Reference and Administrative Details	1
Management Committee's Report	2 to 8
Statement of Management Committee's Responsibilities	9
Independent Auditors' Report	10 to 13
Statement of Financial Activities	14
Balance Sheet	15
Notes to the Financial Statements	16 to 29

## **Muirton Community Nursery**

### **Reference and Administrative Details**

**Management Committee**



**Senior Management Team**



**Charity Registration Number**

SC023360

**Principal Office**

Gowans Terrace  
PERTH  
PH1 5AX

**Auditor**

Morris & Young, Statutory Auditor  
Chartered Accountants  
6 Atholl Crescent  
PERTH  
PH1 5JN

**Solicitors**

Elliot & Company WS  
8 Charlotte Street  
PERTH  
PH1 5LL

## **Muirton Community Nursery**

### **Management Committee's Report**

The Management Committee presents the annual report together with the financial statements of the charity 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 applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities", 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).

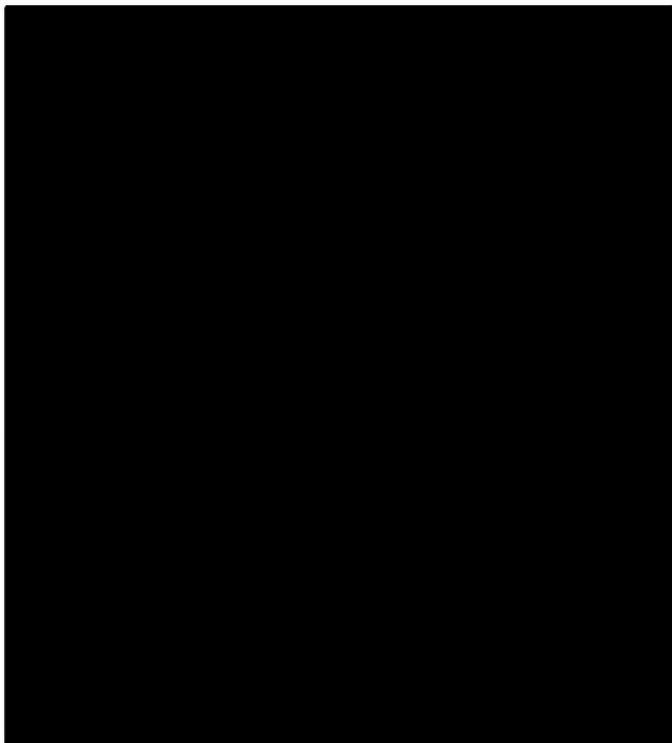
#### **Structure, governance and management**

##### ***Organisational structure***

The Nursery is an unincorporated registered charity, number SC023360, formed at a Public Meeting on 3 May 1994. The charity is run by a Management Committee elected at the Annual General Meeting who meet regularly, generally monthly. The Project Manager and Management Assistant also attend these meetings. The Management Committee is largely made up of parents of children who attend the nursery.

The Management Committee who served during the year, was as follows:

##### **Management Committee**



##### ***Nature of governing document***

The charity is governed by its Constitution and Rules.

##### ***Recruitment and appointment of Management Committee***

All parents are invited to put themselves forward for election at the Annual General Meeting.

## **Muirton Community Nursery**

### **Management Committee's Report (continued)**

#### ***Induction and training of Management Committee***

Prior to the first Management Committee meeting after the Annual General Meeting the Manager meets with any new members and outlines the history of the project and explains the current situation. She also explains the roles and responsibilities of committee members and office bearers. Office bearers are then elected at the first meeting and are given a written job description. At each committee meeting the Manager gives an update on project activities and the Management Assistant gives a financial report. Any decisions that have to be made regarding policy or any aspect of project services are taken by general consensus.

#### ***Major risks and management of those risks***

The major risk is that the business becomes unsustainable due to a considerable fall in the number of children attending and not being able to recruit new children. A further risk is losing staff to the local authority who are able to provide more favourable terms and conditions.

The management of this includes:

Paying staff the Scottish Living Wage. We believe this will help us to retain staff thereby ensuring a stable staff team which is beneficial to the children.

Actively promoting the nursery.

Relying on word of mouth- parents telling people about us and recommending us to people who are looking for a nursery place for their child.

Relying on our flexibility as no other setting in the area provides flexible care.

#### **Objectives and activities**

##### ***Objects and aims***

The charity's objects are set up in its Constitution and Rules being to relieve poverty, advance education and promote the welfare of families by providing full and part-time early learning and childcare. Priority has to be given to residents of the North Perth area.



## **Muirton Community Nursery**

### **Management Committee's Report (continued)**

#### ***Objectives, strategies and activities***

In furtherance thereof the nursery's objectives are:

A comprehensive range of policies are adopted in furtherance of these objects including an Admissions Policy which details project aims, criteria for admission, registration, allocation of places, staff/child ratio and priority places. All policies are reviewed regularly.

Activities during the year are summarised below:

Staffing continued to be stable. We continued to implement the staff incentive scheme and again staff sickness was manageable.

We reviewed all policies and procedures and these were amended as required following advice from Perth & Kinross Council. Copies of all policies were read by all staff and copies were available to parents.

We introduced the following new policies:

- Children's Health and Wellbeing Policy
- Staff Mental Health and Wellbeing Policy Food Allergy Policy
- Use of Mobile Devices

Our Early Years Family Learning Practitioner continued to work alongside us. She worked with some of our parents throughout the year. She also led very successful Book Bug sessions with an increasing number of parents joining these with their child, and a 6 week session on Play on Pedals which resulted in some children being able to ride a two-wheeled bicycle.

We continued to work in partnership with Education & Children's Services and other agencies including Early Years Inclusion Service, Speech and Language Therapy, Occupational Therapy.

We received support from Education & Children's Services as part of our contract with them. Our Support Teacher continued to visit regularly to provide support in the playrooms and updates on best practice.

A teacher from Early Years Inclusion Service and 1 practitioner continued to provide support and strategies for working with children who have additional support needs.

We continued to make improvements to the building. Artificial grass was installed in our Rainbow Room outdoor area, the height of the fence was increased in the main room play area to ensure the safety of children. We also installed blinds on the windows in the main playroom and both quiet rooms.

We recruited 3 new Management Committee members.

## **Muirton Community Nursery**

### **Management Committee's Report (continued)**

#### **Achievements and performance**

We continued to receive positive feedback and guidance from visiting improvement officers and support teachers from Perth & Kinross Council Education & Children's Services and took any suggestions on board.

We continued to use Developmental Milestones trackers issued by Perth & Kinross Council Education and Children's Services to track children's developmental milestones and used the results to inform our planning for children's needs.

Staff attended a comprehensive variety of training courses including:

- Food Hygiene
- Emergency First Aid at Work including Emergency Paediatric First Aid
- Early Years Nurture Pilot Programme
- Safe Staffing
- HMRC What is Pay for National Minimum Wage Purposes
- 0-3 Being Me in PKC
- Makaton
- Senior Practitioner Development Programme
- Communication Champion
- Emotion Works
- ELC Improvement Programme Peer Group Sessions
- Loose Parts
- Child Protection
- Teaching Children to Listen

Senior staff attended Funded Provider Meetings, Improvement Planning meetings, and kept up to date with any changes in legislation and best practice. This included updated Setting the Table which is Nutritional Standards and Practical Guidance for Early Learning and Childcare Providers in Scotland. This needs to be put in practice by August 2025.

We continued to run at full capacity with 90 children from 84 families using our services.

The children continued to be happy, engaged in their learning and celebrated various events throughout the year.

We held a fundraising Quiz Night to enable us to hold a 30th birthday celebration in June 2025.

We continued to regularly visit Strathtay House Nursing Home to entertain and work alongside the residents.

We continued to use various strategies to support children with additional support needs.

We gained our Emotion Works Bronze Award and are currently working towards the Silver Award.

We gained a certificate for participation in the Early Years Nurture Programme and learning from this is being incorporated into daily use.

#### **Financial review**

The accounts for the year ended 31 March 2025 show net incoming resources of £21,484 (2024 - net outgoing resources of £15,680).

**Muirton Community Nursery**  
**Management Committee's Report (continued)**

***Policy on reserves***

It is the policy of the charity that unrestricted Funds which have not been designated for a specific use should be maintained at a level to provide sufficient income to allow the charity to pursue its objectives. The balance held as unrestricted funds at 31 March 2025, excluding designated funds, was £81,137 (2024 - £55,362).

The charity has designated funds of £26,325 (2024 - £30,616) which represents the fixed assets of the charity and is subject to movements through acquisition of new assets, disposals or through depreciation.

**Plans for future periods**

Continue to support our children and families.

Continue with our programme of environmental improvements.

Ensure appropriate staffing levels.

Continue to provide opportunities for staff to attend appropriate training to ensure they increase their knowledge and meet the registration requirements of Scottish Social Services Council.

Work on improving the quality of observations and identifying next steps in learning.

Continue to work with our Support Teacher and our Early Years Family Learning Practitioner.

Recruit new Management Committee members.

Increase the percentage of children meeting their attention developmental milestone.

Increase the ability of staff to reflect on how key documents have impacted their practice to improve outcomes for children.

Increase children's digital skills.



## **Muirton Community Nursery**

### **Management Committee's Report (continued)**

#### **Financial instruments**

##### ***Objectives and policies***

The Charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

The Management Committee has assessed the major risks to which the charity is exposed and is satisfied that systems are in place to mitigate its exposure to the major risks.

##### ***Cash flow risk***

The Management Committee has retained sufficient cash resources to meet the immediate requirements of the charity.

##### ***Credit risk***

The Charity's principal financial assets are bank balances and cash, and other receivables.

The Charity's credit risk is primarily attributable to its other receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

##### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity's liquid funds are kept in a combination of non-interest bearing and interest bearing bank accounts to enable it to service its everyday financial needs.

##### **Going concern**

The charity received funding as a Funded Partner with Perth & Kinross Council Education & Children's Services. From April to July 2024, we received funding of £6.01 per hour per child for 1140 hours per year. This equates to 30 hours per week during term time or 24 hours per week over the 48 weeks per year that the nursery is open. This was increased to £6.15 per hour per child from 1st August 2024. We were also able to offer funded placements for Strong Starts at £6.23 per hour per child from April to July 2024. This was increased to £6.37 per hour from 1st August 2024.

We received £3 per child per day from Perth & Kinross Education & Children's Services for the provision of lunch and snack to funded children. We also received £0.584 per child per day to provide healthy snack and milk.

We were still able to provide placements for children aged 2-3 and also wraparound care for funded children who need longer hours. This was charged at the cost of £6 per hour per child and £3 per day for lunch and snack if required.

We were running at near capacity during the period 1 April 2024 to 31 December 2024 and at full capacity from 1 January to 31 March 2025. As a requirement of our funded partner contract, we will continue to pay childcare staff the Scottish Real Living Wage.

## **Muirton Community Nursery**

### **Management Committee's Report (continued)**

#### **Disclosure of information to auditor**

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Management Committee confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the Management Committee of the charity on 17 September 2025 and signed on its behalf by:

A large black rectangular box redacting the signature of the Trustee (Chair).

Trustee (Chair)

## **Muirton Community Nursery**

### **Statement of Management Committee's Responsibilities**

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

The law applicable to charities requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Management Committee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Management Committee are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the constitution. The Management Committee 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.



## **Muirton Community Nursery**

### **Independent Auditor's Report to the Members of Muirton Community Nursery**

#### **Opinion**

We have audited the financial statements of Muirton Community Nursery (the 'charity') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its results 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### **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 Management Committee's 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 Management Committee with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The Management Committee are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Muirton Community Nursery**

### **Independent Auditor's Report to the Members of Muirton Community Nursery (continued)**

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Management Committee's Report.

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Management Committee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Management Committee**

As explained more fully in the Statement of Management Committee's Responsibilities (set out on page 9), the Management Committee 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 Management Committee 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 Management Committee 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 Management Committee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor Responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.



## **Muirton Community Nursery**

### **Independent Auditor's Report to the Members of Muirton Community Nursery (continued)**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

#### **Identifying and assessing potential risks related to irregularities**

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

- the nature of the regulated sector, control environment and understanding of the entity including, but not restricted to, the understanding that the Management Committee are not remunerated, and the prevalence of fraud in the sector especially in the current uncertain economic environment;
- results of our enquiries of the Management Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition and overstatement of expenditure. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the charity's own constitution, and various charity-specific legislation, including The Charities and Trustee Investment (Scotland) Act 2005.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of the Management Committee, senior management and legal advisors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- tested a sample of income for understatement and other relevant audit procedures while consideration was given to revenue recognition;

## **Muirton Community Nursery**

### **Independent Auditor's Report to the Members of Muirton Community Nursery (continued)**

- tested a sample of expenditure for overstatement and other relevant audit procedures.
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's management committee, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's management committee 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 its management committee as a body, for our audit work, for this report, or for the opinions we have formed.



Morris & Young, Statutory Auditor

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Chartered Accountants

6 Atholl Crescent

PERTH

PH1 5JN

31 October 2025



# Muirton Community Nursery

## Statement of Financial Activities for the Year Ended 31 March 2025

	Note	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Unrestricted 2024 £	Restricted 2024 £	Total 2024 £
<b>Income and Endowments from:</b>							
Donations and legacies	2	20	-	20	10,000	-	10,000
Charitable activities	3	409,444	-	409,444	348,006	-	348,006
Investment income	4	578	-	578	36	-	36
Other income	5	1,497	-	1,497	219	-	219
Total Income		411,539	-	411,539	358,261	-	358,261
<b>Expenditure on:</b>							
Charitable activities	6, 7	(390,055)	-	(390,055)	(373,941)	-	(373,941)
Total Expenditure		(390,055)	-	(390,055)	(373,941)	-	(373,941)
Net movement in funds		21,484	-	21,484	(15,680)	-	(15,680)
<b>Reconciliation of funds</b>							
Total funds brought forward		85,978	1,369	87,347	101,658	1,369	103,027
Total funds carried forward	18	107,462	1,369	108,831	85,978	1,369	87,347

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 18.

The notes on pages 16 to 29 form an integral part of these financial statements.

**Muirton Community Nursery**  
**(Registration number: SC023360)**  
**Balance Sheet as at 31 March 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	12	16,145	20,436
<b>Current assets</b>			
Debtors	13	14,448	13,002
Cash at bank and in hand		85,131	63,005
		99,579	76,007
<b>Creditors: Amounts falling due within one year</b>	14	(6,893)	(9,096)
<b>Net current assets</b>		92,686	66,911
<b>Net assets</b>		108,831	87,347
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>		1,369	1,369
<b>Unrestricted income funds</b>			
Unrestricted income funds		107,462	85,978
<b>Total funds</b>		108,831	87,347

The financial statements on page 13 to 30 were approved by the Management Committee, and authorised for issue on 17 September 2025 and signed on their behalf by:

[Redacted signature]

[Redacted signature]

## **Muirton Community Nursery**

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

#### **1 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

##### **Basis of preparation**

Muirton Community Nursery 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.

These financial statements have been presented in sterling (£) and rounded to the nearest £1.

##### **Going concern**

Cash flow forecasts take into account the above and demonstrate that the charity has sufficient free cash flow to allow the charity to continue as a going concern for a period of at least 12 months from the date of signing these Accounts. All government guidelines are being followed. On this basis, the Management Committee consider it appropriate to prepare the Accounts on the Going Concern basis

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### **Grants receivable**

Grant income is credited to the Statement of Financial Activities when received.

##### **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 future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

##### **Investment income**

Income from bank interest received is credited to the Statement of Financial Activities when receivable.



## **Muirton Community Nursery**

### **Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)**

#### ***Charitable activities***

Income from charitable activities includes income received under contract and grant funding to specific service conditions. This income is recognised as the related goods and services are provided and where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Fees receivable are accounted for in the period in which the service is provided.

#### **Expenditure**

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

#### ***Charitable activities***

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

#### **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 Management Committee meetings and reimbursed expenses.

#### **Taxation**

Muirton Community Nursery is a charity and is not liable to Corporation Tax.

#### **Tangible fixed assets**

Individual fixed assets costing £50.00 or more are initially recorded at cost.

#### **Depreciation and amortisation**

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

<b>Asset class</b>	<b>Depreciation method and rate</b>
Furniture and equipment	25% Reducing balance

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and bank deposits.

## **Muirton Community Nursery**

### **Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)**

#### **Trade creditors**

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

They are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

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

Designated funds are unrestricted funds are resources set aside for specific purposes at the discretion of the Management Committee.

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.

#### **Pensions and other post retirement obligations**

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

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

#### **Financial instruments**

The charity only has financial assets and liabilities of a kind that would qualify as basic financial instruments which are recognised at their transaction value and subsequently measured at their settlement value.

# Muirton Community Nursery

## Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2025 £	Unrestricted funds General £	Total 2024 £
Donations and legacies;	20	20	10,000	10,000
Donations from individuals	20	20	10,000	10,000

### 3 Income from charitable activities

	Unrestricted funds General £	Total 2025 £	Unrestricted funds General £	Total 2024 £
Provision of Nursery Services	408,967	408,967	347,811	347,811
Other	477	477	195	195
	409,444	409,444	348,006	348,006

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 4 Investment income

	Unrestricted funds General £	Total 2025 £	Unrestricted funds General £	Total 2024 £
Interest receivable and similar income;				
Interest receivable on bank deposits	578	578	36	36

#### 5 Other income

	Unrestricted funds General £	Total 2025 £	Unrestricted funds General £	Total 2024 £
Fundraising income	1,497	1,497	219	219



**Muirton Community Nursery**

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

**6 Expenditure on charitable activities**

	Unrestricted funds		Total 2025 £	Unrestricted funds		Total 2024 £
	Designated £	General £		Designated £	General £	
Employment costs	-	211,562	211,562	-	201,725	201,725
Food & Milk	-	9,551	9,551	-	9,304	9,304
Paper goods	-	1,176	1,176	-	1,060	1,060
Play materials	-	6,195	6,195	-	2,713	2,713
Depreciation	6,424	-	6,424	6,812	-	6,812
Support costs	-	136,235	136,235	-	136,221	136,221
Governance costs	-	13,496	13,496	-	13,750	13,750
We All Sing Grant expenditure	-	2,288	2,288	-	2,356	2,356
	<u>6,424</u>	<u>380,503</u>	<u>386,927</u>	<u>6,812</u>	<u>367,129</u>	<u>373,941</u>



## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 7 Analysis of governance and support costs

##### Support costs

	Unrestricted funds General £	Total 2025 £	Unrestricted funds General £	Total 2024 £
Employment costs	82,729	82,729	82,142	82,142
Rent	13,000	13,000	13,000	13,000
Rates	3,076	3,076	2,312	2,312
Light, heat and power	10,065	10,065	9,031	9,031
Insurance	3,914	3,914	3,733	3,733
Repairs and cleaning costs	19,333	19,333	17,729	17,729
Telephone	484	484	467	467
Printing, stationery and advertising	2,408	2,408	2,329	2,329
Sundry expenses	1,115	1,115	1,179	1,179
Publications	3,859	3,859	3,842	3,842
Bank Charges	422	422	457	457
	<u>140,405</u>	<u>140,405</u>	<u>136,221</u>	<u>136,221</u>

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### Basis of allocation

Reference	Method of allocation
Employment costs	Staff time
Rent	Direct
Rates	Direct
Light, heat and power	Direct
Insurance	Direct
Repairs and cleaning costs	Direct
Telephone	Direct
Printing, stationery and advertising	Direct
Sundry expenses	Direct
Publications	Direct
Bad debts written off	Direct
Bank charges	Direct
Loan interest	Direct

#### Governance costs

	Unrestricted funds General £	Total 2025 £	Unrestricted funds General £	Total 2024 £
Staff costs				
Wages and salaries	8,344	8,344	8,351	8,351
Social security costs	652	652	839	839
Audit fees				
Audit of the financial statements	2,500	2,500	2,300	2,300
Other fees paid to auditors	2,000	2,000	1,900	1,900
Legal fees	-	-	360	360
	<u>13,496</u>	<u>13,496</u>	<u>13,750</u>	<u>13,750</u>

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2025 £	2024 £
Operating leases - other assets	1,300	13,000
Audit fees	2,500	2,300
Other non-audit services	2,000	1,900
Depreciation of fixed assets	<u>5,381</u>	<u>6,812</u>

#### 9 Management Committee's remuneration and expenses

No members of the Management Committee, nor any persons connected with them, have received any remuneration from the charity during the year.

No members of the Management Committee received any reimbursed expenses from the charity during the year.

#### 10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
<b>Staff costs during the year were:</b>		
Wages and salaries	280,419	274,197
Social security costs	15,603	12,698
Pension costs	<u>7,266</u>	<u>6,162</u>
	<u>303,288</u>	<u>293,057</u>

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:

	2025 No	2024 No
Provision of nursery services	13	15
Administration	<u>1</u>	<u>1</u>
	<u>14</u>	<u>16</u>

15 (2024 - 12) of the above employees participated in the Defined Contribution Pension Schemes.

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

The total employee benefits of the key management personnel of the charity were £62,327 (2024 - £60,511).

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 11 Taxation

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

#### 12 Tangible fixed assets

	Furniture and equipment £	Total £
<b>Cost</b>		
At 1 April 2024	112,008	112,008
Additions	<u>1,090</u>	<u>1,090</u>
At 31 March 2025	<u>113,098</u>	<u>113,098</u>
<b>Depreciation</b>		
At 1 April 2024	91,572	91,572
Charge for the year	<u>5,381</u>	<u>5,381</u>
At 31 March 2025	<u>96,953</u>	<u>96,953</u>
<b>Net book value</b>		
At 31 March 2025	<u><u>16,145</u></u>	<u><u>16,145</u></u>
At 31 March 2024	<u><u>20,436</u></u>	<u><u>20,436</u></u>

#### 13 Debtors

	2025 £	2024 £
Prepayments	6,293	6,077
Other debtors	<u>8,155</u>	<u>6,925</u>
	<u><u>14,448</u></u>	<u><u>13,002</u></u>

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 14 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	-	1,099
Accruals	6,893	7,820
Deferred income	-	177
	<u>6,893</u>	<u>9,096</u>

	2025 £	2024 £
<b>Deferred Income</b>		
Deferred income at 1 April 2024	177	46
Resources deferred in the period	(177)	177
Amounts released from previous periods	-	(46)
Deferred income at year end	<u>-</u>	<u>177</u>

Deferred income at the year end represents nursery fees which were received in advance.

#### 15 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
<b>Land and buildings</b>		
Within one year	13,000	13,000
Between one and five years	<u>26,000</u>	<u>39,000</u>
	<u>39,000</u>	<u>52,000</u>

The total amount of lease payments recognised as an expense during the year was £13,000 (2023 - £13,000).

#### 16 Pension and other schemes

##### Defined contribution pension scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £7,266 (2024 - £6,162).



## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 17 Contingent liabilities

The charity received a grant of £10,180 from the Scottish Executive towards the cost of an extension to the building. They have however decided to put the plans for the extension on hold. If the plans for the extension do not go ahead the charity may have to repay the grant to the Scottish Executive. No adjustment has been made to the accounts for such a situation arising.

#### 18 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted Income Fund	55,362	411,539	(384,674)	(1,090)	81,137
<i>Designated</i>					
Capital Expenditure Fund	30,616	-	(5,381)	1,090	26,325
<b>Total unrestricted funds</b>	<u>85,978</u>	<u>411,539</u>	<u>(390,055)</u>	<u>-</u>	<u>107,462</u>
<b>Restricted funds</b>					
CCI Fund	1,363	-	-	-	1,363
Scottish Government - Outdoor Clothing Fund	6	-	-	-	6
<b>Total restricted funds</b>	<u>1,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,369</u>
<b>Total funds</b>	<u>87,347</u>	<u>411,539</u>	<u>(390,055)</u>	<u>-</u>	<u>108,831</u>

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted Income Fund	68,223	358,261	(367,129)	(3,993)	55,362
<i>Designated</i>					
Capital Expenditure Fund	33,435	-	(6,812)	3,993	30,616
<b>Total unrestricted funds</b>	<u>101,658</u>	<u>358,261</u>	<u>(373,941)</u>	<u>-</u>	<u>85,978</u>
<b>Restricted funds</b>					
CCI Fund	1,363	-	-	-	1,363
Scottish Government Outdoor Clothing Fund	- 6	-	-	-	6
<b>Total restricted funds</b>	<u>1,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,369</u>
<b>Total funds</b>	<u>103,027</u>	<u>358,261</u>	<u>(373,941)</u>	<u>-</u>	<u>87,347</u>
<b>Unrestricted funds</b>					

The specific purposes for which the funds are to be applied are as follows:

The Unrestricted Income Fund is available to be spent for any of the purposes of the charity.

The Capital Expenditure Fund represents the fixed assets of the charity and is subject to movements through acquisition of new assets or through depreciation.

## Muirton Community Nursery

### Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

#### 19 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 March 2025
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	16,145	-	16,145
Current assets	88,030	10,180	1,369	99,579
Current liabilities	(6,893)	-	-	(6,893)
Total net assets	<u>81,137</u>	<u>26,325</u>	<u>1,369</u>	<u>108,831</u>

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	-	20,436	-	20,436
Current assets	64,458	10,180	1,369	76,007
Current liabilities	(9,096)	-	-	(9,096)
Total net assets	<u>55,362</u>	<u>30,616</u>	<u>1,369</u>	<u>87,347</u>

#### 20 Related party transactions

During the year the charity made the following related party transactions:

##### Management Committee

The Management Committee is largely made up of parents of children who attend the nursery. Fees charged are calculated at the standard rates. At the balance sheet date the net fees due from Management Committee Members at the year end were £627 (2024 - £1,140).