

**Poppyview Family Centre**  
**Financial Statements**  
**Trustee's Report and Financial Statements**  
**31 March 2022**

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**PATERSON BOYD & Co.**  
Chartered Accountants

# **Poppyview Family Centre**

## **Financial Statements**

**Year Ended 31 March 2022**

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# Poppyview Family Centre

## Trustees' Annual Report

Year Ended 31 March 2022

The trustees present their report and the financial statements of the charity for the year ended 31 March 2022.

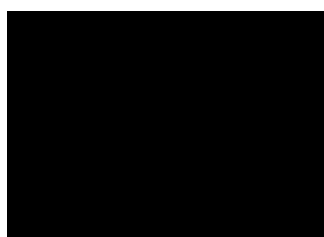
### Reference and administrative details

**Registered charity name** Poppyview Family Centre

**Charity registration number** SC043499

**Principal office** Ajax Way  
Leven  
Fife  
KY8 3RS

### The trustees



(Appointed 3 May 2021)

**Auditor** Paterson Boyd & Co Limited  
Chartered Accountants & Statutory Auditor  
8 Mitchell Street  
Leven  
Fife KY8  
4HJ

**Bankers** Royal Bank of Scotland plc  
23/25 Rosslyn Street  
Kirkcaldy  
Fife  
Scotland  
KY1 3HA

### Structure, governance and management

#### Nature of the Charity and Governing document

The Charity is a Scottish Charitable Incorporated Organisation (SCIO) registered on 18th October 2012. On 14th April 2014 responsibility for the nursery was transferred by Fife Council to the charity. Fife Council remains the owner of the heritable property, but the moveable assets and responsibility for the running of the nursery were passed to the Poppyview Trustees.

# **Poppyview Family Centre**

## **Trustees' Annual Report** *(continued)*

**Year Ended 31 March 2022**

### **Structure, governance and management** *(continued)*

#### **Key management personnel**

The trustees together with the centre manager and deputy managers make up the key management personnel. The trustees give of their time freely and the remuneration of the centre manager and senior staff is set by the trustees and is kept under annual review. A number of criteria are used in setting remuneration:

- nature of the role and responsibilities;
- competitor salaries in the area;
- salaries set by Fife Council;
- the sector average salary for comparable positions;
- trends in pay.

Manager	Heather Auld
Deputy Manager	Lisa Winters

#### **Organisational management**

The day to day running of the centre is delegated to the centre manager supported by senior staff. The centre manager undertakes the key leadership role overseeing the legislative, partnership, pastoral and administrative functions in consultation with senior and administrative staff.

#### **Objectives and activities**

In terms of its Constitution the purpose of Poppyview is to advance the education, learning, care and development of children through:

- the provision of childcare facilities in the Levenmouth area of Fife;
- the preparation and dissemination of information with other child care groups;
- the promotion of the physical and moral well-being of children and;
- the encouragement of training and learning opportunities for parents, carers and others and the improvement of education and employment opportunities for them.

The Charity provides a nursery for children from six weeks to five years each week day from 7.30 to 18.0 hrs. Breakfast is available and lunches and snacks are prepared on the premises. A holiday club is run during the school holidays (Easter, Summer, October) and in-service days to provide a programme of activities geared to the needs and ages of the children.

#### **Pupil numbers and fees**

Poppyview is registered with the Care Inspectorate and is registered to look after a maximum of 126 children in any one session. The charity is registered to accommodate children aged 6 weeks to 14 years. Currently it has 39 under 2 years, 34 2 years, 57 3 - 5 years, and 2 Out Of School Club/Holiday Club children registered. The nursery currently has 2 children who attend full time and the others attend on a part time basis. The aim of the centre is to keep the fees as realistic as possible in order to ensure that the provision is self-sufficient and the community can access it. The fees continue to be competitive with other childcare in the surrounding area. The nursery continues to take part in the 1,140 hours with Fife Council Education allowing families to receive 25 hours per week childcare. We can also provide up to 10 early entrant places for eligible 2-year olds.

# **Poppyview Family Centre**

## **Trustees' Annual Report** *(continued)*

**Year Ended 31 March 2022**

### **Objectives and activities** *(continued)*

#### **Strategy**

The focus of the strategy of the charity is on delivering a high quality, flexible, affordable and accessible child care for the community and beyond.

In taking forward this strategy the charity:

- reviews and bench marks other child care facilities in the area;
- ensures it offers a flexible programme for parents and children;
- invests in technology;
- works in partnership with education.

#### **Our ethos**

Poppyview Family Centre is a charitable trust, which seeks to benefit the families in our community. The fees are set at a level to ensure the financial viability of the centre and at a level, which is consistent with the aim of providing a high quality child care provision.

#### **Policy on assistance**

Timely financial planning is key for many parents who are organising childcare at Poppyview with this in mind we aim to provide flexible ways for parents to pay, to underline the value we place on continuity for families. As part of our emphasis on attracting and retaining a high calibre of staff, we offer a discount scheme where staff members choose to have their children attend Poppyview.

#### **Achievements and performance**

Several fundraising events have been organised over the last year including sponsored events, Christmas Shopping Night and Open Days. All contributing to ensuring people are aware of Poppyview Family Centre, where we are and what we offer. We have established good links with Arden House Leven and Leven Beach Care home ensuring we are involved in intergenerational links as well as continuing our good relations with others in the community.

We have few children taking up full time places however this allows us the opportunity to continue offering flexible packages to suit our families and their needs. Childcare is expensive and part time flexible packages suit the needs of our families who live and work in our community.

#### **Financial review**

The principal source of income is fees charged for childcare and the main expenditure is on staff. All members of staff recruited since April 2014 are appointed on Poppyview conditions of service including pension arrangements. The Board is determined to maintain the high quality of staff and to ensure that they are rewarded for the excellent service which they provide.

A nursery by its nature is labour intensive and the major costs involved are salaries for the staff. We also apply for grant funding for particular projects and help with looking after children with additional needs. A review of our outgoings has resulted in savings across the centre. A conscious effort is being made to ensure the payment of fees is made timeously and prevent/lessen the accumulation of large debts.

Accounts for the year are attached and these produced an overall net deficit of £3,887 (2021: surplus of £195,876).

# **Poppyview Family Centre**

## **Trustees' Annual Report *(continued)***

**Year Ended 31 March 2022**

### **Financial review *(continued)***

#### **Reserves policy**

The aim of the Board is to ensure that Poppyview becomes self-financing and in the longer term builds up reserves equivalent to three months' turnover. The current level of reserves falls short of this, however the board are working to improve this.

#### **Social investment policy**

The charitable aims and objectives are achieved by continuing to invest in a team of qualified staff who ensure the continuous provision of high quality care. High quality, affordable, flexible and accessible childcare is important in order to ensure that parents can both work and/or take up education or training programmes. The nature of the centre allows parents the freedom and choice to have all of their children cared for in the same environment. Working in partnership with Fife Council Education Department and other local organisations ensures we maintain good links within our local community. The charity continues to be committed to assist Fife Council with the 1,140 hours and negotiations are now complete with an agreed hourly rate confirmed.

#### **Risk management**

The trustees are responsible for the overseeing of the risks faced by the centre. Risks are identified and assessed in detail and controls are established throughout the year as part of the responsibilities of the centre manager. A formal review of the risks is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, centre safety, welfare and employment.

The main risks that have been identified and the plans to manage those are:

- Reputation - the centre's success is built on its reputation for the high quality childcare it provides, children's wellbeing and the excellent provision of these. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for children, parents and staff and being proactive in identification and resolution of health and safety related issues.
- Money - our ability to continue to provide a service is reliant on children's fees and the ability to pay bills as they fall due. This risk is managed by marketing strategies, our reputation for high quality child care provision and keeping an eye on the budgets and grant funding.
- Location - our ability to provide for the local community and continue to provide a high quality service in the area is dependent on the regeneration programme continuing in the area and employment remaining.

Through our risk management processes established for the centre we are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

# **Poppyview Family Centre**

## **Trustees' Annual Report** *(continued)*

**Year Ended 31 March 2022**

### **Plans for future periods**

The trustees intend to continue their current strategies of maintaining the centre's position in a competitive market by investing in a team of qualified staff to ensure the continuous provision of high quality affordable, flexible and accessible childcare. As part of this strategy the intention is to continue to recruit qualified and experienced staff, who are paid a salary in line with the local authority.

High quality, affordable, flexible and accessible child care is considered by many as being desirable in order to ensure that parents can both work and/or take up education or training programmes. Our future plans are financed primarily from fee income, grants and fundraising. It is important to maintain an equitable balance ensuring our current families benefit whilst, at the same time ensuring a sound infrastructure and financial base are preserved for future families. Poppyview can greatly facilitate these aims but the present funding arrangements militate against a greater take up of the places in Poppyview. Free childcare may not be available in the short term. In the interim full time or part time child care in nurseries like Poppyview set up as Social Enterprise Companies, where any surplus is invested back into the company and not paid to shareholders, helps to meet a growing demand from parents.

The garden room is complete and is an area to support a variety of activities including mindfulness and yoga.

### **Trustees' responsibilities statement**

The trustees, 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).

The law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

# Poppyview Family Centre

## Trustees' Annual Report *(continued)*

### Year Ended 31 March 2022

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Trustees Investments (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006, and the provisions of the Trust Deed. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Auditors**

Paterson Boyd & Co Limited are deemed to be re-appointed under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

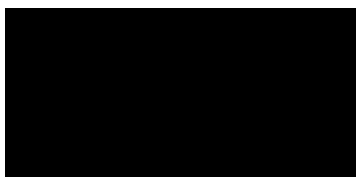
#### **Statement as to disclosure to our auditors**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (effective January 2015) and in accordance with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Scottish Charitable Incorporated Organisations Regulations 2011.

The trustees' annual report was approved on 23 December 2022 and signed on behalf of the board of trustees by:



Treasurer



# **Poppyview Family Centre**

## **Independent Auditor's Report to the Members of Poppyview Family Centre**

**Year Ended 31 March 2022**

### **Opinion**

We have audited the financial statements of Poppyview Family Centre (SCIO) (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, 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.

# **Poppyview Family Centre**

## **Independent Auditor's Report to the Members of Poppyview Family Centre** *(continued)*

**Year Ended 31 March 2022**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) and Charities and Trustees Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; 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.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement on page 4, the trustees 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

# Poppyview Family Centre

## Independent Auditor's Report to the Members of Poppyview Family Centre *(continued)*

**Year Ended 31 March 2022**

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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

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.

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulations, and we considered that the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries based on risk criteria.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Investigated the rationale behind significant or unusual transactions.
- Review of correspondence with OSCR.
- Reviewing the laws and regulations with a direct and indirect impact on the financial statements and making sure compliance with these.
- Reviewing treatment of income and making sure it complies with the SORP.

# Poppyview Family Centre

## Independent Auditor's Report to the Members of Poppyview Family Centre *(continued)*

### Year Ended 31 March 2022

- Reviewed the risks identified at the planning stage and making sure these have been dealt with during the audit work.
- Reviewed accounting estimates for evidence of bias.
- Agreed financial statement disclosures to supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

### Use of our report

This report is made solely to the charity's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



██████████ Hons), F.C.C.A. (Senior Statutory Auditor)

For and on behalf of  
Paterson Boyd & Co Limited  
Chartered Accountants & Statutory Auditor  
8 Mitchell Street  
Leven  
Fife KY8  
4HJ

Paterson Boyd & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

23 December 2022

# Poppyview Family Centre

## Statement of Financial Activities

Year Ended 31 March 2022

		2022		2021
		Unrestricted funds	Restricted funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	2,328	476,649	478,977
Charitable activities	5	271,027	–	271,027
Other trading activities	6	3,876	–	3,876
Investment income	7	10	–	10
Total income		277,241	476,649	753,890
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	8	–	–	–
Expenditure on charitable activities	9,10	279,042	478,735	757,777
Total expenditure		279,042	478,735	757,777
Net (expenditure)/income		(1,801)	(2,086)	(3,887)
Transfers between funds		875	(875)	–
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes		–	–	–
Net movement in funds		(926)	(2,961)	(3,887)
Reconciliation of funds				
Total funds brought forward		88,546	37,123	125,669
Total funds carried forward		87,620	34,162	121,782

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

The notes on pages 14 to 25 form part of these financial statements.

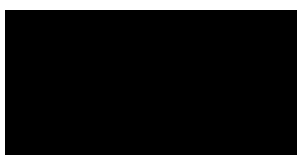
# Poppyview Family Centre

## Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible fixed assets	16	23,665	25,390
<b>Current Assets</b>			
Debtors	17	22,326	21,267
Cash at bank and in hand		155,547	130,585
		<u>177,873</u>	<u>151,852</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>79,756</u>	<u>51,573</u>
<b>Net Current Assets</b>		<u>98,117</u>	<u>100,279</u>
<b>Total Assets Less Current Liabilities</b>		<u>121,782</u>	<u>125,669</u>
<b>Net Assets</b>		<u>121,782</u>	<u>125,669</u>
<b>Funds of the Charity</b>			
Restricted funds		34,162	37,123
Unrestricted funds:			
Other unrestricted income funds		87,620	88,546
<b>Total unrestricted funds</b>		<u>87,620</u>	<u>88,546</u>
<b>Total charity funds</b>	19	<u>121,782</u>	<u>125,669</u>

These financial statements were approved by the board of trustees and authorised for issue on 23 December 2022, and are signed on behalf of the board by:



Treasurer

The notes on pages 14 to 25 form part of these financial statements.

# Poppyview Family Centre

## Statement of Cash Flows

Year Ended 31 March 2022

	2022 £	2021 £
<b>Cash Flows from Operating Activities</b>		
Net (expenditure)/income	(3,887)	117,876
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,725	1,917
Government grant income	–	(175,983)
Other interest receivable and similar income	(10)	(1)
Interest payable and similar charges	799	1,334
Accrued (income)/expenses	(4,572)	2,547
<i>Changes in:</i>		
Trade and other debtors	966	2,695
Trade and other creditors	30,730	(15,313)
Cash generated from operations	25,751	(64,928)
Interest paid	(799)	(1,334)
Interest received	10	1
Net cash from/(used in) operating activities	<u>24,962</u>	<u>(66,261)</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of tangible assets	–	(796)
Net cash used in investing activities	<u>–</u>	<u>(796)</u>
<b>Cash Flows from Financing Activities</b>		
Government grant income	–	175,983
Net cash from financing activities	<u>–</u>	<u>175,983</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>24,962</b>	<b>108,926</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>130,585</b>	<b>21,659</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b><u>155,547</u></b>	<b><u>130,585</u></b>

The notes on pages 14 to 25 form part of these financial statements.

# **Poppyview Family Centre**

## **Notes to the Financial Statements**

**Year Ended 31 March 2022**

### **1. General Information**

The charity is a public benefit entity and a registered charity in Scotland and is incorporated as a Scottish Charitable Incorporated Organisation (SCIO). The address of the principal office is Ajax Way, Leven, Fife, KY8 3RS.

### **2. Statement of Compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

### **3. Accounting Policies**

#### **Basis of Preparation**

The financial statements have been prepared on the historical cost basis, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going Concern**

The Trustees are of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future due to the current level of financial reserves and expectations of future income. As a consequence the Trustees have prepared the financial statements on the going concern basis.

#### **Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Taxation**

The charity is exempt from tax on income and gains falling within section 505(1) 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.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.



# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 3. Accounting Policies *(continued)*

##### **Fund Accounting**

Funds held by the charity are either:-

- unrestricted general funds, which are donations and other incoming resources receivable or generated for the objects of the charity without specified purpose;
- restricted funds, which are funds that can only be used for a particular restricted purpose within the objectives of the charity.

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

##### **Income**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### **Expenditure**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

##### **Operating Leases**

Rentals paid under operating leases are charged to income as incurred.

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2022

### 3. Accounting Policies *(continued)*

#### Tangible Assets

Tangible fixed assets are stated at cost less depreciation. The charity capitalises items of equipment where the purchase price exceeds £500.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Property	- 10% and 5% straight line
Equipment	- 20% reducing balance

#### Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

#### Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

#### Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2022

### 3. Accounting Policies *(continued)*

#### Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

### 4. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Donations	260	—	260
<b>Grants</b>			
Fife Council	—	26,095	26,095
Fife Council - Education	—	450,554	450,554
Co op	—	—	—
Firstport Resilience Fund	—	—	—
Inclusion Fund	—	—	—
Inspiring Scotland	—	—	—
Tesco	—	—	—
Coronavirus Job Retention Scheme	—	—	—
<b>Other Donations and Legacies</b>			
Memberships	2,068	—	2,068
	<u>2,328</u>	<u>476,649</u>	<u>478,977</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations	—	—	—
<b>Grants</b>			
Fife Council	—	18,952	18,952
Fife Council - Education	—	357,503	357,503
Co op	—	1,243	1,243
Firstport Resilience Fund	—	26,123	26,123
Inclusion Fund	—	1,500	1,500
Inspiring Scotland	—	895	895
Tesco	1,000	—	1,000
Coronavirus Job Retention Scheme	175,983	—	175,983

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2022

### 4. Donations and Legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Other Donations and Legacies</b>			
Memberships	—	—	—
	<u>176,983</u>	<u>406,216</u>	<u>583,199</u>

### 5. Charitable Activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Nursery fees	<u>271,027</u>	<u><b>271,027</b></u>	<u>146,284</u>	<u>146,284</u>

### 6. Other Trading Activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Fundraising income	2,316	<b>2,316</b>	3,970	3,970
Other income	1,560	<b>1,560</b>	8,245	8,245
	<u>3,876</u>	<u><b>3,876</b></u>	<u>12,215</u>	<u>12,215</u>

### 7. Investment Income

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Investment income	<u>10</u>	<u><b>10</b></u>	<u>1</u>	<u>1</u>

### 8. Costs of Raising Donations and Legacies

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Fundraising expenditure	<u>—</u>	<u><b>—</b></u>	<u>9</u>	<u>9</u>

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2022

### 9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct charitable activities	268,172	478,735	<b>746,907</b>
Support costs	10,870	—	<b>10,870</b>
	<u>279,042</u>	<u>478,735</u>	<u><b>757,777</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct charitable activities	220,644	392,814	613,458
Support costs	8,969	1,387	10,356
	<u>229,613</u>	<u>394,201</u>	<u>623,814</u>

### 10. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Direct charitable activities	746,907	7,840	<b>754,747</b>	620,814
Governance costs	—	3,030	<b>3,030</b>	3,000
	<u>746,907</u>	<u>10,870</u>	<u><b>757,777</b></u>	<u>623,814</u>

### 11. Analysis of Support Costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
Premises	1,785	<b>1,785</b>	1,387
Communications and IT	2,648	<b>2,648</b>	2,457
General office	2,046	<b>2,046</b>	1,616
Finance costs	799	<b>799</b>	1,334
Governance costs	3,030	<b>3,030</b>	3,000
Subscriptions	562	<b>562</b>	562
	<u>10,870</u>	<u><b>10,870</b></u>	<u>10,356</u>

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 12. Net (Expenditure)/Income

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

	2022	2021
	£	£
Depreciation of tangible fixed assets	1,725	1,917
Operating lease rentals	1,724	1,803

#### 13. Auditor's Remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	3,000	3,000

#### 14. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	583,233	470,073
Social security costs	28,678	18,266
Employer contributions to pension plans	25,723	34,120
	637,634	522,459

The average head count of employees during the year was 38 (2021: 38).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £61,603 (2021:£68,444).

#### 15. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 16. Tangible Fixed Assets

	Property £	Equipment £	Total £
<b>Cost</b>			
<b>At 1 Apr 2021 and 31 Mar 2022</b>	<u>26,372</u>	<u>13,328</u>	<u>39,700</u>
<b>Depreciation</b>			
At 1 Apr 2021	2,919	11,391	<b>14,310</b>
Charge for the year	<u>1,338</u>	<u>387</u>	<u>1,725</u>
<b>At 31 Mar 2022</b>	<u>4,257</u>	<u>11,778</u>	<u>16,035</u>
<b>Carrying amount</b>			
<b>At 31 Mar 2022</b>	<u>22,115</u>	<u>1,550</u>	<u>23,665</u>
At 31 Mar 2021	<u>23,453</u>	<u>1,937</u>	<u>25,390</u>

#### 17. Debtors

	<b>2022</b>	2021
	£	£
Trade debtors	<b>20,301</b>	17,384
Prepayments and accrued income	<u>2,025</u>	<u>3,883</u>
	<u><b>22,326</b></u>	<u>21,267</u>

#### 18. Creditors: amounts falling due within one year

	<b>2022</b>	2021
	£	£
Trade creditors	<b>58,750</b>	28,430
Accruals and deferred income	<b>3,000</b>	5,547
Other creditors	<u>18,006</u>	<u>17,596</u>
	<u><b>79,756</b></u>	<u>51,573</u>

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2022

### 19. Analysis of Charitable Funds

#### Unrestricted funds

	At 1 Apr 2021	Income Expenditure		Transfers	Gains and losses	At 31 Mar 2022
	£	£	£	£	£	£
General Funds	88,546	277,241	(279,042)	875	—	87,620
Pension	—	—	—	—	—	—
	<u>88,546</u>	<u>277,241</u>	<u>(279,042)</u>	<u>875</u>	<u>—</u>	<u>87,620</u>

	At 1 Apr 2020	Income Expenditure		Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
General Funds	(17,315)	335,483	(229,622)	—	—	88,546
Pension	(78,000)	—	—	—	78,000	—
	<u>(95,315)</u>	<u>335,483</u>	<u>(229,622)</u>	<u>—</u>	<u>78,000</u>	<u>88,546</u>

#### Restricted funds

	At 1 Apr 2021	Income Expenditure		Transfers	Gains and losses	At 31 Mar 2022
	£	£	£	£	£	£
Fife Council	5,113	—	(421)	—	—	4,692
Fife Council - Education	—	450,554	(450,554)	—	—	—
Fife Council - Health & Wellbeing	127	—	—	—	—	127
Fife Council - Transport	3,254	—	—	—	—	3,254
Early Years Scotland	6	—	—	—	—	6
Big Lottery	6,451	—	(323)	—	—	6,128



# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

Year Ended 31 March 2022

### 19. Analysis of Charitable Funds *(continued)*

Co Op	—	—	—	—	—	—
Scottish						
Children's Lottery	8,843	—	(442)	—	—	<b>8,401</b>
Firstport						
Resilience Fund	38	—	—	—	—	<b>38</b>
Inclusion Fund	1,500	—	(900)	—	—	<b>600</b>
Inspiring Scotland	895	—	—	(875)	—	<b>20</b>
Fife Council	10,896	26,095	(26,095)	—	—	<b>10,896</b>
	<u>37,123</u>	<u>476,649</u>	<u>(478,735)</u>	<u>(875)</u>	<u>—</u>	<u><b>34,162</b></u>

	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
Fife Council	5,577	—	(464)	—	—	5,113
Fife Council -						
Education	—	357,503	(357,503)	—	—	—
Fife Council -						
Health &						
Wellbeing	169	—	(42)	—	—	127
Fife Council -						
Transport	3,254	—	—	—	—	3,254
Early Years						
Scotland	6	—	—	—	—	6
Big Lottery	6,792	—	(341)	—	—	6,451
Co Op	—	1,243	(1,243)	—	—	—
Scottish						
Children's Lottery	9,310	—	(467)	—	—	8,843
Firstport						
Resilience Fund	—	26,123	(26,085)	—	—	38
Inclusion Fund	—	1,500	—	—	—	1,500
Inspiring Scotland	—	895	—	—	—	895
Fife Council	—	18,952	(8,056)	—	—	10,896
	<u>25,108</u>	<u>406,216</u>	<u>(394,201)</u>	<u>—</u>	<u>—</u>	<u>37,123</u>

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 19. Analysis of Charitable Funds *(continued)*

<u>Name of Fund</u>	<u>Purpose</u>
Fife Council	Contribution towards core funding.
Fife Council - Education	Contribution towards childcare places from Fife Council.
Fife Council - Health & Wellbeing	Contribution towards activities and recourses.
Fife Council - Transport	Contribution towards transports costs.
Early Years Scotland	Contribution towards gardening, activities and outdoor costs.
Big Lottery	Contribution towards 'Chill Out Project'.
Co Op	Contribution towards transport costs.
Scottish Children's Lottery	Contribution towards 'Chill Out Project'.
The Robertson Trust	Contribution towards core funding.
Firstport Resilience Fund	Contribution towards core funding.
Inclusion Fund	Contribution towards early learning costs.
Inspiring Scotland	Contribution towards clothing costs.

#### 20. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	4,445	19,220	<b>23,665</b>
Current assets	161,156	16,717	<b>177,873</b>
Creditors less than 1 year	(79,756)	—	<b>(79,756)</b>
<b>Net assets</b>	<u>85,845</u>	<u>35,937</u>	<u><b>121,782</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	4,816	20,574	25,390
Current assets	135,303	16,549	151,852
Creditors less than 1 year	(51,573)	—	(51,573)
Defined benefit pension	—	—	—
<b>Net assets</b>	<u>88,546</u>	<u>37,123</u>	<u>125,669</u>

# Poppyview Family Centre

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 21. Financial Instruments

The carrying amount for each category of financial instrument is as follows:

	<b>2022</b>	2021
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Financial assets that are debt instruments measured at amortised cost	<b><u>177,873</u></b>	<u>151,852</u>
<b>Financial liabilities measured at amortised cost</b>		
Financial liabilities measured at amortised cost	<b><u>79,756</u></b>	<u>51,573</u>

#### 22. Analysis of Changes in Net Debt

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	<u>130,585</u>	<u>24,962</u>	<b><u>155,547</u></b>

#### 23. Operating Lease Commitments

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

	<b>2022</b>	2021
	£	£
Not later than 1 year	<b>4,711</b>	8,109
Later than 1 year and not later than 5 years	<b>4,271</b>	7,898
Later than 5 years	<b>3,600</b>	3,900
	<b><u>12,582</u></b>	<u>19,907</u>

#### 24. Related Parties

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