

Company registration number: 07803773

Charity registration number: 1145656

Lisle Marsden Childcare Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

Forrester Boyd
Chartered Accountant
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

Lisle Marsden Childcare Limited

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Lisle Marsden Childcare Limited

Reference and Administrative Details

| | |
|------------------------------------|--|
| Trustees | K Watson D Kinsey L Wharton R Lockwood R Varley |
| Senior Management Team | T Spencer J Portlock A Allison |
| Registered Office | Lansdowne Avenue Grimsby N E Lincolnshire DN32 0DF The charity is incorporated in England. |
| Company Registration Number | 07803773 |
| Charity Registration Number | 1145656 |
| Bankers | The Royal Bank of Scotland Sheffield Church Street Branch 5 Church Street Sheffield S1 1HF |
| Independent Examiner | Forrester Boyd Chartered Accountant 26 South Saint Mary's Gate Grimsby North East Lincolnshire DN31 1LW |

Lisle Marsden Childcare Limited

Trustees' Annual Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2020.

Objectives and activities

Objects and aims

Our charity's purposes as set out in the objects contained in the company's Articles of Association are:

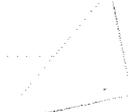
To enhance the development and education of children from the ages of two up to and including eleven years old by offering appropriate play, early education and care facilities for all children whatever their race, culture, religion, means or ability, by:-

- a) providing an out of hours childcare service for the local community operating on weekdays throughout the year; and
- b) providing an early years provision for the community including those families also served by Lisle Marsden Church of England Primary Academy,
- c) operating at all times in a manner which reflects the principles underlying the Church of England foundation of the institution.

Lisle Marsden Childcare Ltd is a provider of early-years education and care for children aged from 2 years up to 11 years 11 months in the settings early years provision and out of school club. The setting offers places based on capacity and is judged to be able to safely care for 75 children at any one time. The early years provision operates all year and the out of school club operates before and after school and in the school holidays. We are approved and inspected by the Office for Standards in Education (OFSTED) and have been graded in 2020 as an Outstanding provider of early years education and childcare.

The aims of our charity are to serve both the immediate and wider community by providing a high quality childcare facility based on current legislation and best practice, and to enable parents and carers to continue their employment and/or study by providing the necessary care, education and recreation for children of pre-school and primary school age.

We aim to create a friendly and relaxed atmosphere where children and their families feel special and valued; to provide a safe and secure environment where children are encouraged and feel excited and motivated to learn; to meet the individual needs of each child and ensure all children are given the opportunity to develop; to promote learning and development through play, providing a rich and enabling environment with a wide variety of interesting and stimulating activities and resources; to give children time and support in gaining a sense of achievement and pride in themselves; and to support children in feeling emotionally confident and not afraid of failure, developing positive attitudes to learning lasting for the rest of their lives. Our aims fully reflect the purposes that the charity was set up to further.



Lisle Marsden Childcare Limited

Trustees' Annual Report

Our provision is accessible to all children and families in the local community and further afield through a comprehensive and inclusive admissions policy. We are committed to providing equality of opportunity and anti-discriminatory practice for all children and families according to their individual needs and free from any form of discrimination on the grounds of gender, age, race, religion or belief, ethnic or national origin, or disability. We welcome children with learning difficulties and disabilities and have a designated special educational needs co-ordinator who takes lead responsibility for inclusion support. We work with children, parents, external agencies and the community to ensure the welfare and safety of children and to give them the very best start in life.

The focus of the setting is the continuous improvement to the educational programme in the early years provision, and providing high quality play opportunities for children in the out of school club. The practitioners support and enhance children's learning and development holistically through play based activities. Home links are made in order to enhance and extend children's learning both within the setting and in the child's home. The out of school club provides a friendly, child centred environment that give children the play spaces they need to ensure they receive a balance within their lives. The club sessions are designed to complement the structured environment of school, introducing the children to a wide range of activities and experiences whilst encouraging them to make their own choices, take responsibility for their own actions and contribute to what is provided for them.

Parents are given regular information about their children's developmental progress through daily communication and regular progress reviews. We maintain regular contact with parents throughout the year through newsletters and planned events.

Public benefit

In the coming year the charity plans to continue to identify and make improvements to the educational programme in the early years provision to ensure children are supported to reach their potential and developmental expectations to prepare them to become lifelong learners.

In the out of school club we plan to develop the provision and activities we offer to meet the diverse needs of the children who attend and to ensure children are engaged in purposeful play.

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

Lisle Marsden Childcare Limited

Trustees' Annual Report

Achievements and performance

Covid-19 Pandemic:

We remained open for children of keyworkers during the first national lockdown in March 2020. Attendance was low with an average of two children per day in our early years' provision and an average of five children per session in our out of school club provision.

We opened to more children from 3rd June, initially uptake was low but after the first week we were full to available capacity. We operated three groups of 16 children and each group had separate rooms.

We accessed the Coronavirus Job Retention Scheme throughout the national lockdown for the percentage of staffing that is normally paid through private funding.

From September 2020 we will continue to operate with three groups instead of four so that each group has a room and access to separate outdoor areas. We plan to mix our two year olds with our three year olds due to less groups available.

In out of school club we will separate the children into year groups, year groups will share rooms but the rooms are divided so each year group have their own area and outdoor spaces are accessed on a rota system.

As guidance changes we will review and make any necessary changes to how we operate.

Occupancy Rates

Early Years

The number of children on roll for the early years' provision during the period was 122 children.

Until March 2020 occupancy levels for our early years provision was 100% and we had no available places for new children.

Occupancy in our Out of School Club was 80% until March 2020.

Staffing

Two supply members of staff left this year and one permanent member of staff did not return following her maternity leave. All other staff continued to be employed and it was not necessary to make any redundancies. This was partly due to being able to access the Coronavirus Job Retention Scheme and also having a good contingency fund.

Two of the company's trustees, Rosalind Willson and Josephine Middleton, resigned from their posts in March 2020. They were replaced by Ruth Varley and Robert Lockwood.

Lisle Marsden Childcare Limited

Trustees' Annual Report

Staff training and development

In addition to core training such as safeguarding, first aid etc;

- Reading, writing and story telling
- Supporting Well-Being in the Early Years Workforce
- Outdoor learning
- Music Training for Early Years
- Intensive interactions
- Mental health awareness and wellbeing
- Awareness of forced marriage
- Early Years team work and leadership
- Infection prevention for Early Years - Covid-19 update
- Stress awareness
- Exemplary practice with two year olds
- Get moving, get healthy
- Anti-bullying
- Supporting children with SEND
- Maths in the Early Years
- Supporting two year olds in the EYFS
- Understanding young minds
- Working with children with disabilities
- Managing Early Years inspection
- Introduction to yoga
- Hearing aid management
- Promoting positive behaviour
- Quality teaching
- Attachment in the EYFS
- What children and young people say
- Childhood in crisis
- Children's perspective on play
- Expanding and developing thinking skills
- Role of play in children's learning
- Play, learning and the brain
- Improving children's learning through play
- Characteristics of effective learning and teaching
- The family at the centre of early learning
- Boosting learning through movement
- Movement matters for wellbeing
- Maths Movement
- Movement for writing
- Supporting positive behaviour for children with Downs Syndrome
- Introduction to child psychology
- Childhood in the digital age
- Supporting early language development
- Understanding and addressing behaviour in the Early Years
- Listening to young children: supporting transitions

Staff accessed more training than normal during the national lockdown when they were not able to work in the setting. The majority of training this year has been online.

Financial review

During the year ended 31 August 2020, total expenditure of £502,089 was more than covered by Nursery Education Funding together with other incoming resources and brought forward reserves. The excess of income over expenditure for the year was deficit of £17,153 (2019: £34,796 surplus).

Lisle Marsden Childcare Limited

Trustees' Annual Report

Policy on reserves

Our policy is to have a minimum of a three month contingency fund to guarantee financial security in the event of any unforeseen expenditure that may occur and to safeguard against a decrease of income due to a sudden drop in occupancy.

Free reserves (unrestricted funds less designated funds and total fixed assets) are £250,496 which is above the three month policy. Total reserves being £323,424 (2019: £340,577) are made up of restricted funds of £13,416 (2019:£14,102) and unrestricted funds of £310,008 (2019: £326,475).

Principal risks and uncertainties

Occupancy rates fluctuate and could drop from year to year. Some of the practitioners are employed on yearly contracts so that we are able to adjust the number of staff and hours to be worked yearly depending on occupancy levels. The continued increases on the National Living Wage causes some uncertainty for staffing costs going forward. We do operate on a higher than legally required staff ratio which can be dropped to required levels if staffing costs required us to do so.

Plans for future periods

Aims and key objectives for future periods

During the academic year 2020-2021 we are investing some of our reserves on extending the setting. In normal times we are often unable to offer places to new children by the January. The extension will provide enable us to increase our capacity by around 16 children.

Structure, governance and management

Nature of governing document

The organisation is a charitable company limited by guarantee, incorporated on 10 October 2011 and registered as a charity on 27 January 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law. Trustees are appointed or reappointed annually at the Annual General Meeting

Arrangements for setting key management personnel remuneration

Pay increases for all staff are set by the board of directors annually. The increases are decided based on National Wage increases and a review of the current financial position.

In addition the manager may receive performance based annual salary increases. Criteria to be considered for performance related increases include occupancy levels, current financial situation, Ofsted inspection, staff retention.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 17 May 2021 and signed on its behalf by:


D Kinsey
Trustee

Lisle Marsden Childcare Limited

Statement of Trustees' Responsibilities

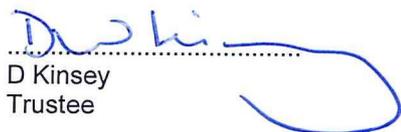
The trustees (who are also the directors of Lisle Marsden Childcare Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 17 May 2021 and signed on its behalf by:


D Kinsey
Trustee

Lisle Marsden Childcare Limited

Independent Examiner's Report to the trustees of Lisle Marsden Childcare Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 9 to 21.

Respective responsibilities of trustees and examiner

As the charity's trustees of Lisle Marsden Childcare Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Lisle Marsden Childcare Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since Lisle Marsden Childcare Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of Lisle Marsden Childcare Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for 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)].

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


.....
Carrie Anne Jensen ACA
Chartered Accountant
ICAEW

Forrester Boyd
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

17 May 2021

Lisle Marsden Childcare Limited

**Statement of Financial Activities for the Year Ended 31 August 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2020 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------|
| Income and Endowments from: | | | | |
| Charitable activities | 3 | 468,878 | 14,437 | 483,315 |
| Other trading activities | 4 | 1,246 | - | 1,246 |
| Investment income | 5 | 375 | - | 375 |
| Total income | | <u>470,499</u> | <u>14,437</u> | <u>484,936</u> |
| Expenditure on: | | | | |
| Charitable activities | 6 | (486,966) | (15,123) | (502,089) |
| Total expenditure | | <u>(486,966)</u> | <u>(15,123)</u> | <u>(502,089)</u> |
| Net expenditure | | <u>(16,467)</u> | <u>(686)</u> | <u>(17,153)</u> |
| Net movement in funds | | (16,467) | (686) | (17,153) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>326,475</u> | <u>14,102</u> | <u>340,577</u> |
| Total funds carried forward | 17 | <u><u>310,008</u></u> | <u><u>13,416</u></u> | <u><u>323,424</u></u> |

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2019 £ |
|------------------------------------|------|----------------------------|--------------------------|-----------------------|
| Income and Endowments from: | | | | |
| Charitable activities | 3 | 500,841 | 20,521 | 521,362 |
| Other trading activities | 4 | 3,099 | - | 3,099 |
| Investment income | 5 | 555 | - | 555 |
| Total income | | <u>504,495</u> | <u>20,521</u> | <u>525,016</u> |
| Expenditure on: | | | | |
| Charitable activities | 6 | (475,021) | (15,199) | (490,220) |
| Total expenditure | | <u>(475,021)</u> | <u>(15,199)</u> | <u>(490,220)</u> |
| Net income | | <u>29,474</u> | <u>5,322</u> | <u>34,796</u> |
| Net movement in funds | | 29,474 | 5,322 | 34,796 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>297,001</u> | <u>8,780</u> | <u>305,781</u> |
| Total funds carried forward | 17 | <u><u>326,475</u></u> | <u><u>14,102</u></u> | <u><u>340,577</u></u> |

The notes on pages 12 to 21 form an integral part of these financial statements.

Lisle Marsden Childcare Limited
(Registration number: 07803773)
Balance Sheet as at 31 August 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-----------------|------------------|
| Fixed assets | | | |
| Tangible assets | 12 | 59,512 | 82,476 |
| Current assets | | | |
| Debtors | 13 | 33,869 | 39,731 |
| Cash at bank and in hand | 14 | <u>261,560</u> | <u>319,758</u> |
| | | 295,429 | 359,489 |
| Creditors: Amounts falling due within one year | 15 | <u>(31,517)</u> | <u>(101,388)</u> |
| Net current assets | | <u>263,912</u> | <u>258,101</u> |
| Net assets | | <u>323,424</u> | <u>340,577</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | | 13,416 | 14,102 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>310,008</u> | <u>326,475</u> |
| Total funds | 17 | <u>323,424</u> | <u>340,577</u> |

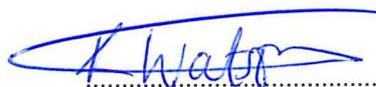
For the financial year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

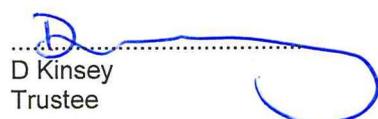
- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 9 to 21 were approved by the trustees, and authorised for issue on 17 May 2021 and signed on their behalf by:



.....
K Watson
Trustee



.....
D Kinsey
Trustee

The notes on pages 12 to 21 form an integral part of these financial statements.

Lisle Marsden Childcare Limited

Statement of Cash Flows for the Year Ended 31 August 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Net cash (expenditure)/income | | (17,153) | 34,796 |
| Adjustments to cash flows from non-cash items | | | |
| Depreciation | | 23,972 | 9,386 |
| Investment income | 5 | <u>(375)</u> | <u>(555)</u> |
| | | 6,444 | 43,627 |
| Working capital adjustments | | | |
| Decrease in debtors | 13 | 5,862 | 869 |
| (Decrease)/increase in creditors | 15 | (70,123) | 78,730 |
| Increase/(decrease) in deferred income | | <u>252</u> | <u>(1,245)</u> |
| Net cash flows from operating activities | | <u>(57,565)</u> | <u>121,981</u> |
| Cash flows from investing activities | | | |
| Interest receivable and similar income | 5 | 375 | 555 |
| Purchase of tangible fixed assets | 12 | <u>(1,008)</u> | <u>(72,006)</u> |
| Net cash flows from investing activities | | <u>(633)</u> | <u>(71,451)</u> |
| Net (decrease)/increase in cash and cash equivalents | | (58,198) | 50,530 |
| Cash and cash equivalents at 1 September | | <u>319,758</u> | <u>269,228</u> |
| Cash and cash equivalents at 31 August | | <u><u>261,560</u></u> | <u><u>319,758</u></u> |
| Reconciliation of net cash flow to movement in net funds | | | |
| (Decrease)/increase in cash | | (58,198) | 50,530 |
| Net funds at 1 September 2019 | | <u>319,758</u> | <u>269,228</u> |
| Net funds at 31 August 2020 | | <u><u>261,560</u></u> | <u><u>319,758</u></u> |

The notes on pages 12 to 21 form an integral part of these financial statements.

Lisle Marsden Childcare Limited

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

1 Charity status

The charity is a charity limited by guarantee and incorporated in the United Kingdom and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Lansdowne Avenue
Grimsby
N E Lincolnshire
DN32 0DF

These financial statements were authorised for issue by the trustees on 17 May 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

The financial statements are prepared in sterling which is the functional currency of the charity and have been rounded to the nearest pound.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Specifically in connection with the current economic climate, the trustees have considered the impact of COVID-19 on the charity and they are satisfied that the charity has sufficient financial headroom to continue trading for at least the next twelve months. For this reason the financial statements have been prepared on a going concern basis.

Income and endowments

Grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Lisle Marsden Childcare Limited

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

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 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

Interest is recognised in the period to which it relates.

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 trustees's meetings and reimbursed expenses.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

Asset class

Fixture & Fittings

Depreciation method and rate

25% reducing balance and 25% straightline basis

Lisle Marsden Childcare Limited

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

Trade debtors

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

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Trade creditors

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

Trade creditors are recognised at the transaction price.

Fund structure

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

Restricted funds comprise all funds received with restrictions imposed by the funder/donor.

Lisle Marsden Childcare Limited

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

3 Income from charitable activities

| | Unrestricted funds General £ | Restricted funds £ | Total 2020 £ |
|----------------------------------|---|-----------------------------------|-----------------------------|
| Nursery Education Funding | 283,932 | 14,437 | 298,369 |
| Nursery Fee Income | 146,697 | - | 146,697 |
| Coronavirus Job Retention Scheme | 38,249 | - | 38,249 |
| | 468,878 | 14,437 | 483,315 |
| | Unrestricted funds General £ | Restricted funds £ | Total 2019 £ |
| Nursery Education Funding | 319,845 | 20,521 | 340,366 |
| Nursery Fee Income | 180,996 | - | 180,996 |
| | 500,841 | 20,521 | 521,362 |

4 Income from other trading activities

| | Unrestricted funds General £ | Total funds £ |
|--|---------------------------------------|---------------------|
| Trading income; Sales of goods and services | 1,246 | 1,246 |
| Total for 2020 | 1,246 | 1,246 |
| Total for 2019 | 3,099 | 3,099 |

5 Investment income

| | Unrestricted funds General £ | Total funds £ |
|---|---------------------------------------|---------------------|
| Interest receivable and similar income; Interest receivable on bank deposits | 375 | 375 |
| Total for 2020 | 375 | 375 |
| Total for 2019 | 555 | 555 |

Lisle Marsden Childcare Limited

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

6 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | Total expenditure £ |
|-----------------------|-----------------------------------|-----------------------------|------------------------|
| Nursery Education | 421,376 | 80,713 | 502,089 |
| Total for 2019 | 414,066 | 76,154 | 490,220 |

Included in the expenditure analysed above, there are governance costs of £4,411 (2019 - £4,530) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Support costs allocated to charitable activities

| | | Governance costs £ | Premises costs including depreciation £ | Other support costs £ | Total funds £ |
|-----------------------|---|-----------------------|--|--------------------------|------------------|
| Nursery Education | A | 4,411 | 62,082 | 14,220 | 80,713 |
| Total for 2019 | | 4,530 | 52,915 | 18,709 | 76,154 |

Basis of allocation

| Reference | Method of allocation |
|-----------|--|
| A | Allocation is based on actual amount spent |

Governance costs

| | Unrestricted funds General £ | Total funds £ |
|---|------------------------------------|------------------|
| Independent examiner fees | | |
| Examination of the financial statements | 2,250 | 2,250 |
| Legal fees | 2,161 | 2,161 |
| Total for 2020 | 4,411 | 4,411 |
| Total for 2019 | 4,530 | 4,530 |

8 Net incoming/outgoing resources

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

| | 2020 £ | 2019 £ |
|---------------------------------|-----------|-----------|
| Operating leases - other assets | - | 2,947 |
| Depreciation of fixed assets | 23,972 | 9,386 |

Lisle Marsden Childcare Limited

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

9 Trustees remuneration and expenses

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

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

10 Staff costs

The aggregate payroll costs were as follows:

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Staff costs during the year were: | | |
| Wages and salaries | 376,391 | 359,862 |
| Social security costs | 18,007 | 15,908 |
| Pension costs | 8,665 | 4,459 |
| Other staff costs | 6,774 | 14,243 |
| | <u>409,837</u> | <u>394,472</u> |

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

| | 2020 No | 2019 No |
|-----------------------|------------|------------|
| Charitable Activities | <u>27</u> | <u>30</u> |

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 £85,102 (2019 - £83,256).

11 Taxation

The charity is a registered charity and its activities are exempt from taxation.

Lisle Marsden Childcare Limited

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

12 Tangible fixed assets

| | Furniture and equipment £ | Total £ |
|-------------------------|---------------------------------|------------|
| Cost | | |
| At 1 September 2019 | 103,254 | 103,254 |
| Additions | 1,008 | 1,008 |
| Disposals | (499) | (499) |
| At 31 August 2020 | 103,763 | 103,763 |
| Depreciation | | |
| At 1 September 2019 | 20,778 | 20,778 |
| Charge for the year | 23,972 | 23,972 |
| Eliminated on disposals | (499) | (499) |
| At 31 August 2020 | 44,251 | 44,251 |
| Net book value | | |
| At 31 August 2020 | 59,512 | 59,512 |
| At 31 August 2019 | 82,476 | 82,476 |

13 Debtors

| | 2020 £ | 2019 £ |
|---------------|-----------|-----------|
| Trade debtors | 32,655 | 37,499 |
| Prepayments | 1,214 | 2,232 |
| | 33,869 | 39,731 |

14 Cash and cash equivalents

| | 2020 £ | 2019 £ |
|--------------|-----------|-----------|
| Cash on hand | 200 | 200 |
| Cash at bank | 261,360 | 319,558 |
| | 261,560 | 319,758 |

Lisle Marsden Childcare Limited

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

15 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|--|---------------|----------------|
| | £ | £ |
| Trade creditors | 6,830 | 78,227 |
| Other taxation and social security | 5,315 | 4,082 |
| Accruals | 17,244 | 17,203 |
| Deferred income | 2,128 | 1,876 |
| | <u>31,517</u> | <u>101,388</u> |
| | 2020 | 2019 |
| | £ | £ |
| Deferred income at 1 September 2019 | 1,876 | 3,121 |
| Resources deferred in the period | 2,128 | 1,876 |
| Amounts released from previous periods | (1,876) | (3,121) |
| Deferred income at year end | <u>2,128</u> | <u>1,876</u> |

16 Commitments

Capital commitments

The charity has a leased photocopier. The lease expires in August 2020.

The total amount contracted for but not provided in the financial statements was £Nil (2019 - £2,946).

Lisle Marsden Childcare Limited

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

17 Funds

| | Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Balance at 31 August 2020 £ |
|---------------------|--|-------------------------------------|-------------------------------------|--|
| Unrestricted | | | | |
| General | 326,475 | 470,499 | (486,966) | 310,008 |
| Restricted | 14,102 | 14,437 | (15,123) | 13,416 |
| Total funds | 340,577 | 484,936 | (502,089) | 323,424 |
| | Balance at 1 September 2018 £ | Incoming resources £ | Resources expended £ | Balance at 31 August 2019 £ |
| Unrestricted | | | | |
| General | 297,001 | 504,495 | (475,021) | 326,475 |
| Restricted | 8,780 | 20,521 | (15,199) | 14,102 |
| Total funds | 305,781 | 525,016 | (490,220) | 340,577 |

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

Unrestricted funds mainly represents fees received from parents for childcare and nursery education funding. Nursery education funding is designated for the normal running of the childcare centre.

Restricted funds relate to Pupil Premium and SEN funding which are used to support specific children.

Lisle Marsden Childcare Limited

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

18 Analysis of net assets between funds

| | Unrestricted funds General £ | Restricted funds £ | Total funds at 31 August 2020 £ |
|-----------------------|---|-----------------------------------|--|
| Tangible fixed assets | 59,512 | - | 59,512 |
| Current assets | 282,013 | 13,416 | 295,429 |
| Current liabilities | <u>(31,517)</u> | <u>-</u> | <u>(31,517)</u> |
| Total net assets | <u>310,008</u> | <u>13,416</u> | <u>323,424</u> |
| | Unrestricted funds General £ | Restricted funds £ | Total funds at 31 August 2019 £ |
| Tangible fixed assets | 82,476 | - | 82,476 |
| Current assets | 345,387 | 14,102 | 359,489 |
| Current liabilities | <u>(101,388)</u> | <u>-</u> | <u>(101,388)</u> |
| Total net assets | <u>326,475</u> | <u>14,102</u> | <u>340,577</u> |

19 Related party transactions

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

Lisle Marsden Church of England Primary Academy

(D Kinsey is a Director)

The Childcare Centre received £Nil (2019: £17) during the year relating to recharges of training and had expenditure of £31,382 (2019: £31,256) during the year relating to costs to run the centre. At the balance sheet date the amount due to Lisle Marsden Church of England Primary Academy was £5,189 (2019 - £4,865).

