

REGISTERED COMPANY NUMBER: 04683961 (England and Wales)
REGISTERED CHARITY NUMBER: 1098746

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2022
for
Fellowship House Children's Centre**

**BBK Accountants Limited
4a Roman Road
East Ham
London
E6 3RX**

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for the Year Ended 31 March 2022

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FELLOWSHIP HOUSE CHILDREN'S CENTRE

CHAIRS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The chairperson presents their statement for the period.

Fellowship House Children's Centre has had a good year as a children's centre and organisation. The improvements carried out over the past year has helped with the financial stability of the charity.

The nursery has moved a step closer in trying to achieve the London Living Wage for all its front-line staff. We hope to achieve our target in 2023. For the nursery to achieve its goal, the nursery fees had to increase in summer of 2021.

The staff are paid a salary which is competitive, and fees are competitive with other nurseries in the local area.

The nursery management continue to work closely with BBK Accountants. As a collective, the committee and nursery management are working with the parents to improve the curriculum, policies, procedures, security, health and safety and other areas to ensure the children get the best education and start to life.

The committee alongside the nursery management are setting targets for the next few years to ensure the finance is improved as well as making FHCC a first-choice nursery for parents, children and staff.

Chair Martha Enthoven



Date

5/01/2023

Report of the Trustees
for the Year Ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The trustee presents its annual report and financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's Trust Deed, the Charity's Act 2011 and Accounting and Reporting by Charities:

Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as updated through Update Bulletin 1 and 2.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principle objects of the Charity are to advance the education of children below age through nursery and playgroup facilities, principally in the London Borough of Newham.

Public benefit

In setting objectives and planning for activities, the Committee of Management have given due consideration to general guidance published by the Charity Commission relating to public benefit.

ACHIEVEMENT AND PERFORMANCE

Fellowship House Children's Centre has had another successful year of delivering outstanding childcare and education for under 5's. the ground floor of the building is still fully occupied by the Nursery.

The pension scheme is now fully up and running. The nursery makes a 3% contribution and staff members make a 5% contribution.

FINANCIAL REVIEW

Reserves policy

The Committee of Management has formulated a policy whereby in the long term general reserves held by the Charity should cover six months costs. This currently equates to approximately £300,895 (2020: £340,895) and would enable activities to continue in the short term should funding drop significantly.

At present the free reserves of £311,064 (2020: £449,542) substantially exceeds this target. However the Committee are aiming to increase staff salaries to bring in line with the new living wage as soon as possible. In calculating the free reserves the Committee has excluded the restricted reserves and the designated reserves that represents fixed assets or reserves likely to be expanded in full or in part within one year.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

FUTURE PLANS

The Committee envisages the activities to continue in a similar way to those as at present for the foreseeable future.

MEMBERS' LIABILITY

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 3 March 2003.

Recruitment and appointment of new trustees

The management of the Charity is the responsibility of the Committee of Management who are elected and co-opted under the terms of the Articles of Association.

The members of the Committee of Management are appointed by the membership at the annual General meeting or co-opted between meetings. Serving members retire at the Annual General Meeting but are eligible for re-election.

The liability of members in the event of insolvent liquidation is limited to £1 each.

Day to day management of the charity is delegated to the Chief Executive who is responsible for the other staff.

Risk management

The committee of Management has assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

In particular the Committee is trying to mitigate the risk of under capacity, due to the increased competition from private day care providers and school offering children places at the age of three, by developing effective marketing strategies.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04683961 (England and Wales)

Registered Charity number

1098746

Registered office

4a St Bartholomews Road
Eastham
London
E6 3AG

Trustees

MR D M Da Costa
Mrs M A Enthoven
Mrs M Hill-Cousins
Mr R I Patel
Mrs S Sinclair

Company Secretary

R Ahmed

Independent Examiner

Taj Kassam
ACCA (Association of Chartered Certified Accountants)
BBK Accountants Limited
4a Roman Road
East Ham
London
E6 3RX

Fellowship House Children's Centre

Report of the Trustees
for the Year Ended 31 March 2022

Approved by order of the board of trustees on 12 December 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R I Patel', written in a cursive style.

Mr R I Patel - Trustee

Independent examiner's report to the trustees of Fellowship House Children's Centre ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (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 the Company 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 your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA (Association of Chartered Certified Accountants) 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 the Company 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.



Taj Kassam
ACCA (Association of Chartered Certified Accountants)
BBK Accountants Limited
4a Roman Road
East Ham
London
E6 3RX

12 December 2022

Fellowship House Children's Centre

Statement of Financial Activities
for the Year Ended 31 March 2022

	Notes	31.3.22 Unrestricted fund £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		706,353	521,910
Charitable activities		497	58,251
Charitable activities			
Investment income	2	3	5
Total		<u>706,853</u>	<u>580,166</u>
EXPENDITURE ON			
Charitable activities		720,616	681,479
Charitable activities		(13,763)	(101,313)
NET INCOME/(EXPENDITURE)			
RECONCILIATION OF FUNDS			
Total funds brought forward		311,056	412,369
TOTAL FUNDS CARRIED FORWARD		<u><u>297,293</u></u>	<u><u>311,056</u></u>

The notes form part of these financial statements

Fellowship House Children's Centre

Balance Sheet
31 March 2022

	Notes	31.3.22 Unrestricted fund £	31.3.21 Total funds £
FIXED ASSETS			
Tangible assets	6	8,194	11,039
CURRENT ASSETS			
Debtors	7	(1,714)	(2,991)
Cash at bank and in hand		298,451	308,433
		<u>296,737</u>	<u>305,442</u>
CREDITORS			
Amounts falling due within one year	8	(7,638)	(5,425)
		<u>289,099</u>	<u>300,017</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		297,293	311,056
		<u>297,293</u>	<u>311,056</u>
NET ASSETS			
FUNDS	9		
Unrestricted funds		297,293	311,056
TOTAL FUNDS		<u>297,293</u>	<u>311,056</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 12 December 2022 and were signed on its behalf by:



R I Patel - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

2. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	<u>3</u>	<u>5</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**3. NET INCOME/(EXPENDITURE)**

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

	31.3.22	31.3.21
	£	£
Depreciation - owned assets	<u>2,845</u>	<u>3,909</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	521,910
Charitable activities	
Charitable activities	58,251
Investment income	<u>5</u>
Total	<u>580,166</u>
EXPENDITURE ON	
Charitable activities	681,479
Charitable activities	(101,313)
NET INCOME/(EXPENDITURE)	
RECONCILIATION OF FUNDS	
Total funds brought forward	412,369
TOTAL FUNDS CARRIED FORWARD	<u><u>311,056</u></u>

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Totals £
COST			
At 1 April 2021 and 31 March 2022	22,793	62,986	85,779
DEPRECIATION			
At 1 April 2021	22,462	52,278	74,740
Charge for year	166	2,679	2,845
At 31 March 2022	22,628	54,957	77,585
NET BOOK VALUE			
At 31 March 2022	165	8,029	8,194
At 31 March 2021	331	10,708	11,039

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade debtors	(2,030)	(18,389)
Other debtors	(528)	14,554
Prepayments	844	844
	<u>(1,714)</u>	<u>(2,991)</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade creditors	5,478	3,265
Accrued expenses	2,160	2,160
	<u>7,638</u>	<u>5,425</u>

9. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	311,056	(13,763)	297,293
TOTAL FUNDS	<u>311,056</u>	<u>(13,763)</u>	<u>297,293</u>

9. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	706,853	(720,616)	(13,763)
	<u>706,853</u>	<u>(720,616)</u>	<u>(13,763)</u>
TOTAL FUNDS			

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	412,369	(101,313)	311,056
	<u>412,369</u>	<u>(101,313)</u>	<u>311,056</u>
TOTAL FUNDS			

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	580,166	(681,479)	(101,313)
	<u>580,166</u>	<u>(681,479)</u>	<u>(101,313)</u>
TOTAL FUNDS			

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	412,369	(115,076)	297,293
	<u>412,369</u>	<u>(115,076)</u>	<u>297,293</u>
TOTAL FUNDS			

9. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,287,019	(1,402,095)	(115,076)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,287,019</u>	<u>(1,402,095)</u>	<u>(115,076)</u>

10. RELATED PARTY DISCLOSURES

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

Fellowship House Children's Centre

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	31.3.22 £	31.3.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts and donations income	910	-
Fee	553,897	379,980
Photographs	330	-
Nursery education grant	151,216	141,930
	<u>706,353</u>	<u>521,910</u>
Investment income		
Deposit account interest	3	5
Charitable activities		
Hmrc Jrs grants	497	58,251
	<u>706,853</u>	<u>580,166</u>
Total incoming resources		
EXPENDITURE		
Charitable activities		
Food & Milk	27,425	18,498
Staff training	3,694	1,903
Wages and salaries	511,778	503,302
Employer NI	32,784	31,040
Employer pension	10,852	10,763
Advertising	104	-
Rent and rates	38,928	40,382
Equipment expensed	9,495	9,121
Consumables	11,527	12,845
Cleaning services	13,783	7,479
Donations	529	-
Entertaining	829	-
Travel and subsistence	719	-
	<u>662,447</u>	<u>635,333</u>
Support costs		
Management		
Printing and stationery	1,633	3,606
Payroll fee	2,160	2,332
Advertising	434	-
Uniforms	51	317
Waste collection and hygiene	2,695	3,261
CRB/DBS checks	403	48
Insurance	5,717	2,822
Sundry	30	25
Depreciation	2,844	3,910
Repairs and maintenance	10,321	13,229
Carried forward	26,288	29,550

This page does not form part of the statutory financial statements

Fellowship House Children's Centre

Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	31.3.22 £	31.3.21 £
Management		
Brought forward	26,288	29,550
Subscriptions	2,964	1,591
Telephone and internet	2,733	1,993
Accountancy fee	7,860	5,985
Professional fee	7,142	5,954
Pension fee	996	960
Pension fee	99	113
Bank charges		
	<u>48,082</u>	<u>46,146</u>
 Finance		
Light and heat	10,087	-
	<u>720,616</u>	<u>681,479</u>
Total resources expended		
	<u>(13,763)</u>	<u>(101,313)</u>
Net expenditure		

This page does not form part of the statutory financial statements