

REGISTERED CHARITY NUMBER: 1136138
COMPANY REGISTRATION: 07163298

BLYTHWOOD COMMUNITY NURSERY LIMITED

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



Chartered Management Accountants and Business Advisors

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BLYTHWOOD COMMUNITY NURSERY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2018**

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BLYTHWOOD COMMUNITY NURSERY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

The trustee, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name

Blythwood Community Nursery Limited

Charity registration number

1136138

Company registration number

07163298

Registered Office and operational address

Brickworks
42 Crouch Hill, Islington
London
N4 4BY

Trustees/Directors

Board of Trustees are Directors of the Company for the purposes of the Companies Act 2011 and Trustees for the purposes of the Charities Act 2011. The following served as Directors during the year.

Orville Gayle
Rosslyn Annan
Ramona La-Rose
Emine Robertson
Bankina Muteba

Secretary

Rosslyn Annan

Nursery Manager

Marcia Emmanuel

Independent Examiner

Zahid Tabbassum, ACMA CGMA
Accountax Financial Limited
42 Sandyhill Road, Ilford, IG1 2ET

Bankers

HSBC Bank
312 Seven Sisters Road
London N4 2AW

BLYTHWOOD COMMUNITY NURSERY LIMITED

Trustees' Annual Report

Blythwood Community Nursery Limited (The Nursery), is located on the border of Islington and Haringey in the Crouch Hill area. The Nursery serves many families living on the council's housing estates.

The Nursery moved to a new building in January 2018. The building is a newly built, and it is a shared community centre. The Nursery has been provided with a space on the ground floor with outdoor space as a garden and play area for the children.

The Nursery will continue to operate as full time for 48 weeks a year from Monday to Friday. The opening hours will remain as 8.00am to 6.00pm to accommodate parents who are working full time. The Nursery has children from different social classes and multicultural backgrounds.

Hanley Crouch Community Association (HCCA) hold the lease of the building and rent out space to the Nursery. To mark the opening of the new community centre, HCCA held an Open Day on 20 January 2018. This event was well attended. The local MP, Jeremy Corbyn leader of the Labour Party, officiated the Opening. Some local councillors also attended the Open Day. The Rt Hon. Jeremy Corbyn with local councillors and other dignitaries visited the nursery space and were very pleased with the space and the layout.

The Nursery's parents were involved with the planning of the Open Day. The Nursery held fun activities and some cultural activities for the day were organised for people to enjoy.

Photos of the people attending the Open Day were taken, and it was also published in the local papers.

Achievements

Since the new move to the building, the Nursery has started to see an increase in its occupancy. The condition of the old building impacted on the Nursery's occupancy which also impacted on the Nursery's income. For more than 18 months, the Nursery had suffered from low occupancy due to the condition of the old building.

The Early Years Team of the local council and the Housing section has helped the Nursery with negotiating the space and with the move to the new building. The Nursery's occupancy will now improve substantially, and this would also help the Nursery to achieve better financial performance in the coming years. However, in the short-term, the Nursery will need to work hard to recover the losses made over last two years.

During the period of this report, 46 families joined the Nursery - 24 of these children were 3-4 years old, and 22 were 2 years old. In total, 10 children left the Nursery for the school at the end of the summer term.

The transition to schools for those children left was made as smooth as possible. Visits were made by the staff to introduce children to relevant schools and children's Learning and Development progress reports were sent to schools.

BLYTHWOOD COMMUNITY NURSERY LIMITED

The Nursery staff also worked with parents and carers to discuss which school their child will be going to. A letter was provided to all parents and carers informing them what staff has done to support their child with the transition and what parents and carers can do at home that would also help with the smooth transition to schools.

Graduation Ceremony

This was held as an annual event on 21 July 2017. Ten children graduated, and the event was a farewell ceremony for the children leaving the Nursery. All families and carers were invited to the event where families brought homemade food to share. It is usually a good event for families and carers to get to know each other.

The fun activities such as face painting and family games were enjoyed by all. Children as always took part in a small play and made good an enjoyable performance for all to enjoy.

Library Visits

Regular weekly visits are continued to Haringey Library where children can read and borrow books.

Regular Outdoor Walks

Regular woodland walks (disused train tracks), are held as part of the children's learning curriculum to gain knowledge on the environment and to understand more about other living creatures in the woodland.

Healthy Early Year Project (HEY)

The Nursery is actively involved with the HEY Project, and it is highly recognised by the council's early years team for its involvement in the HEY project. The HEY project supports and encourages early years settings to develop their focus on health and well-being further and therefore support the achievement and happiness of children, parents/carers, staff and the wider community.

The Nursery had been quality assured as providing a good level of support for the health and well-being of children under the nursery's care, including its work with the families.

Annual Summer Outing

As the annual day trip to Paradise Wild Life Park was enjoyed by all those who attended last year, the trip was repeated this year on 26 July 2017 for the children and families. All children enjoyed seeing animals, reptiles and insects. Children also had time to enjoy outdoor activities. Some parents also accompanied their children on this trip.

Christmas Event

This was held on 20 December 2017. Children took part in a Christmas Nativity Play which was enjoyed by all. Trustees, parents, carers and other guests attended the event. Refreshment and food were served, cooked by the Nursery's cook.

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Partnership and Networking

The manager, continues to attend the regular monthly meetings at the local Children Centre. The meeting is also attended by other local professionals such as the local social worker, local health visitor, Children Centre's outreach workers, as well as two other local Nursery Managers. The meetings share good practices and discuss concerned families and children cases.

Staff/Trustees Training

There were five Inset Days held during the period of this report. The details are shown below:

1. Anaphylactic and allergy
2. Observation / planning
3. Enabling environment
4. Updated child protection/safeguarding
5. Prevent Duty

In addition to the Inset Days listed above the following staff has also completed the following training courses:

| Course title / Training session | Staff who attended | Date attended |
|---|-----------------------------------|-----------------------------|
| Foster Team Cohesion | Manager – Marcia Emmanuel | 11 May 2017 |
| Let's Think Big | Genet Ghebregeorgis /Ubah Warsame | 13 Oct 2017 and 3 Nov 2017 |
| Environment For All | Ubah Warsame/ Amanda Williams | 31 Oct 2017 |
| 3 rd Teacher | Ubah Warsame/ Amanda Williams | 1 Nov 2017 and 15 Nov 2017 |
| Life at 2 | Sonia Lewin | 7 Nov 2017 and 28 Nov 2017 |
| Designated Forum | Manager – Marcia Emmanuel | 9 Nov 2017 |
| Creative Desires | Amanda William | 11 Nov 2017 |
| SENCO Forum 2 | Amanda Williams | 25 Jan 2018 |
| Literacy for Early Years | Genet Ghebregeorgis /Ubah Warsame | 31 Jan 2018 and 21 Feb 2018 |
| Management and Leadership | Amanda Williams | 7 and 8 March 2018 |
| Teeth for Life | Amanda Williams /Sonia Lewin | 13 Mar 2018 |
| GDPR - Induction to new GDPR regulations and how it will affect all businesses. | Manager – Marcia Emmanuel | 20 Mar 2018 |

The following trustees have also done training shown below to update their skills and knowledge.

| Date | Trustee's Name | Training Course Details |
|-------------|-------------------------------|--|
| 17 Oct 2017 | Orville Gayle & Rosslyn Annan | Fire Awareness |
| 20 Mar 2018 | Orville Gayle | GDPR – Induction to new GDPR regulations and how it will affect all businesses. |
| 29 Mar 2018 | All Trustees | Updated Safeguarding /Prevent Duty |

BLYTHWOOD COMMUNITY NURSERY LIMITED

One Trustee (Emily Robertson), as a treasurer is continuing with her AAT course in accountancy with Kaplan Diploma Pathway.

Staff left/joined during the year

Elinor Holland left her employment on 29 September 2017. The Trustees thanked for her support and wished her a successful career ahead.

Safeguarding

Safeguarding of children is of paramount to the Nursery's operation, and all staff and trustees keep up with any new information legislation relating to safeguarding. The Board of Trustee has also reviewed it Safeguarding Policy to ensure it is up to date.

The Nursery is also pleased to report that there were no incidents to report during the period of this report.

Risks Management

There were no major incidents to report for the period.

The Trustees have a duty to identify and review the risks to which the Nursery is exposed, in particular, those related to the operations and finances of the Nursery. The Trustees also have to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees confirm that they have established systems to mitigate the significant risks.

The new site registered with OFSTED.

All Trustees have completed online DBS registration with Ofsted through Capita.

Financial Review and Reserve Policy

The total combined income for the Nursery was £155,337 (£167,870 in the previous year); this is 12,533 (7.5%) less than the previous year. The total expenditure was £174,690 (£188,620 in the previous year), thus providing a deficit of £19,353. The reduction in the occupancy for the reasons mentioned above which has severely impacted the NEG income from the council is the main contributors to the deficit for the period of this financial statement. As the Nursery has now moved to a new site which is part of the community centre and the building is new and impressive highly visible to passing public and traffic will no doubt support the Nursery to fill its places. The Nursery is already seeing the benefits as over the last quarter the occupancy has increased.

The Nursery is also collaborating with other service providers in the new building, and this has also supported the increase in the Nursery's occupancy.

It is envisaged that it will take about two years for the nursery to recover the losses made over last two years. The future now seems bright and positive for the Nursery.

BLYTHWOOD COMMUNITY NURSERY LIMITED

Unrestricted funds are needed to cover staff costs and those of administration and support without which the Charity could not operate.

Income is often lower during the autumn term due to the start of the new school term year, and it rises during the spring and summer term to its highest level.

The Board of Trustees considers it is prudent that unrestricted funds should be sufficient to cover three to six month's administration and support costs. This level will ensure the Nursery has adequate resources to cover its outgoings while income is at its lowest level during the autumn term.

The Board of Trustees will monitor and review this unrestricted reference fund reserve level with income forecasts and changes in funding on an annual basis to ensure that it continues to meet the needs of the Nursery.

Approved by the Board of Trustees on and signed on its behalf by:



Mr Orville Gayle (Chairperson)
Director/Trustee

Date: 20 September 2018

BLYTHWOOD COMMUNITY NURSERY LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BLYTHWOOD COMMUNITY NURSERY LIMITED

I report on the accounts for the year ended 31 March 2018 set out on pages nine to thirteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5) (b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



Zahid Tabbassum ACMA, CGMA
Accountax Financial Limited
Chartered Management Accountants
42 Sandyhill Road
Ilford, London
IG1 2ET

20 September 2018

BLYTHWOOD COMMUNITY NURSERY LIMITED

STATEMENTS OF TRUSTEES' RESPONSIBILITIES

AS AT 31 MARCH 2018

The charity trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that period. For preparing the financial statements, the trustees are required to:

Select suitable accounting policies and then apply them consistently;

Observe the method and principles in the Charities SORP;

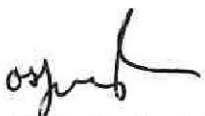
Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charity Act, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:



Mr Orville Gayle (Chairperson)

Trustee/Director

20 September 2018

BLYTHWOOD COMMUNITY NURSERY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018

| | Note | Unrestricted | Restricted | 2018 | 2017 |
|--|-------------|---------------------|-------------------|------------------|------------------|
| | | £ | £ | Total | Total |
| | | | | £ | £ |
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | 3 | 64,328 | 3,757 | 68,085 | 77,093 |
| Activities for generating funds | 3 | 87,252 | - | 87,252 | 90,777 |
| Total incoming resources | | 151,580 | 3,757 | 155,337 | 167,870 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds | | | | | |
| Support costs | 4 | 35,750 | 4,021 | 39,771 | 44,694 |
| Staff costs | | 130,904 | 2,131 | 133,035 | 142,190 |
| Governance costs | | 1,884 | - | 1,884 | 1,736 |
| Total resources expended | | 168,538 | 6,152 | 174,690 | 188,620 |
| NET INCOMING/(OUTGOING) RESOURCES | | (16,958) | (2,395) | (19,353) | (20,750) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | 7 | 75,213 | 2,395 | 77,608 | 98,358 |
| TOTAL FUNDS CARRIED FORWARD | | 58,255 | - | 58,255 | 77,608 |

The notes form part of these financial statements

BLYTHWOOD COMMUNITY NURSERY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

| | | 2018 | | 2017 |
|--|------|--------|--------|--------|
| | Note | £ | £ | £ |
| FIXED ASSETS | | | | |
| Tangible fixed assets | 5 | | 180 | 270 |
| CURRENT ASSETS | | | | |
| Debtors | | - | - | - |
| Cash at bank and in hand | | 62,792 | | 80,659 |
| | | 62,792 | | 80,659 |
| LIABILITIES | | | | |
| Creditors: amounts falling due within one year | 6 | 4,717 | | 3,321 |
| NET CURRENT ASSETS | | | 58,075 | 77,338 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 58,255 | 77,608 |
| NET ASSETS | | | 58,255 | 77,608 |
| FUNDS | 7 | | | |
| Unrestricted funds | | | | |
| General funds | | | 58,255 | 75,213 |
| Restricted funds | | | - | 2,395 |
| TOTAL FUNDS | | | 58,255 | 77,608 |

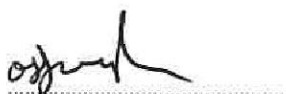
For the year ending 31/03/2018 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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.

Approved by the Board of Trustees on 20/09/2018 and signed on their behalf by



Mr Orville Gayle (Chairperson)
Trustee/Director

BLYTHWOOD COMMUNITY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) and applicable UK Generally Accepted Accounting Practice.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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.

Taxation

The charity is exempt from income taxes 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. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2018.

BLYTHWOOD COMMUNITY NURSERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

| | Unrestricted £ | Restricted £ | 2018 Total £ | 2017 Total £ |
|--|-------------------|-----------------|--------------------|--------------------|
| 3. INCOMING RESOURCES | | | | |
| Incoming resources from generated funds | | | | |
| <i>Voluntary income</i> | | | | |
| LBI Grant Aid Payment | 13,249 | - | 13,249 | 21,752 |
| LBI NEG | 32,283 | - | 32,283 | 24,470 |
| LBI 2 Year Old NEG | 18,796 | - | 18,796 | 28,910 |
| LBI Training | - | 3,757 | 3,757 | 1,560 |
| Other under £500 | - | - | - | 400 |
| | 64,328 | 3,757 | 68,085 | 77,093 |
| <i>Activities for generating funds</i> | | | | |
| Fee Income | 87,224 | - | 87,224 | 88,739 |
| Income from Fundraising | - | - | - | 2,000 |
| Interest Income | 28 | - | 28 | 38 |
| | 87,252 | - | 87,252 | 90,777 |
| Total incoming resources | 151,580 | 3,757 | 155,337 | 167,870 |
| 4. RESOURCES EXPENDED | | | | |
| <i>Support costs</i> | | | | |
| Advertising | 636 | - | 636 | 527 |
| Agency staff & casual wages | 3,479 | - | 3,479 | 718 |
| Canteen & refreshment | 9,849 | - | 9,849 | 10,832 |
| Children events costs | 2,362 | - | 2,362 | 2,414 |
| Cleaning | 1,986 | - | 1,986 | 3,513 |
| Consultancy fee | 2,950 | - | 2,950 | 2,350 |
| Insurance | 697 | - | 697 | 656 |
| Learning materials & nursery resources | 4,813 | 2,297 | 7,110 | 6,961 |
| Postage, printing, stationery & supplies | 4,396 | - | 4,396 | 2,913 |
| Equipment costs | - | - | - | 2,943 |
| Premises expenses | 1,169 | - | 1,169 | 2,153 |
| Recruitment expenses | 245 | - | 245 | 4,158 |
| Repairs & maintenance | 692 | - | 692 | 705 |
| Subscription | 268 | - | 268 | 255 |
| Sundry expenses | 31 | - | 31 | 177 |
| Telephone | 2,087 | - | 2,087 | 1,813 |
| Training Costs | - | 1,724 | 1,724 | 1,516 |
| Depreciation | 90 | - | 90 | 90 |
| | 35,750 | 4,021 | 39,771 | 44,694 |
| <i>Staff costs</i> | | | | |
| Salaries and wages | 123,452 | 2,029 | 125,481 | 134,743 |
| Social security costs | 6,237 | 102 | 6,339 | 6,977 |
| Employer's contribution to pension | 1,215 | - | 1,215 | 470 |
| | 130,904 | 2,131 | 133,035 | 142,190 |
| <i>Average number of staff employed</i> | | | 13 | 13 |
| <i>Governance costs</i> | | | | |
| Accountancy and Independent examiner fee | 861 | - | 861 | 861 |
| Book-keeping & payroll | 1,023 | - | 1,023 | 875 |
| | 1,884 | - | 1,884 | 1,736 |
| Total resources expended | 168,538 | 6,152 | 174,690 | 188,620 |

BLYTHWOOD COMMUNITY NURSERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

| | Office Equipment | Total £ |
|---------------------------------|---------------------|------------|
| 5. TANGIBLE FIXED ASSETS | | |
| Costs | | |
| As at 1 April 2017 | 360 | 360 |
| Additions | - | - |
| As at 31 March 2018 | <u>360</u> | <u>360</u> |
| Accumulated Depreciation | | |
| As at 1 April 2017 | 90 | 90 |
| Charge for the year | 90 | 90 |
| As at 31 March 2018 | <u>180</u> | <u>180</u> |
| Net Book Value | | |
| At the end of the year | <u>180</u> | <u>180</u> |
| At the start of the year | <u>270</u> | <u>270</u> |

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 £ | 2016 £ |
|------------------------------|--------------|--------------|
| Accruals | 700 | 700 |
| Taxation and social security | 4,017 | 2,621 |
| Net wages | - | - |
| | <u>4,717</u> | <u>3,321</u> |

7. MOVEMENT IN FUNDS

| | At the start of the year £ | Incoming resources £ | Outgoing resources £ | Transfers £ | At the end of the year £ |
|---------------------------------|----------------------------------|----------------------------|----------------------------|----------------|--------------------------------|
| Unrestricted funds: | | | | | |
| General fund | 75,213 | 151,580 | (168,538) | - | 58,255 |
| Total unrestricted funds | <u>75,213</u> | <u>151,580</u> | <u>(168,538)</u> | <u>-</u> | <u>58,255</u> |
| Restricted funds: | | | | | |
| LBI Training | 2,395 | 3,757 | (6,152) | - | - |
| Income from Fundraising | - | - | - | - | - |
| Total unrestricted funds | <u>2,395</u> | <u>3,757</u> | <u>(6,152)</u> | <u>-</u> | <u>-</u> |
| TOTAL FUNDS | <u>77,608</u> | <u>155,337</u> | <u>(174,690)</u> | <u>-</u> | <u>58,255</u> |