

ACTIVE COMMUNITY TRUST LIMITED
REGISTERED CHARITY NUMBER 1124267
REGISTERED IN ENGLAND AND WALES UNDER COMPANY NUMBER 6489622

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019

TINGLE ASHMORE LTD
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
SHEFFIELD

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019

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ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
TRUSTEES' ANNUAL REPORT

The trustees present their report and the unaudited financial statements for the year ended 31st March 2019, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Objectives and activities for the public benefit

The charity's objectives are as follows:

- Advance the education and development of children under 5 of families living, training or working in the Darnall area of Sheffield;
- Provide family support and training opportunities within the Darnall area of Sheffield;
- To develop equal opportunity and non-discriminatory policies and practices;
- To work with statutory and local groups to support children and families to develop to their full potential;
- To raise funds and support charitable purposes connected to the Nursery or further its aims.

Active Community Trust Limited is situated in a multi-cultural inner city ward recognised as one of the 30% most deprived in Britain. The community have low levels of qualifications and a high need for adult education and training opportunities. The charity helps remove the barrier of lack of childcare by providing quality appropriate day-care that reflects the need to support parents into training and work. The charity provides subsidised childcare via government tax and grant programmes for parents while in education, training and work. The charity works with Sheffield City Council to identify children and families who require additional support, and provide early intervention activities.

The trustees consider that they have complied with the duty as set out in section 4 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission, including public benefit guidance.

Achievements and performance

This year we had our 25th Birthday Celebration. It seems like only yesterday when we opened the doors to children and families for the first time. We have retained the same trustees and staff management team and remained consistent in our aims and objectives. We strive to ensure that all our children and families feel welcome and part of the nursery family. We have continuously improved our environment to reflect the needs of our children and to create a constantly inspiring place where children feel valued and inspired to explore. This year we have supported 350 children and their families, a record number for Darnall Community Nursery. The nursery has been full and with a long waiting list for places. The Nest Integrated Resource has been continuously full this year, offering support to up to 12 children a day, 3 days a week. All the children are thriving and making good progress. Excellent relationships with the early years inclusion team and other professionals enables the team to access support and funding to deliver high quality service. We have maintained a continuous adult child ratio of 1 adult to 3 children and where needed one to one support.

Financial review

The charitable company's principal sources of funding continued to be from Sheffield City Council Free Early Learning (FEL) grants and childcare fees. The reduction in charitable activity funding relates to the capital grant of £112,960 from Sheffield City Council in the previous year. Childcare fees were at a similar level to the previous year and the Big Lottery Awards for All grant of £10k was to finance the furnishing and equipment for the Outhouse. Staff costs are in line with 2018, with the additional depreciation being due to the new buildings being brought into use. There was net income for the year of £33k, consisting of a decrease in restricted fund balances of £9k and a surplus on unrestricted funds of £42k.

The increase in fixed assets relates to the final building costs which also account for the reduction in creditors, as there was an unpaid building invoice at the previous year end.

ACTIVE COMMUNITY TRUST LIMITED
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TRUSTEES' ANNUAL REPORT

Reserves policy

It is the policy of the charitable company to hold general funds at a level which equates to 6 months expenditure. General funds exceeded 5 months of expenditure at the year end and should meet the policy requirement by the end of the next accounting year.

Structure, governance and management

Governing document

Active Community Trust Limited is a charitable company incorporated under a trust deed on 31st January 2008, as amended by special resolution on 23rd March 2015. The liability of each member is limited by guarantee to £10.

Appointment of trustees

Trustees, who are also directors of the charitable company, are appointed by the Management Committee to serve until the next AGM, at which they can stand for re-election.

Risk management

The trustees actively review the major risks which the charity faces and believe that the annual review of controls over key financial systems will sufficiently mitigate the significant risks.

Organisational structure

The Management Committee are responsible for the management of Active Community Trust Limited and in providing facilities and raising funds to enable the Nursery to meet the aims of the organisation. Day to day responsibility for managing the Nursery is delegated to the Nursery Manager, Claire Ward, within a robust reporting system. The Nursery Manager is responsible for the quality of service to the children and families and for the support and development of staff members.

Reference and administrative details

Trustees and directors

Sally Pearse - Chair
Kabier Aslam - Secretary
Amanda Cook
Natalie Tuffnell - resigned 11th October 2018

Key management personnel

Nursery Manager

Claire Ward

Deputy Manager

Katy Lindenstruth

Business Support Manager

Cheryl Hammonds

Nursery address

Darnall Children's Centre, 563 Staniforth Road,
Sheffield S9 4RA

Independent examiner

Tingle Ashmore Ltd
Chartered Accountants and Registered Auditors
Enterprise House, Broadfield Court, Sheffield S8 0XF

Bankers

Lloyds Bank, 1 High Street, Sheffield S1 2GA

Registered charity number

1124267

Registered company number

6489622

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
TRUSTEES' ANNUAL REPORT

Trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources of the charity 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 Charities SORP 2015 (FRS 102);
- Make judgments 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 operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

The report of the trustees was approved by the board on 17 December 2019 and signed on its behalf by

.....
Sally Pearse - Chair

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ACTIVE COMMUNITY TRUST LIMITED

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31st March 2019 which are set out on pages 5 to 12.

Responsibilities and basis of report

As the charity 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 company'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 the company'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 the Institute of Chartered Accountants in England and Wales, 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 that in any material respect:

- 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.

.....
Kevan Tingle FCA
Tingle Ashmore Ltd
Chartered Accountants and Registered Auditors
Enterprise House
Broadfield Court
Sheffield
S8 0XF

Dated : 19 December 2019

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted funds	Restricted funds	Total funds 2019	Total funds 2018
		£	£	£	£
Income from:					
Donations		156	-	156	1,211
Charitable activities	2	351,051	19,293	370,344	466,502
Other trading activities					
Fundraising		2,691	-	2,691	2,706
Investment income					
Bank interest		305	-	305	172
Total income		<u>354,203</u>	<u>19,293</u>	<u>373,496</u>	<u>470,591</u>
Expenditure on:					
Raising funds:					
Fundraising costs		1,598	-	1,598	866
Charitable activities:	3	310,994	28,215	339,209	327,018
Total expenditure		<u>312,592</u>	<u>28,215</u>	<u>340,807</u>	<u>327,884</u>
Net income/(expenditure) for the year	4	41,611	(8,922)	32,689	142,707
Total funds at 1st April 2018		174,740	212,549	387,289	244,582
Total funds at 31st March 2019		<u>£216,351</u>	<u>£203,627</u>	<u>£419,978</u>	<u>£387,289</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
BALANCE SHEET

	Notes	2019	2018
		£	£
Fixed assets			
Tangible assets	5	261,448	244,373
Current assets			
Debtors	6	4,935	7,318
Cash at bank and in hand		159,537	156,017
		164,472	163,335
Creditors - amounts falling due within one year	7	5,942	20,419
Net current assets		158,530	142,916
Net assets		£419,978	£387,289
The funds of the charity			
Unrestricted funds	8	216,351	174,740
Restricted funds	10	203,627	212,549
Total funds	9	£419,978	£387,289

For the year ending 31st March 2019 the company was entitled to exemption from audit under S477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

Approved by the management committee on 17 December 2019 and signed on its behalf by

.....
Sally Pearse - Chair

.....
Amanda Cook - Trustee

Company number : 6489622

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The following is a summary of the more important accounting policies used by the charity.

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16th July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity has taken advantage of the disclosure exemption from the requirement to prepare a cash flow statement, as permitted by the Charity SORP (FRS 102).

Active Community Trust Limited meets the definition of a public benefit entity under FRS 102.

The following is a summary of the more important accounting policies used by the charity.

Going concern

The financial statements have been prepared on the going concern basis as the trustees believe that there are no material uncertainties.

Income

All income is accounted for as soon as the charity has entitlement to the income, there is certainty of receipt and the amount can be measured.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Grants receivable

Grants in respect of revenue items are written off to the income and expenditure account in the period to which they relate. Grants in respect of specific projects are credited to a restricted fund, against which relevant expenditure is charged.

Grants relating to fixed assets are credited to a restricted fund on the income and expenditure account from which amounts are released to revenue over the same period as the depreciation period of the relevant assets.

Fees earned

Fees are credited to the period in which they are receivable.

Donations and fundraising

Donations and fundraising are accounted for on a receivable basis.

Resources expended

Expenditure is recognised when a liability is incurred and is accounted for on an accruals basis.

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NOTES TO THE FINANCIAL STATEMENTS

Costs of raising funds

The costs of raising funds consist of expenditure relating to fundraising.

Charitable activities

The expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and governance costs incurred in meeting the constitutional and statutory requirements of the charity.

Value added tax

The charity is not registered for VAT. In these financial statements, expenditure is shown inclusive of VAT, where appropriate.

Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Improvements to landlord's property	- over the remaining lease term
Equipment	- 25% per annum reducing balance

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered.

Creditors

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Operating leases

All leases are considered to be 'operating leases' and the relevant annual rentals are charged wholly to the Statement of Financial Activities.

Fund accounting

Funds held by the charity are either:-

- Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds - these have been set up to identify those unrestricted funds that are not general funds, being those funds earmarked by the charity's trustees to be used for a particular purpose in the future or fixed assets purchased using the charity's own reserves.
- Restricted funds - these are funds that can only be used for particular restricted purposes, imposed by the donor or through the terms of an appeal.

Legal status

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Pensions

The charity operates a defined contribution pension scheme for its employees. The scheme funds are administered by trustees and are independent of the charity's finances.

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

	Unrestricted funds	Restricted funds	Total funds 2019	Total funds 2018
	£	£	£	£
2 Income from charitable activities:				
Childcare fees receivable	30,859	-	30,859	31,820
Grants receivable				
Sheffield City Council				
Free Early Learning	320,192	-	320,192	314,366
Special Needs grants	-	3,432	3,432	4,066
Capital grant - early years and staff facilities buildings	-	-	-	112,960
In kind funding for fence	-	3,000	3,000	-
Big Lottery Fund - Awards For All	-	10,000	10,000	-
Family Holiday Association	-	1,300	1,300	-
Hallam FM Cash For Kids	-	936	936	2,000
Hallam University - student support fees	-	375	375	900
South Yorkshire Early Learning Alliance	-	250	250	
PLA Bee Fund	-	-	-	390
	<u>£351,051</u>	<u>£19,293</u>	<u>£370,344</u>	<u>£466,502</u>
3 Expenditure on charitable activities:				
Staff costs	265,097	3,807	268,904	267,574
Staff training	2,197	-	2,197	3,947
Food and refreshments	2,441	-	2,441	2,535
Trips and events	638	1,300	1,938	944
Nursery equipment and consumables	4,651	13,936	18,587	11,154
Subscriptions and software	485	-	485	782
Repairs, cleaning and maintenance	1,171	-	1,171	5,128
Insurance	2,044	-	2,044	1,250
Rent, rates and utilities	20,069	-	20,069	17,110
Printing, postage and stationery	2,962	-	2,962	2,095
Sundry expenses	239	-	239	279
Equipment leasing	760	-	760	1,720
Fees no longer collectible	1,300	-	1,300	-
Legal and professional fees	2,823	-	2,823	4,596
Payroll preparation	1,832	-	1,832	1,535
Depreciation	305	9,172	9,477	4,569
Governance costs:				
Independent examiner's remuneration	1,980	-	1,980	1,800
	<u>£310,994</u>	<u>£28,215</u>	<u>£339,209</u>	<u>£327,018</u>

ACTIVE COMMUNITY TRUST LIMITED
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	2019	2018
	£	£
4 Net income/(expenditure) for the year is after charging:		
Independent examiner's remuneration	1,980	1,800
Depreciation	9,477	4,569
Salaries	244,433	250,003
Employer's national insurance	11,966	14,111
Employer's pension contributions	12,505	3,460
	<u> </u>	<u> </u>

The average number of employees during the year was 18 (2018 - 20), all were employed on charitable activities.

There were no employees with emoluments exceeding £60,000 in either year.

No remuneration was paid nor expenses reimbursed to trustees during either year.

Key management personnel comprise the Nursery Manager, Deputy Manager and Business Support Manager. Total employee benefits received by the key management personnel for the year is £89,358 (2018 - £89,311).

5 Tangible fixed assets	Improvements to landlord's property	Equipment	Total
	£	£	£
Cost			
As at 1st April 2018	240,162	16,024	256,186
Additions	26,552	-	26,552
As at 31st March 2019	<u>266,714</u>	<u>16,024</u>	<u>282,738</u>
Depreciation			
As at 1st April 2018	2,373	9,440	11,813
Charge for the year	7,831	1,646	9,477
As at 31st March 2019	<u>10,204</u>	<u>11,086</u>	<u>21,290</u>
Net book value			
As at 31st March 2019	<u>£256,510</u>	<u>£4,938</u>	<u>£261,448</u>

	2019	2018
	£	£
6 Debtors		
Outstanding fees	2,907	5,290
Prepayments	2,028	2,028
	<u>£4,935</u>	<u>£7,318</u>

ACTIVE COMMUNITY TRUST LIMITED
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

	2019	2018
	£	£
7 Creditors - amounts falling due within one year		
Accrued expenses	<u>£5,942</u>	<u>£20,419</u>

8 Statement of funds	Balance at 1st April 2018	Movement in resources		Balance at 31st March 2019
	£	Incoming	Outgoing	£
Unrestricted funds	174,740	354,203	(312,592)	216,351
Restricted funds	<u>212,549</u>	<u>19,293</u>	<u>(28,215)</u>	<u>203,627</u>
	<u>£387,289</u>	<u>£373,496</u>	<u>£(340,807)</u>	<u>£419,978</u>

- 9 Total funds
Fund balances at 31st March 2019 are represented by:-

	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	-	58,071	203,377	261,448
Net current assets	<u>158,280</u>	<u>-</u>	<u>250</u>	<u>158,530</u>
Net assets	<u>£158,280</u>	<u>£58,071</u>	<u>£203,627</u>	<u>£419,978</u>

- 10 Restricted funds
The year end restricted fund balance is made up as follows:

Sheffield City Council - Capital Grant 1	89,481
Sheffield City Council - Capital Grant 2	109,875
Camping pod/log cabin	4,021
South Yorkshire Early Learning Alliance	<u>250</u>
	<u>£203,627</u>

Sheffield City Council - Capital grants to finance 75% of building costs.
Grant 1 is to finance alterations to the leasehold building to develop places for 2 year olds.
Grant 2 is to help finance the building of a nursery and staff room.
Both grants are being written off over the 25 year period of the new lease.

The camping pod/log cabin has received funding from Hallam FM Cash for Kids and the cycle challenge in the previous year.

ACTIVE COMMUNITY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

- 11 Related party transaction
Kabier Aslam, a trustee of the charitable company, undertook property repairs amounting to £nil (2018 - £1,468) through his business Aslam Developments.

- 12 A detailed breakdown of the 2018 statement of financial activities between unrestricted and restricted funds is as follows:

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Income from:			
Donations	1,211	-	1,211
Charitable activities			
Other trading activities	346,186	120,316	466,502
Fundraising			
Investment income	488	2,218	2,706
Bank interest	172	-	172
Total income	<u>348,057</u>	<u>122,534</u>	<u>470,591</u>
Expenditure on:			
Raising funds:			
Fundraising costs	298	568	866
Charitable activities:	315,501	11,517	327,018
Total expenditure	<u>315,799</u>	<u>12,085</u>	<u>327,884</u>
Net income for the year	<u>£32,258</u>	<u>£110,449</u>	<u>£142,707</u>

- 13 Operating lease commitments

Land and buildings

The charitable company has a 25 year property lease which commenced on 1st April 2015 at an annual rent of £14,000. The landlord, Sheffield City Council, is foregoing its rent for the time being. The Council retains absolute discretion to start charging rent at any time in the future.

	2019	2018
	£	£
Office equipment		
Total amount falling due:		
Within 1 year	931	931
Within 2 to 5 years	-	931
	<u>931</u>	<u>931</u>