

# **CHARD NNI**

Charity Registration Number: 1016988

TRUSTEES' REPORT AND  
UNAUDITED ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2021

Viking Accounts – Brookside, The Street, Kilmington, Devon,  
EX13 7RJ

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# LEGAL AND ADMINISTRATIVE INFORMATION

Trustees: Mrs M Baker (Chair)  
Mr Wayne Lockett (Treasurer)  
Miss Cydney Issacs (Secretary)  
Mr Matthew Constance  
Gary Shortland  
Jessie Vowles  
Daniel Glentworth  
Gemma Dunn

Secretary: Miss Cydney Issacs

Charity number: 1016988

Principal address: Clare House  
Millfield  
Chard  
Somerset  
TA20 2DA

Independent examiner: Mrs N Cornelius MAAT  
Viking Accounts  
Brookside  
The Street  
Kilmington  
Devon  
EX13 7RJ

Bankers: HSBC plc  
11 High Street  
Chard  
Somerset  
TA20 1QQ

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing documents, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in 2005 (revised 2008).

The charity information shown on the Legal and Administrative page forms part of this report. The charity is also known as Chard Neighbourhood Nursery and Schools Out, Chard Children's Centre and Clare House.

### **Structure, governance and management**

The charity is operated under its constitution dated 2 November 1962, amended 7 February 2000, 12 February 2003, 7 April 2003 and 16<sup>th</sup> July 2013. At the Special General Meeting held on 25 September 2008 it was agreed that the date of the AGM be altered (subject to charity Commission approval) to the spring.

At the AGM held on 24<sup>th</sup> September 2020 it was agreed that the following Trustees would remain in place for the following year due to the ongoing difficulties posed by covid:

Mrs Marie Baker (Chair)

Mr Wayne Luckett (Treasurer)

Miss Cydney Isaacs (Secretary)

Mr Matthew Constance

Gary Shortland

Jessie Vowles

Daniel Glentworth

New trustees are asked to read the National Standards for Day Care so that they are fully conversant with the operational needs and restrictions of the charity, this is backed up by the charity's own operational policies and procedures. They are also made aware of the need for strict confidentiality within the group and have to sign a letter agreeing to confidentiality of information within the charity. New trustees also have the chance to read the notes from the Committee training run by Somerset County Council that previous members have attended.

The Trustees delegate the day to day running of the setting to the Manager Jayne Windsor who oversees the childcare provided by the Room Managers and Nursery Practitioners and Janet Woodbury who provides Administrative support

The trustees meet regularly throughout the year to discuss issues affecting the childcare provision and the use of the charity's premises and they agree on the action to be taken. The Childcare Manager attends the committee meetings to report matters of importance

to the trustees and discuss the issues that arise. The chairperson and treasurer are also required to be authorised signatories for banking purposes.

The management committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure they still meet the needs of the charity.

### **Objectives and activities**

The charity's objectives are to enhance the development and education of children primarily under statutory school age, by encouraging parents to understand and provide for the needs of their children through community groups. The charity provides day care and education in Chard to children aged 0 to 5 years. It also provides before and after school and holiday care for children aged 5 to 14 years. As part of the information sharing initiative put together by the Children and Young People's Services in Somerset there are now even closer links with other services for children.

The trustees will be ensuring that childcare of a high standard continues to be provided and make any necessary improvements to the service it offers. This is done by constant monitoring and evaluation to ensure the charity adapts to the changing needs of the children and families who attend. There is a growing ethnic population in Chard and the charity is working hard to meet their particular needs, a large proportion of these are Portuguese and Polish along with a mixture of other nationalities – the staff work with outside agencies to ensure that all their individual needs are met. There is continual staff training and a development programme ensures that the staff are up to date on the EYFS principles and all the latest thinking and legislation which in turn ensures better childcare and continuing high standards.

This has been a very challenging year continuing the recovery from covid, the setting continues to be very busy with an increasing number of SEN children attending the setting with varying levels of need. The baby room is always much in demand with limited settings in the town taking babies.

### **Achievements and performance**

The Nursery part of the Charity's activities continues to receive considerable support from Somerset County Council by way of grants received. Contributions for the year amounted to £154,622.

The setting continues to be busy with a waiting list for places.

### **Financial review**

The charity remains dependent on grants and fees for the services that it provides.

Due to the improvements to financial procedures instigated and increasing number the charity is now building up reserves in line with its Reserves Policy meaning that the setting has money in the bank as a fall back for the Autumn term when numbers of children historically are at the lowest point of the year which equates to lower income. It is anticipated that this trend will continue. The trustees believe that it is appropriate to continue to prepare the accounts on a going concern basis.

### **Asset cover for funds**

Note 16 sets out an analysis of the assets attributed to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

In the long term the group will keep building on its considerable experience and long standing success in childcare to meet the ever changing needs of the children and families in the community that it serves.

### **Public Benefit**

The Charities Act (2006) explicitly includes "Public Benefit" in the definition of "Charitable Purpose". The Trustees believe that Chard NNI meets this requirement as it provides day care and education to any child in the area wishing to attend the setting provided, subject to spaces available, and provides facilities which groups in the community are able to use and hire.

Approved by the Trustees on 24 January 2023 and signed on their behalf by:

**Mrs M Baker (chairperson**

Trustee

Date:

## **CHARD NNI STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in 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 accounts; and
- Prepare the accounts on the going concern basis unless it is appropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and Provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

# **CHARD NNI**

## **/INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHARD NNI**

I report on the accounts of the charity for the year ended 31 August 2021, which are set out on pages 7 to 14.

### **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 needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Accounting Technicians (AAT)

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 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 these 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 statement below.

### **Independent examiner's statement**

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

- which gives me reasonable cause to believe that in any material respect the requirements:
  - i) to keep accounting records in accordance with section 130 of the 2011 Act: and

ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met: or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mrs N Cornelius MAAT  
 Viking Accounts  
 Brookside  
 The Street  
 Kilmington  
 Devon EX13 7RJ

Date 24 January 2023

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## CHARD NNI STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2021

Restricted funds	Total 2021	Total 2020	Notes	£	Unrestricted funds £
<b><u>Incoming Resources</u></b>					
<b>Incoming funds from generated funds</b>					
Investment income			2	5	-
5	104			5	-
5	104				
<b>Incoming resources from charitable activities</b>					
312,273	236,652		3	303,090	9,183
<b>Other incoming resources</b>					
4,238	470		4	4,238	-
<b>Total incoming resources</b>				<u>307,333</u>	<u>9183</u>
				316,516	237,226
<b><u>Resources expended</u></b>					
<b>Charitable activities</b>					

Direct Charitable expenditure	5	307,603	33,383
340,986			323,298
Governance costs	7	<u>2,233</u>	-
2,233			2,419
<b>Total resources expended</b>		<u>309,836</u>	<u>33,383</u>
343,219			325,717

**Net incoming/(outgoing) resources for the** (2,503)  
(24,200) (26,703) (88,491)  
**Year/ Net movement in funds**

Total funds carried forward as 31 August 2021 69,032 31,283  
100,315 127,018

**Total funds B/forward at 1 September 2020** 71,535 55,483  
127,018 215,509

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## CHARD NNI BALANCE SHEET AS AT 31<sup>ST</sup> AUGUST 2021

<b>2020</b>			<b>2021</b>	
£	£	Notes	£	£
<b>Fixed assets</b>				
Tangible assets				
		10		44,033
				75,853
<b>Current assets</b>				
Debtors				
		11	8,521	
				6,522
Cash at bank and in hand				
			<u>55,138</u>	
				<u>50,581</u>

<b>Total current assets</b>		63,659
57,103		
<b>Liabilities</b>		
Creditors amounts falling within one year	12	<u>7,377</u>
<u>5,938</u>		
<b>Net current assets/(liabilities)</b>		-
<u>56,282</u>	<u>51,165</u>	
<b>Total assets less current liabilities</b>		-
<u>100,311</u>	<u>127,018</u>	
 <b>The funds of the charity</b>		
Restricted income funds	13	31,283
55,483		
Unrestricted income funds		<u>69,028</u>
<u>71,535</u>		
<b>Total charity funds</b>	14	
<u>100,315</u>	<u>127,018</u>	

The accounts were approved by the Trustees on 1.3.2023

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Mrs M Baker  
Trustee

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## CHARD NNI NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

### 1. Accounting policies

#### 1.1. Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities"

(SORP) issued in March 2005 (revised 2008), the Charities Act 2011 and applicable UK accounting standards.

### **1.2. Incoming resources**

Grants are recognised in the statement of financial activities when received by the

Charity. Grants in respect of leasehold building have been included in a restricted fund as

required by the terms and conditions of the local government and other agencies.

Fees receivable and charges for services and use of the premises are accounted for in the

Period in which the service is received.

### **1.3. Resources expended**

Resources expended are recognised in the period in which they are incurred. Charitable

Activities include expenditure associated with the education of children. Governance costs include those incurred in governance of the charity and are primarily associated with constitutional and statutory requirements. Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### **1.4. Tangible fixed assets**

All assets costing more than £200 are capitalised and are included at cost in the financial Statements.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at

rates calculated to write off the cost less estimated residual value of each asset over its

expected useful life as follows:

Leasehold property	over the term of the lease
Fixtures, fittings and equipment	1 to 4 years

Leasehold property is depreciated over the remaining life of the lease from the date the

property works were completed. The lease was originally for a period of 28 years. The

lease commenced before work began on the construction of the new building and eight

years had elapsed by the time the construction was completed.

The Trustees have carried out an impairment review of asset under FRS 11 and consider

that the carrying values shown in the accounts are at least equal to recoverable amount.

## CHARD NNI NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

### 1.5. Accumulated funds

The restricted fund comprises grants to be used for a specific purpose as laid down by the grantor. Expenditure which meets the criteria is charged to the fund.

### 1.6. Unrestricted fund

The unrestricted fund represents funds which the trustees are free to use in accordance with the charitable objectives.

### 1.7. Taxation

As a registered charity, Chard NNI is generally exempt from Income Tax and Capital Gains Tax, but not Value Added Tax. Irrecoverable Value Added Tax is included in the costs of those items to which it relates.

## 2. Investment income

**2021**

**2020**

£

£

**Interest receivable**

5

104

## 3. Incoming resources from charitable activities

<b>Restricted</b>	<b>Total</b>	<b>Total</b>	<b>Unrestricted</b>	<b>funds</b>	<b>funds</b>
<b>2021</b>	<b>2020</b>			<b>£</b>	<b>£</b>
<b>£</b>	<b>£</b>				
Grants received				154,622	2,500
157,122	131,365				
Job Retention scheme Funding				-	6,683
6,683	18,496				
School fees & registrations received				<u>148,468</u>	<u>-</u>
<u>148,468</u>	<u>86,791</u>			303,090	9,183
312,273	236,652				

Grants received in the year are from Somerset County Council. These grants include £xxx (2019 £119,018) for funded places for 2, 3 and 4 year olds using the preschool and apprentice funding £2,500.

## 4. Other incoming resources

			<b>2021</b>			<b>2020</b>
			<b>£</b>			<b>£</b>
Room hire and service charges			4238			-
Other income			<u>-</u>			<u>470</u>
			<u>4,238</u>			<u>470</u>
<b>5. Total resources expended</b>				<b>Staff</b>		<b>Depreciation</b>
<b>Other</b>	<b>Total</b>	<b>Total</b>				
				<b>costs</b>		
<b>costs</b>	<b>2021</b>	<b>2020</b>				
<b>Charitable activities</b>				<b>£</b>		<b>£</b>
<b>£</b>	<b>£</b>	<b>£</b>				
Direct charitable expenditure						
Activities undertaken directly			270,411	35,756		34,819
340,986	323,298	<b>Governance costs</b>				<u>-</u>
<u>2,233</u>	<u>2,233</u>	<u>2,419</u>				<u>-</u>
			<u>270,411</u>	<u>35,756</u>		
<u>37,052</u>	<u>343,219</u>	<u>318,311</u>				

## CHARD NNI NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

### 6. Activities under taken directly

<b>2020</b>	<b>2021</b>
<b>£</b>	<b>£</b>
Other costs relating to direct charitable Expenditure comprise:	
Play materials	2,839
1,792	
Equipment	271
700	
Groceries	1,972
2,131	
Minibus & Trips	0
0	
Maintenance	3,464
5,083	
Rent	50
50	
Insurance	5,419
4,574	
Subscriptions	540
469	
Courses and training materials	619
1,583	

Computer software	1,804
1,516	
Card machine hire	261
625	
Services	10,977
8,563	
Stationery, printing and photocopying	3,283
3,075	
Advertising	-
-	
Telephone	711
704	
Bank Charges	-
-	
Donations	-
-	
Sundry	2,278
1,720	
Clothing Costs	<u>331</u>
<u>161</u>	
	<u>34,819</u>
<u>32,746</u>	

#### 7. Governance costs

2020

2021

£

£

Other governance costs comprise:

Independent examination fees	500
500	
Non-audit fees	450
450	
Consultancy fees	1,283
1,469	
Legal & professional fees	<u>-</u>
<u>-</u>	
	<u>2,233</u>
<u>2,419</u>	

#### 8. Trustees

None of the Trustees (or any persons connected with them) received any remuneration or had expenses reimbursed during the year.

## CHARD NNI NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

#### 9. Employees

## Number of employees

The average monthly number of employees during the year was:

	<b>2021</b>
<b>2020</b>	
	<b>Number</b>
<b>Number</b>	
Child care	16
16	
Management & administration	1
1	
	17
17	
Employment cost	

		<b>2021</b>
<b>2020</b>		
		<b>£</b>
<b>£</b>		
Wages & salaries	x	268,006
241,830		
Pension Costs	x	4,205
3,611		
Social security costs	x	<u>(1,800)</u>
<u>9,387</u>		<u>270,411</u>
<u>254,828</u>		

There were no employees with annual remuneration of £60,000 or more.

## 10. Tangible fixed assets

<b>Total</b>	<b>Leasehold buildings</b>	<b>Fixtures, fittings &amp; equipment</b>
	<b>£</b>	<b>£</b>
<b>£</b>		
<b>Cost</b>		
At 1 September 2020	759,331	56,561
815,892		
Additions	<u>-</u>	<u>3,936</u>
<u>3,936</u>		
<b>At 31 August 2021</b>	<u>759,331</u>	<u>60,497</u>
<u>819,828</u>		
<b>Depreciation</b>		
At 1 September 2020	683,478	56,561
740,039		
Charge for the year	<u>35,724</u>	<u>32</u>
<u>35,756</u>		

<b>At 31 August 2020</b>	<u>719,202</u>	<u>56,593</u>
<u>775,795</u>		

**Net book value**

At 31 August 2021	<u>40,129</u>	<u>3,904</u>
<u>44,033</u>		

<b>At 31 August 2020</b>	<u>75,853</u>	<u>-</u>
<u>75,853</u>		

The leasehold commitment is shown in note 16 of the accounts.

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## CHARD NNI NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

**11. Debtors**

	<b>2021</b>	
<b>2020</b>		
	£	
£		
Trade debtors	7,412	5,552
Prepayments and accrued income	<u>1,109</u>	<u>970</u>
	<u>8,521</u>	<u>6,522</u>

**12. Creditors: amounts falling due within one year**

	<b>2021</b>	
<b>2020</b>		
	£	
£		
Trade creditors	1,900	1,900
Taxes and social security costs	2,586	2,148
Accruals	<u>2,891</u>	
<u>1,890</u>	<u>7,377</u>	<u>5,938</u>

**13. Restricted funds**

<b>Resources</b>	<b>Balance at</b>	<b>Balance at</b>	<b>Movement in funds</b>
<b>expended</b>	<b>31 August</b>	<b>1 September</b>	<b>Incoming</b>
		<b>2020</b>	<b>resources</b>
		£	£
<b>2021</b>	<b>£</b>		
Building fund	31,283	55,483	-
			(24,200)

Pram shelter	-	-	-
-			
Outdoor play area	-	-	-
-			
Apprenticeship Funding	-	2,500	(2,500)
-			
Job Retention scheme funding	-	<u>6,683</u>	<u>(6,683)</u>
<u>-</u>			
	<u>55,483</u>	<u>9,183</u>	<u>(33,383)</u>
<u>31,283</u>			

The purpose of the restricted funds is to account for grant income where a restriction has been applied.

The building fund had to be used in the construction of the nursery building. The balance remaining represents depreciation that will be charged over the remainder of the useful economic life of the building, which as at 31 August 2021 was 2 years.

The Pram shelter was used in the construction of a shelter attached to the nursery building. This has now been fully depreciated over its useful economic life.

The outdoor play area fund relates to money received from Somerset County Council and the Co-Operative to build an outdoor play area for the children. The balance remaining represents depreciation that will be charged over the remainder of the useful economic life of the play area, which as at 31 August 2021 was now fully depreciated.

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## CHARD NNI NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

### 14. Analysis of net assets between funds

Restricted funds	Total	Unrestricted funds	
£	£	£	
Fund balances at 31 August 2021 are represented by:			
Tangible fixed assets		12,750	
31,283	44,033		
Current assets		63,659	-
63,659			

Creditors:		
amounts falling due within one year	<u>(7,377)</u>	<u>-</u>
		<u>69,032</u>
<u>31,283</u>	<u>100,315</u>	

## 15. Contingent liabilities

There are certain circumstances in which the grant received from the National Opportunities Fund will have to be repaid. This grant amounted to £110,000 and was specifically towards the cost of the new school building. Circumstances where this grant would have to be repaid include the disposal of the building or the change of its use. This condition applies for 20 years after completion of the building works, therefore until 2023.

## 16. Commitments under operating leases

At 31 August 2021 the had annual commitment under non-cancellable operating leases as follows:-

		<b>Land and</b>
		<b>buildings</b>
		<b>2021</b>
		<b>£</b>
<b>2020</b>		
<b>£</b>		
Expiry date: in over 5 years	<u>50</u>	
<u>50</u>		
<b>Equipment</b>		
		<b>2021</b>
<b>2020</b>		
<b>£</b>		<b>£</b>
Expiry date: Within 1 year	1,815	
1,815		
Within 2-5 years	<u>1,814</u>	
<u>3,629</u>		
	<u>3,629</u>	
<u>7,444</u>		
		<b>Insurance</b>
<b>Protection</b>		
		<b>2021</b>
<b>2020</b>		
<b>£</b>		<b>£</b>
Expiry date: Within 1 year	324	
324		

<u>864</u>	Within 2-5 years	<u>540</u>
<u>1188</u>		<u>864</u>
		14