

Charity number  
1016988

Chard NNI  
Trustees' Report and Accounts  
31 August 2022

**Chard NNI  
Report and accounts  
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**Chard NNI  
Trustees' Annual Report for the year ended 31 August 2022**

The trustees present their report and accounts for the year ended 31 August 2022.

**Reference and administrative details**

The legal name of the charity is Chard NNI. The charity is registered in England and Wales with charity number 1016988. The charity is also known as Chard Neighbourhood Nursery and Schools Out, Chard Children's Centre and Clare House.

The charity is operated under its constitution dated 2 November 1962, amended 7 February 2000, 12 February 2003, 7 April 2003 and 16 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.

The trustees are all individuals.

The contact details are as follows:

Principal operating address:	Clare House Millfield Chard TA20 2DA
Telephone number:	01460 62367
Email address:	admin@clarehouse.org.uk
Website:	www.clarehouse.org.uk

**Trustees**

The trustees in office during the year ended 31 August 2022 and on the date this report was approved were:

Mrs Marie Baker (Chair)  
Mr Wayne Luckett (Treasurer)  
Miss Cydney Isaacs (Secretary)  
Mr Matthew Constance

**Objectives and activities of the charity**

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 will 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.

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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.

**Achievements and performance**

This has been a very busy year with 3 and 4 year old spaces being at a premium, as is the baby room which is much in demand with limited settings in the town taking babies. We have limited spaces for 2 year olds but these will soon fill up with the Government introducing free hours for all 2 year olds in April 2024.

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 £171,134.

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

**Structure, governance and management**

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.

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 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.

At the AGM held on 2 March 2022 it was agreed that the following Trustees would remain in place for the following year due to the ongoing difficulties with recruiting Trustees:

Mrs Marie Baker (Chair)  
Mr Wayne Lockett (Treasurer)  
Miss Cydney Isaacs (Secretary)

The charity's bankers are HSBC, 17 North Street, Taunton TA1 1NA.

**Chard NNI  
Trustees' Annual Report for the year ended 31 August 2022**

**Financial review**

The financial position of the charity at 31 August 2022 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure)	(31,869)	(26,703)
Unrestricted revenue funds available for the general purposes of the charity	<u>61,363</u>	<u>69,032</u>

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

Due to the improvements to financial procedures instigated and increasing numbers 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.

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.

**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 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.

This report was approved by the board on ..... and signed on its behalf.

.....  
Mrs Marie Baker (chairperson)  
Trustee

**Chard NNI**

**Report of the independent examiner to the trustees of the charity on the accounts for the year ended 31 August 2022**

I report on the financial statements of Chard NNI on pages 5 to 12 for the year ended 31 August 2022.

**Respective responsibilities of trustees and examiner**

As described on page 3 the charity's trustees are responsible for the preparation of the financial statements.

The trustees consider that the audit requirement of section 144(1) of the Charities Act 2011 does not apply, and that there is no requirement in the constitution document of the charity for the conducting of an audit. As a consequence, the trustees have elected that the financial statements be subject to independent examination.

It is my responsibility to:

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

**Basis of independent examiner's statement**

My examination was carried out in accordance with 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 the 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 material matter has come to my attention which gives me cause to believe that, in any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act 2011; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered part of an independent examination

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

Gemma Crabb FCCA

Old Bank Building  
East Street  
Ilminster  
TA19 0AJ

Dated: .....

**Chard NNI**  
**Statement of Financial Activities**  
**for the year ended 31 August 2022**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Incoming resources</b>	3				
Income from charitable activities		334,019	2,000	336,019	312,274
Income from investments		14	-	14	5
Income from other resources		31,979	-	31,979	4,238
<b>Total income</b>		<u>366,012</u>	<u>2,000</u>	<u>368,012</u>	<u>316,517</u>
<b>Expenditure</b>	6				
Cost of raising funds		308,714	2,000	310,714	270,411
Expenditure on charitable activities		61,208	24,200	85,408	70,576
Governance costs		3,759	-	3,759	2,233
<b>Total expenditure</b>		<u>373,681</u>	<u>26,200</u>	<u>399,881</u>	<u>343,220</u>
<b>Net expenditure for the year</b>		(7,669)	(24,200)	(31,869)	(26,703)
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<u>(7,669)</u>	<u>(24,200)</u>	<u>(31,869)</u>	<u>(26,703)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward					
Unrestricted		69,032	-	69,032	71,535
Restricted		-	31,283	31,283	55,483
<b>Total funds carried forward</b>		<u>61,363</u>	<u>7,083</u>	<u>68,446</u>	<u>100,315</u>

**Chard NNI  
Balance Sheet  
as at 31 August 2022**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Fixed assets</b>					
Tangible assets	10	293	7,083	7,376	44,033
<b>Current assets</b>					
Debtors	11	9,706	-	9,706	8,521
Cash at bank and in hand	12	64,401	-	64,401	55,138
		74,107	-	74,107	63,659
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13	(13,037)	-	(13,037)	(7,377)
<b>Net current assets</b>		61,070	-	61,070	56,282
<b>Total assets less current liabilities</b>		61,363	7,083	68,446	100,315
<b>Total net assets of the charity</b>		61,363	7,083	68,446	100,315
<b>Represented by:</b>					
Unrestricted funds		61,363	-	61,363	69,032
Restricted funds	16	-	7,083	7,083	31,283
<b>Total charity funds</b>		61,363	7,083	68,446	100,315

.....  
Mrs Marie Baker (chairperson)

Trustee

Approved by the board of trustees on .....

**Chard NNI**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

**1 Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) updated in October 2018 and with the Charities Act 2011.

**2 Accounting policies**

***Income***

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations are included in the SoFA when received. Grants in respect of leasehold buildings 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 services are received.

***Expenditure and liabilities***

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

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.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

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

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

**Chard NNI**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

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 the asset under FRS102 and consider that the carrying values shown in the accounts are at least equal to the recoverable amount.

**Debtors**

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

**Taxation**

As a registered charity Chard NNI is generally exempt from income tax and capital gains tax, but not value added tax (VAT). Irrecoverable VAT is included in the costs of those items upon which it has been incurred.

**Pensions**

Contributions to defined contribution plans are expensed in the period to which they relate.

**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.

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

**3 Analysis of income**

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<u>Income from charitable activities</u>				
Grants received	169,134	2,000	<b>171,134</b>	157,122
Job retention scheme funding	-	-	-	6,683
School fees and registrations received	164,781	-	<b>164,781</b>	148,469
Donations received	104	-	<b>104</b>	-
	<u>334,019</u>	<u>2,000</u>	<u><b>336,019</b></u>	<u>312,274</u>
<u>Income from investments</u>				
Interest received on bank account	14	-	<b>14</b>	5
	<u>14</u>	<u>-</u>	<u><b>14</b></u>	<u>5</u>
<u>Income from other resources</u>				
Room hire and service charges	7,479	-	<b>7,479</b>	4,238
Insurance claim for loss of revenue during Covid	24,500	-	<b>24,500</b>	-
	<u>31,979</u>	<u>-</u>	<u><b>31,979</b></u>	<u>4,238</u>
<b>Total income</b>	<u>366,012</u>	<u>2,000</u>	<u><b>368,012</b></u>	<u>316,517</u>

**Chard NNI**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

<b>4 Analysis of receipts of government grants</b>	<b>2022</b>	<b>2021</b>
	£	£
Somerset County Council - Early Years funding	169,134	154,622
Somerset County Council - apprenticeship funding	2,000	2,500
	<u>171,134</u>	<u>157,122</u>

**5 Donated goods, facilities and services**

Any donated goods, facilities or services are recorded in the accounts at fair value.

<b>6 Analysis of expenditure</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>funds</b>	<b>funds</b>	<b>2022</b>	<b>2021</b>
	£	£	£	£
<b>Direct charitable expenditure</b>				
<u>Staff costs</u>				
Wages and salaries	289,009	2,000	<b>291,009</b>	268,006
Pensions	5,273	-	<b>5,273</b>	4,205
Employer's NI	14,432	-	<b>14,432</b>	(1,800)
	<u>308,714</u>	<u>2,000</u>	<u><b>310,714</b></u>	<u>270,411</u>
<u>Other costs</u>				
Play materials	4,188	-	<b>4,188</b>	2,839
Equipment expensed	130	-	<b>130</b>	271
Groceries and hot meals	5,752	-	<b>5,752</b>	1,972
Repairs and maintenance	4,496	-	<b>4,496</b>	3,464
Rent	50	-	<b>50</b>	50
Rates and water	2,370	-	<b>2,370</b>	2,776
Insurance	6,346	-	<b>6,346</b>	5,419
Light and heat	6,137	-	<b>6,137</b>	5,387
Cleaning and waste disposal	3,874	-	<b>3,874</b>	2,815
Subscriptions	526	-	<b>526</b>	540
Staff training and welfare	530	-	<b>530</b>	619
Software	1,866	-	<b>1,866</b>	1,804
Equipment hire	-	-	-	261
Stationery and printing	3,411	-	<b>3,411</b>	3,283
Telephone and internet	666	-	<b>666</b>	711
Bank charges	138	-	<b>138</b>	-
Sundry expenses	2,097	-	<b>2,097</b>	2,278
Clothing costs	-	-	-	331
Depreciation	12,746	24,200	<b>36,946</b>	35,756
Donations	100	-	<b>100</b>	-
Bad debts written off	2,249	-	<b>2,249</b>	-
Old petty cash balance written off	7 3,536	-	<b>3,536</b>	-
	<u>61,208</u>	<u>24,200</u>	<u><b>85,408</b></u>	<u>70,576</u>
<b>Governance costs</b>				
Independent examination fees	600	-	<b>600</b>	500
Accountancy fees	1,400	-	<b>1,400</b>	450
Consultancy fees	1,469	-	<b>1,469</b>	1,283
Other legal and professional costs	290	-	<b>290</b>	-
	<u>3,759</u>	<u>-</u>	<u><b>3,759</b></u>	<u>2,233</u>
<b>Total expenditure</b>	<u>373,681</u>	<u>26,200</u>	<u><b>399,881</b></u>	<u>343,220</u>

**Chard NNI**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

<b>7 Extraordinary items</b>	<b>2022</b>	<b>2021</b>	
	<b>£</b>	<b>£</b>	
<u>Old petty cash balance written off</u>			
During the accounts preparation a review was made of petty cash recorded as an asset in the accounting records. No petty cash is kept by the charity. It was concluded that historical transactions had been incorrectly recorded as assets rather than as expenses. To correct the position going forward the balance has been written off to expenses this year.	3,536	-	
	<u>3,536</u>	<u>-</u>	
<b>8 Fees for examination of the accounts</b>	<b>2022</b>	<b>2021</b>	
	<b>£</b>	<b>£</b>	
Independent examiner's fees paid to the examiner's firm	600	500	
	<u>600</u>	<u>500</u>	
<b>9 Employees</b>	<b>2022</b>	<b>2021</b>	
	<b>Number</b>	<b>Number</b>	
Average number of persons employed by the charity	16	17	
	<u>16</u>	<u>17</u>	
<b>10 Tangible fixed assets</b>			
	<b>Leasehold</b>	<b>Fixtures,</b>	
	<b>buildings</b>	<b>fittings &amp;</b>	
	<b>£</b>	<b>equipment</b>	<b>Total</b>
		<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 September 2021	759,331	60,497	819,828
Additions	-	289	289
Disposals	-	(250)	(250)
At 31 August 2022	<u>759,331</u>	<u>60,536</u>	<u>819,867</u>
<b>Depreciation</b>			
At 1 September 2021	719,202	56,593	775,795
Charge for the year	35,538	1,408	36,946
On disposals	-	(250)	(250)
At 31 August 2022	<u>754,740</u>	<u>57,751</u>	<u>812,491</u>
<b>Net book value</b>			
At 31 August 2022	<u>4,591</u>	<u>2,785</u>	<u>7,376</u>
At 31 August 2021	<u>40,129</u>	<u>3,904</u>	<u>44,033</u>

**Chard NNI**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

<b>11 Debtors</b>	<b>2022</b>	<b>2021</b>
	£	£
Trade debtors	8,190	7,412
Prepayments and accrued income	1,516	1,109
	<u>9,706</u>	<u>8,521</u>

<b>12 Cash at bank and in hand</b>	<b>2022</b>	<b>2021</b>
	£	£
Cash at bank and in hand	64,401	55,138
	<u>64,401</u>	<u>55,138</u>

<b>13 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	314	1,900
Accruals and deferred income	8,354	2,891
Taxation and social security	4,369	2,586
	<u>13,037</u>	<u>7,377</u>

<b>14 Other financial commitments</b>	<b>2022</b>	<b>2021</b>
	£	£

At 31 August 2022 the charity had annual commitments under non-cancellable operating leases as follows:

Land and buildings:	expiry date over 5 years	-	50
Equipment:	expiry date within 1 year	1,815	1,815
	expiry date within 2-5 years	-	1,814
Insurance protection:	expiry date within 1 year	189	324
	expiry date within 2-5 years	-	540
Total future minimum payments under non-cancellable operating leases		<u>2,004</u>	<u>4,543</u>

**15 Contingent liabilities**

There are certain circumstances under which the grant received from the National Opportunities Fund will have to be repaid. This grant amounted to £110,000 and was specifically for 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.

**Chard NNI**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

**16 Restricted funds**

	Balance at 1 September 2021 £	Incoming resources £	Expenditure £	Balance at 31 August 2022 £
Building fund	31,283	-	(24,200)	7,083
Outdoor play area	-	-	-	-
Apprenticeship funding	-	2,000	(2,000)	-
	<u>31,283</u>	<u>2,000</u>	<u>(26,200)</u>	<u>7,083</u>

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 2022 was 1 year.

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

**17 Related party and trustee transactions**

No Trustees (nor any persons connected with them) received any remuneration or had expenses reimbursed during the year.