

Charity number
1016988

Chard NNI
Trustees' Report and Accounts
31 August 2023

**Chard NNI
Report and accounts
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Chard NNI
Trustees' Annual Report for the year ended 31 August 2023

The Trustees present their report and accounts for the year ended 31 August 2023.

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 2023 and on the date this report was approved were:

Marie Baker (Chair)
Wendy Toy (Vice chair) elected 29/11/2023
Wayne Luckett (Treasurer)
Amanda Mason (Secretary) elected 29/11/2023
Cydney Issacs (Secretary) resigned 29/11/2023
Matthew Constance resigned 29/11/2023

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 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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Achievements and performance

This has been a very busy year with all spaces being at a premium with the baby room being fully booked until September 2025. Demand which has always been high has significantly increased with the government's new funding for all ages.

The Nursery continues to receive considerable support from Somerset County Council by way of grants received. Contributions for the year amounted to £178,326.

In August the setting was inspected by OFSTED and after a very thorough inspection received a glowing report.

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.

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

**Chard NNI
Trustees' Annual Report for the year ended 31 August 2023**

Financial review

The financial position of the charity at 31 August 2023 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:

	2023 £	2022 £
Net income/(expenditure)	(10,399)	(31,869)
Unrestricted revenue funds available for the general purposes of the charity	<u>58,046</u>	<u>61,362</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.

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).

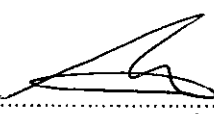
The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources of the charity for that year.

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 27/11/24 and signed on its behalf.



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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 2023

I report on the financial statements of Chard NNI on pages 5 to 13 for the year ended 31 August 2023.

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.

Elizabeth Coleman FCCA

Old Bank Building
East Street
Ilminster
TA19 0AJ

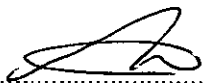
Dated: 22 November 2024

Chard NNI
Statement of Financial Activities
for the year ended 31 August 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Incoming resources	3				
Income from charitable activities		391,265	500	391,765	336,019
Income from investments		646	-	646	14
Income from other resources		7,207	-	7,207	31,979
Total income		<u>399,118</u>	<u>500</u>	<u>399,618</u>	<u>368,012</u>
Expenditure	6				
Cost of raising funds		-	-	-	-
Expenditure on charitable activities		406,425	500	406,925	396,122
Governance costs		3,092	-	3,092	3,759
Total expenditure		<u>409,517</u>	<u>500</u>	<u>410,017</u>	<u>399,881</u>
Net expenditure for the year		(10,399)	-	(10,399)	(31,869)
Transfers between funds	17	7,083	(7,083)	-	-
Net movement in funds		<u>(3,316)</u>	<u>(7,083)</u>	<u>(10,399)</u>	<u>(31,869)</u>
Reconciliation of funds:					
Total funds brought forward					
Unrestricted		61,362	-	61,362	69,031
Restricted		-	7,083	7,083	31,283
Total funds carried forward		<u>58,046</u>	<u>-</u>	<u>58,046</u>	<u>68,445</u>

Chard NNI
Balance Sheet
as at 31 August 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Fixed assets					
Tangible assets	10	5,382	-	5,382	7,376
Current assets					
Debtors	11	7,395	-	7,395	9,706
Cash at bank and in hand	12	67,036	-	67,036	64,401
		<u>74,431</u>	<u>-</u>	<u>74,431</u>	<u>74,107</u>
Liabilities					
Creditors: amounts falling due within one year	13	(21,767)	-	(21,767)	(13,038)
Net current assets		<u>52,664</u>	<u>-</u>	<u>52,664</u>	<u>61,069</u>
Total assets less current liabilities		58,046	-	58,046	68,445
Total net assets of the charity		<u>58,046</u>	<u>-</u>	<u>58,046</u>	<u>68,445</u>
Represented by:					
Unrestricted funds		58,046	-	58,046	61,362
Restricted funds	16	-	-	-	7,083
Total charity funds		<u>58,046</u>	<u>-</u>	<u>58,046</u>	<u>68,445</u>



Mrs Marie Baker (chairperson)
Trustee

Approved by the board of trustees on 27/11/24

Chard NNI
Notes to the Accounts
for the year ended 31 August 2023

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 2023

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.

Chard NNI
Notes to the Accounts
for the year ended 31 August 2023

3 Analysis of income	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
<u>Income from charitable activities</u>				
Grants received	178,826	500	179,326	171,134
School fees and registrations received	212,439	-	212,439	164,781
Donations received	-	-	-	104
	<u>391,265</u>	<u>500</u>	<u>391,765</u>	<u>336,019</u>
<u>Income from investments</u>				
Interest received on bank account	646	-	646	14
	<u>646</u>	<u>-</u>	<u>646</u>	<u>14</u>
<u>Income from other resources</u>				
Room hire and service charges	7,207	-	7,207	7,479
Insurance claim for loss of revenue during Covid	-	-	-	24,500
	<u>7,207</u>	<u>-</u>	<u>7,207</u>	<u>31,979</u>
Total income	<u>399,118</u>	<u>500</u>	<u>399,618</u>	<u>368,012</u>
4 Analysis of receipts of government grants			2023	2022
			£	£
Somerset County Council - Early Years funding			178,826	169,134
Somerset County Council - apprenticeship funding			500	2,000
			<u>179,326</u>	<u>171,134</u>

5 Donated goods, facilities and services

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

Chard NNI
Notes to the Accounts
for the year ended 31 August 2023

6 Analysis of expenditure

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Cost of raising funds	-	-	-	-
Expenditure on charitable activities				
<u>Staff costs</u>				
Wages and salaries	318,109	500	318,609	291,009
Pensions	6,113	-	6,113	5,273
Employer's NI	18,726	-	18,726	14,432
	<u>342,948</u>	<u>500</u>	<u>343,448</u>	<u>310,714</u>
<u>Other costs</u>				
Play materials	4,273	-	4,273	4,188
Equipment expensed	55	-	55	130
Groceries and hot meals	12,763	-	12,763	5,752
Repairs and maintenance	8,660	-	8,660	4,496
Rent	50	-	50	50
Rates and water	971	-	971	2,370
Insurance	7,950	-	7,950	6,346
Light and heat	9,293	-	9,293	6,137
Cleaning and waste disposal	3,623	-	3,623	3,874
Subscriptions	484	-	484	526
Staff training and welfare	2,670	-	2,670	530
Software	2,562	-	2,562	1,866
Stationery and printing	4,563	-	4,563	3,411
Telephone and internet	744	-	744	666
Bank charges	175	-	175	138
Sundry expenses	1,798	-	1,798	2,097
Depreciation	2,843	-	2,843	36,946
Donations	-	-	-	100
Bad debts written off	-	-	-	2,249
Old petty cash balance written off	7	-	-	3,536
	<u>63,477</u>	<u>-</u>	<u>63,477</u>	<u>85,408</u>
Overall expenditure on charitable activities	<u>406,425</u>	<u>500</u>	<u>406,925</u>	<u>396,122</u>
Governance costs				
Independent examination fees	650	-	650	600
Accountancy fees	1,460	-	1,460	1,400
Overaccrual for previous years	(950)	-	(950)	-
Consultancy fees	-	-	-	1,469
Other legal and professional costs	1,932	-	1,932	290
	<u>3,092</u>	<u>-</u>	<u>3,092</u>	<u>3,759</u>
Total expenditure	<u>409,517</u>	<u>500</u>	<u>410,017</u>	<u>399,881</u>

Chard NNI
Notes to the Accounts
for the year ended 31 August 2023

7 Extraordinary items	2023	2022	
	£	£	
<u>Old petty cash balance written off (2022)</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 was written off to expenses last year.	-	3,536	
	<u>-</u>	<u>3,536</u>	
8 Fees for examination of the accounts	2023	2022	
	£	£	
Independent examiner's fees paid to the examiner's firm	650	600	
	<u>650</u>	<u>600</u>	
9 Employees	2023	2022	
	Number	Number	
Average number of persons employed by the charity	17	16	
	<u>17</u>	<u>16</u>	
10 Tangible fixed assets			
	Leasehold buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2022	759,331	60,536	819,867
Additions	-	849	849
At 31 August 2023	<u>759,331</u>	<u>61,385</u>	<u>820,716</u>
Depreciation			
At 1 September 2022	754,740	57,751	812,491
Charge for the year	1,152	1,691	2,843
At 31 August 2023	<u>755,892</u>	<u>59,442</u>	<u>815,334</u>
Net book value			
At 31 August 2023	<u>3,439</u>	<u>1,943</u>	<u>5,382</u>
At 31 August 2022	<u>4,591</u>	<u>2,785</u>	<u>7,376</u>

Chard NNI
Notes to the Accounts
for the year ended 31 August 2023

11 Debtors	2023	2022
	£	£
Trade debtors	6,223	8,190
Prepayments and accrued income	1,172	1,516
	<u>7,395</u>	<u>9,706</u>
12 Cash at bank and in hand	2023	2022
	£	£
Cash at bank and in hand	67,036	64,401
	<u>67,036</u>	<u>64,401</u>
13 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	2,642	314
Accruals and deferred income	14,082	8,355
Taxation and social security	5,043	4,369
	<u>21,767</u>	<u>13,038</u>
14 Other financial commitments	2023	2022
	£	£
At 31 August 2023 the charity had annual commitments under non-cancellable operating leases as follows:		
Land and buildings:	expiry date over 5 years	-
Equipment:	expiry date within 1 year	711
	expiry date within 2-5 years	2,488
Insurance protection:	expiry date within 1 year	917
	expiry date within 2-5 years	-
		<u>4,116</u>
Total future minimum payments under non-cancellable operating leases		<u>2,004</u>

15 Contingent liabilities

There were certain circumstances under which the grant received from the National Opportunities Fund would have had 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 included the disposal of the building, or the change of its use. This condition applied for 20 years after completion of the building works, therefore until 2023.

Chard NNI
Notes to the Accounts
for the year ended 31 August 2023

16 Restricted funds

	Balance at 1 September 2022 £	Incoming resources £	Expenditure £	Transfers £	Balance at 31 August 2023 £
Building fund	7,083	-	-	(7,083)	-
Outdoor play area	-	-	-	-	-
Apprenticeship funding	-	500	(500)	-	-
	<u>7,083</u>	<u>500</u>	<u>(500)</u>	<u>(7,083)</u>	<u>-</u>

The building fund had to be used in the construction of the nursery building. This has now been depreciated fully over its useful economic life.

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 Fund transfers

	2023 £	2022 £
Transfer from restricted fund (note 16)	(7,083)	-
Transfer to unrestricted fund	7,083	-
	<u>-</u>	<u>-</u>

During the preparation of these accounts it became apparent that restricted depreciation had been incorrectly calculated in previous years. To ensure that the correct position is reflected at the year end, a transfer of £7083 has been made from restricted funds to unrestricted funds.

18 Related party and trustee transactions

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