

**Charity Registration No. 702308**

**Company Registration No. 02357123 (England and Wales)**

**THE GREENFIELDS CENTRE LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE GREENFIELDS CENTRE LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Management Committee</b>	J Burn S Roberts J Tate A Pickard	
<b>Charity number</b>	702308	
<b>Company number</b>	02357123	
<b>Registered office</b>	139 Russell Road Forest Fields Nottingham NG7 6GX	
<b>Auditor</b>	Rogers Spencer Newstead House Pelham Road Nottingham NG5 1AP	
<b>Bankers</b>	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB	
<b>Senior management team</b>	Judy Tate Helen Fletcher	Project Director Childcare Services Manager (off site services)

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# THE GREENFIELDS CENTRE LIMITED

## CONTENTS

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	<b>Page</b>
Management Committees' report	1 - 7
Statement of Management Committees' responsibilities	8
Independent auditor's report	9 - 12
Statement of financial activities	13 - 14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 28

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# THE GREENFIELDS CENTRE LIMITED

## MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

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The Management Committee present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### Objectives and activities

- To support the regeneration of the local economy through the provision of quality childcare services.
- To support parents and carers in improving the quality of life for themselves and their families by enabling them to make informed choices about training and employment.
- To provide support to parents and carers in employment and training.
- To provide quality childcare training to members of the community and to raise the profile of childcare
- To work in partnership with other organisations and relevant public authorities towards a strategic approach to community based childcare.
- To support local and national government initiatives towards quality, affordable, accessible childcare.

The principal activity of the charity is the provision of child care and training facilities. The charity is also known as Greenfield's. The results of the company for the year ended 31 December 2020 are set out in the Statement of Financial Activities.

The Management Committee have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

### Financial review

The detailed results for the year are set out on the SoFA.

Nursery income for the onsite centre (Forest Fields) decreased by 29% from £267k to £377k. The reduction in fees is due to the closure of the setting for multiple weeks due to the pandemic Covid-19. However, overall income is 1.77% down, this small reduction is due to the government coronavirus job retention scheme (CJRS) which provided £231k for the Charity. This was introduced during Mar-20 therefore no income for 2019 in terms of the CJRS.

Charitable expenditure decreased by 22% from £870k to £676k. The reduction in expenditure is due to the fact the settings were closed for multiple weeks due to the pandemic Covid-19. This is expected to increase in line with the opening of settings in the next year, as well as income.

# THE GREENFIELDS CENTRE LIMITED

## MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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

The overall management of The Greenfield's Centre is by a voluntary management committee. The committee is elected annually at the centre's AGM to which all members, local residents, other community based organisations and relevant statutory bodies are in attendance. An outside consultant provides training after each AGM to inform the management committee of their duties and responsibilities and to provide support to them in carrying out their role.

The committee meet bi-monthly and need at least five voting members for a meeting to be quorate. Senior members of staff also attend the management committee meeting and are required to provide finance, funding and service delivery reports for the committee. They are also required to report the details of any issues arising. Policy decisions, approval of changes in practice and agreement on new projects are decided at these meetings. Minutes of all meetings are circulated and copies retained at the centre.

The management committee employ a team of paid workers to carry out the day-to-day management and operation of the centre. These members of staff are appointed using an equal opportunities recruitment and selection basis and panels include members of the committee, line manager and outside representation (either from a funder or an organisation with technical expertise).

Financial management is governed by the centre's policy on finance. Decisions regarding expenditure under £500 which are pre-approved within the budget may be made without management committee approval, however all invoices are presented for inspection by the treasurer each month. Any expenditure over £500 or expenditure not approved within the budget is tabled at the management committee meeting.

The Management Committee, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Burn  
S Roberts  
J Tate  
A Pickard

# THE GREENFIELDS CENTRE LIMITED

## MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### **Management Committee review**

Greenfields aims and objectives and the services provided were largely unchanged during 2020. However, due to the Covid-19 pandemic, services were halted for a while and progress in developing other services ceased. The organisation continued to deliver accessible, affordable, quality childcare and family support until March 2020 when the centres were obliged to close. During the closure, work continued to plan and prepare for re-opening and the focus was the safety and wellbeing of children and staff. During this time, local authority funding for those children who were entitled to it was provided although we were unable to charge fees to parents. This meant the loss of fees for all children under two and for those using after school facilities as well as children who had been attending for day care.

The nurseries reopened in June, except for Clifton which has remained closed since. The after-school club reopened in September. Since reopening, the numbers of children have been considerably lower and are unlikely to reach previous levels before the end of 2021, but we are working hard to recruit new families and to encourage parents to return. In addition to the loss of funding, we have incurred additional costs in implementing Covid19 safe procedures as well as working from home costs. We have been supported by the governments job retention scheme and are continuing to make use of flexible furlough to help protect the positions of our staff team. As a result of all these changes, the financial result for the year is not a true reflection of the organisations work during the year. However, an excess of income over expenditure has been recorded which will help support the sustainability of the organisation whilst we continue to rebuild and develop new opportunities.

Effective and meaningful working partnerships continue to be important to Greenfields to support the development and sustainability of the organisation whilst meeting the needs of our families. Our working partnership with Nottingham City Children's services remains strong and as such, we continue to deliver childcare at two Children's Centres in the city. Our partnership with Nottingham Law Centre is ongoing and whilst their Welfare Rights Advice sessions delivered at Greenfields were carried out remotely during 2020, they are hoping to return to Greenfields during the autumn of 2021. Our partnership with local schools is also strong and the numbers attending the After-School Club which we operate on behalf of four of the schools in the community is gradually increasing again.

We expect to make a loss during the year 2021, this will be covered by the centre's reserves but that wouldn't be sustainable on an ongoing basis. As no core funding or grant aid is currently received by the organisation, it is essential that the income from fees and funded places cover the cost of operating the centre, whilst maintaining some reserves for exceptional circumstances or future investment. Therefore, it would be prudent to continue our previous work to consider some alternative projects which qualify for grants and can contribute to the costs of running the centre as well as support the local community. Prior to March 2020, we had begun to explore the possibility of achieving training centre status to develop our apprenticeship programme. This and other plans have been put on hold currently due to the Covid-19 pandemic but will recommence in the Autumn of 2021.

The ongoing concern as a result of the pandemic is likely to alter guidelines regarding the way Early Years organisations work, and as a result, we will be reviewing our policies and procedures and ensuring that they are sufficiently robust to keep staff, children and families safe. Our vision remains to continue to manage Greenfields in a way which ensures that it is remains sustainable but is still underpinned by the social values on which the organisation was built.

Greenfields will continue to work with the local authority to deliver childcare across the city, and we currently have contracts with the city until 2023. Recruitment and retention of suitably qualified and experienced staff remains a significant challenge to the sector, and we feel that training and developing our own staff team could help Greenfields to overcome that challenge. We aim to maintain the amount of charitable work carried out at the centre and will therefore continue to offer respite care to families where needed and we are planning several activities designed to support families with children who have been affected by Covid19.

# THE GREENFIELDS CENTRE LIMITED

## MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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Greenfields continues to work within the guidelines laid down within its policy on equality and diversity which ensures its services are targeted at those in greatest need and aims to be inclusive to all members of the community regardless of their ethnicity, ability, religion, cultural differences or employment status. Greenfields actively encourages inclusive practice and welcomes children with disabilities and additional needs. The inclusion of all members of society results in a rewarding and positive experience for staff, volunteers and users of the centre. Greenfields is committed to providing public benefit and to developing inclusive practice. Greenfields is committed to complying with its duties in relation to the Governments PREVENT strategy and to the health, safety, welfare and safeguarding of children.

### **Recruitment and induction of Management Committee**

At Greenfields, we value the contribution to the organisation of a voluntary management committee made up of users and other interested parties.

Greenfields Management Committee is committed to ensuring that new Trustees are given the necessary information to understand the role and responsibility of the committee member and the support required to enable them to carry out their role.

### **Membership:**

The following persons may be voting members of Greenfields Management Committee:

- Parents of children using Greenfields childcare services
- Adult learners enrolled on a course run by Greenfields centre
- Residents of Hyson Green, New Basford and Forest Fields
- Representatives of local community based organisations
- Representatives from other children's service organisations

The following persons may be voting members of Greenfields Management Committee:

- Staff representative
- Professionals co-opted on to the committee to offer advice/support in a specific area e.g. finance
- Other interested parties

### **Recruitment:**

Members will be recruited in the following ways:

- Users will be told about the management committee when joining the centre.
- Information is in the centre's literature and in regular newsletters.
- All users are invited to attend the Annual General Meeting and to nominate themselves or others to the committee.
- Members may volunteer whilst at the AGM where an election takes place.
- Members may be co-opted to the committee between AGM's by completing a nomination form which will be taken to the following committee meeting.

### **Induction:**

Induction for members takes place in the following ways:

- A folder providing information about the centre's aims and objectives, the work of the organisation and the roles and responsibilities of the trustees is provided for new members.
- Election of officers takes place at the first committee meeting after an AGM. Roles of each officer are discussed in the meeting with the Chair and senior staff.
- Training needs are analysed and appropriate training arranged. Training will take place at a time appropriate to the needs of the members.
- Further training for individual members may be arranged to meet specific need.
- Members are invited to a staff meeting to meet the staff team and learn more about their role in the centre.

# THE GREENFIELDS CENTRE LIMITED

## MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Committee meetings:**

- There is a regular agenda item at meetings to discuss issues relating to the management committee and its operation. This will include discussions about the focus of the committee, and specific role which members may undertake and any other support they can offer to the centre.
- Childcare, refreshments and expenses are offered to committee members to enable them to attend meetings.
- Minutes of meetings are emailed to members with any relevant documentation within two weeks of meetings taking place.

### **Sub groups:**

In order to fully play a role in the centre's operation, committee members may join a sub group of the committee which relates specifically to the area in which they have an interest in the organisation. Sub groups meet separately at times to suit the sub group members and report to the full committee at their next meeting. Sub groups are as follows:

- Finance
- Employment & Personnel
- Equality and Inclusion

### **Reserves policy**

It is the policy of the charity to maintain unrestricted free reserves at a sufficient level to finance three months trading and allow essential buildings repairs to be carried out for which the charity estimate to be £20,000. The charity does not satisfy this at the present time but is looking towards achieving this target.

### **Risk management**

The management Committee has examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

### **Policy on remuneration of staff and review of rates of pay**

Greenfields Centre Limited aims to recruit and retain employees with the skills and experience to perform their role competently and to contribute to the achievement of the charity's aims and objectives, and who understand and support the ethos and culture of the organisation. Greenfields aims to provide a remuneration package and working environment that is attractive and comparable to other similar organisations.

The trustees of Greenfields Centre have responsibility for setting salary levels for staff and will conform with the Equality Act 2010; They are committed to maintaining an appropriate balance between paying employees fairly in order to attract and retain the best people for the job, whilst ensuring careful management of the organisation's funds. Greenfields management review salaries annually and present recommendations to trustees, although there is no guarantee that any changes to salaries are made as a result of the review.

In deciding the levels of salary and benefits, the management and trustees of Greenfields consider:

- The purpose aim and values of the organisation.
- Statutory requirements in relation to ratio of staff required to meet the needs of users.
- The skills, experiences and ability that each role requires.
- The level of responsibility and the scope of staff roles
- The financial position of the company and its capacity to maintain salary levels, including giving regard to potential increases in salary.
- Overall contribution and performance of an individual and the extent, if any, to which their role has changed and may require an adjustment to salary
- General inflation rates; minimum and living wage and salaries paid in similar organisations.
- The importance to the organisation of attracting and retaining committed, competent and suitably qualified employees.

Staff are informed annually of changes to their salary. Greenfields aims to be transparent at all times and employees have access to full details of the pay structure.

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# THE GREENFIELDS CENTRE LIMITED

## MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### **Management Committee responsibilities**

The management Committee (who are also directors of The Greenfields Centre Limited for the purposes of company law) are responsible for preparing the Management Committee 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 management committee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the management committee are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK 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 charitable company will continue in operation.

The management committee are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the management committee are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The management committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Auditor**

Rogers Spencer are deemed to be appointed with an elective resolution made under 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

### **Statement of disclosure of information to auditors**

We, the Management Committee who held office at the date of approval of these Financial Statements, as set out above, each confirm so far as we are aware, that:

- there is no relevant audit information of which the charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as the Management Committee in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

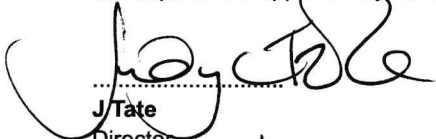
**THE GREENFIELDS CENTRE LIMITED**

**MANAGEMENT COMMITTEES' REPORT (INCLUDING DIRECTORS' REPORT)  
(CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The report, was approved by the Management Committee and signed on their behalf by

  
.....  
J Tate  
Director  
Dated: 24/09/2021

# **THE GREENFIELDS CENTRE LIMITED**

## **STATEMENT OF MANAGEMENT COMMITTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The Management Committee, who are also the directors of The Greenfields Centre Limited for the purpose of company law, are responsible for preparing the Management Committees' 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 Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Management Committee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Management Committee 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.

# THE GREENFIELDS CENTRE LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MANAGEMENT COMMITTEE OF THE GREENFIELDS CENTRE LIMITED

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#### Opinion

We have audited the financial statements of The Greenfields Centre Limited (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Management Committees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Management Committee with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Management Committee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# THE GREENFIELDS CENTRE LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MANAGEMENT COMMITTEE OF THE GREENFIELDS CENTRE LIMITED

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Management Committees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Management Committee**

As explained more fully in the statement of Management Committees' responsibilities, the Management Committee, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Management Committee are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with the Management Committee and other management, and from our commercial knowledge and experience of the child day-care sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment, health and safety legislation and the Child Act 1989;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

# **THE GREENFIELDS CENTRE LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MANAGEMENT COMMITTEE OF THE GREENFIELDS CENTRE LIMITED**

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We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates stated in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE GREENFIELDS CENTRE LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MANAGEMENT COMMITTEE OF THE GREENFIELDS CENTRE LIMITED

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Melvin Bailey FCCA DChA (Senior Statutory Auditor)**  
For and on behalf of Rogers Spencer

28/9/21

**Chartered Accountants**  
**Statutory Auditor**

Newstead House  
Pelham Road  
Nottingham  
NG5 1AP

Rogers Spencer is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# THE GREENFIELDS CENTRE LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

### Current financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b><u>Income and endowments from:</u></b>					
Charitable activities	3	750,162	-	750,162	998,689
Investments	4	723	-	723	1,999
Other income	5	230,815	-	230,815	-
<b>Total income</b>		<b>981,700</b>	<b>-</b>	<b>981,700</b>	<b>1,000,688</b>
<b><u>Expenditure on:</u></b>					
Raising funds	6	19,693	-	19,693	19,404
Charitable activities	7	879,425	3,697	883,122	1,090,532
<b>Total resources expended</b>		<b>899,118</b>	<b>3,697</b>	<b>902,815</b>	<b>1,109,936</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>82,582</b>	<b>(3,697)</b>	<b>78,885</b>	<b>(109,248)</b>
Fund balances at 1 January 2020		596,471	264,478	860,949	970,197
<b>Fund balances at 31 December 2020</b>		<b>679,053</b>	<b>260,781</b>	<b>939,834</b>	<b>860,949</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## THE GREENFIELDS CENTRE LIMITED

### STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes			
<b><u>Income and endowments from:</u></b>				
Charitable activities	3	998,689	-	998,689
Investments	4	1,999	-	1,999
<b>Total income</b>		<b>1,000,688</b>	<b>-</b>	<b>1,000,688</b>
<b><u>Expenditure on:</u></b>				
Raising funds	6	19,404	-	19,404
Charitable activities	7	1,086,558	3,974	1,090,532
<b>Total resources expended</b>		<b>1,105,962</b>	<b>3,974</b>	<b>1,109,936</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>(105,274)</b>	<b>(3,974)</b>	<b>(109,248)</b>
Fund balances at 1 January 2019		701,745	268,452	970,197
<b>Fund balances at 31 December 2019</b>		<b>596,471</b>	<b>264,478</b>	<b>860,949</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE GREENFIELDS CENTRE LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020


	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		413,996		437,104
<b>Current assets</b>					
Debtors	12	2,376		7,172	
Cash at bank and in hand		581,532		499,264	
		<u>583,908</u>		<u>506,436</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(58,070)</u>		<u>(82,591)</u>	
Net current assets			525,838		423,845
<b>Total assets less current liabilities</b>			<u>939,834</u>		<u>860,949</u>
<b>Income funds</b>					
Restricted funds	15		260,781		264,478
Unrestricted funds			679,053		596,471
			<u>939,834</u>		<u>860,949</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Management Committee on 24/9/21 and signed on their behalf by

  
J Tate  
Director

Company Registration No. 02357123

# THE GREENFIELDS CENTRE LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

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	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	19		84,541		(53,496)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,996)		(33,105)	
Interest received		723		1,999	
<b>Net cash used in investing activities</b>			(2,273)		(31,106)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			82,268		(84,602)
Cash and cash equivalents at beginning of year			499,264		583,866
<b>Cash and cash equivalents at end of year</b>			<u>581,532</u>		<u>499,264</u>

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# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### 1 Accounting policies

#### Charity information

The Greenfields Centre Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 139 Russell Road, Forest Fields, Nottingham, NG7 6GX.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Management Committee have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Management Committee continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds represent grants, donations and legacies received which are allocated by the donor for specific purposes.

#### 1.4 Income

All income is included in the SOFA when the charity is legally entitled to the income, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue grants', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Gifts in kind donated are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

All capital grants received in respect of any depreciated assets are credited to deferred income and amortised to the profit and loss account over the useful economic life of the assets to which they relate.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the promotional costs to the charity.
- Expenditure on charitable activities includes all costs undertaken to further the purposes of the charity and their associated support costs, including costs of governance.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	100 years
Property improvements	between 5 years and 100 years
Fixtures and fittings	between 2 and 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Any bank overdrafts are shown within borrowing in current liabilities.

#### 1.9 Taxation

The organisation is a registered Charity and is exempt from taxation.

#### 1.10 Defined contribution pension scheme

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The charity operates a defined contribution pension scheme for certain of its employees. The costs incurred are charged to the Statement of Financial Activities as they accrue.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

**(Continued)**

#### **1.11 Defined benefit pension scheme**

The charity is an admitted body of the Nottinghamshire County Council Pension Scheme which is independently administered. This is a defined benefit scheme and is used for certain of the charity's employees.

It is a multi-employer scheme with pooled assets which cannot be allocated to individual employers. As a consequence no share of the underlying assets and liabilities can be directly attributed to the charity. In these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid during the year.

#### **1.12 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

In the year, the Charity received £230,815 (2019: £nil) in respect of the Coronavirus Job Retention Scheme.

### **2 Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the Management Committee are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 3 Charitable activities

	2020 £	2019 £
Fees receivable	267,486	377,397
Offsite community childcare income	477,262	617,865
Training and other income	5,414	3,427
	<u>750,162</u>	<u>998,689</u>

### 4 Investments

	2020 £	2019 £
Interest receivable	<u>723</u>	<u>1,999</u>

### 5 Other income

	2020 £	2019 £
Government grant income	<u>230,815</u>	<u>-</u>

### 6 Raising funds

	2020 £	2019 £
Wages and salaries	<u>19,693</u>	<u>19,404</u>

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Charitable activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Wages and salaries	555,193	-	555,193	694,664	-	694,664
Depreciation and impairment	22,407	3,697	26,104	25,199	3,974	29,173
Staff training and recruitment	1,257	-	1,257	4,162	-	4,162
Staff healthcare costs	1,014	-	1,014	-	-	-
Rent and rates	1,071	-	1,071	4,528	-	4,528
Insurance	5,811	-	5,811	5,773	-	5,773
Nursery costs	19,677	-	19,677	44,144	-	44,144
Light and heat	6,642	-	6,642	7,887	-	7,887
Meadows contract cleaning	5,872	-	5,872	12,026	-	12,026
Repairs and maintenance	7,182	-	7,182	20,014	-	20,014
Printing, postage and stationery	5,826	-	5,826	9,234	-	9,234
Advertising	-	-	-	422	-	422
Telephone	5,527	-	5,527	4,589	-	4,589
Computer costs	6,105	-	6,105	6,502	-	6,502
Staff travel costs	74	-	74	388	-	388
Legal and professional	9,050	-	9,050	5,727	-	5,727
Bank charges and interest	2,889	-	2,889	2,630	-	2,630
Bad and doubtful debts	(46)	-	(46)	46	-	46
General expenses	14,721	-	14,721	17,192	-	17,192
Subscriptions	1,942	-	1,942	906	-	906
	<u>672,214</u>	<u>3,697</u>	<u>675,911</u>	<u>866,033</u>	<u>3,974</u>	<u>870,007</u>
Share of support costs (see note 8)	197,870	-	197,870	207,941	-	207,941
Share of governance costs (see note 8)	9,341	-	9,341	12,584	-	12,584
	<u>879,425</u>	<u>3,697</u>	<u>883,122</u>	<u>1,086,558</u>	<u>3,974</u>	<u>1,090,532</u>
<b>Analysis by fund</b>						
Unrestricted funds	879,425	-	879,425	1,086,558	-	1,086,558
Restricted funds	-	3,697	3,697	-	3,974	3,974
	<u>879,425</u>	<u>3,697</u>	<u>883,122</u>	<u>1,086,558</u>	<u>3,974</u>	<u>1,090,532</u>

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	197,870	3,041	200,911	207,941	6,584	214,525
Audit & accountancy fees	-	6,300	6,300	-	6,000	6,000
	<u>197,870</u>	<u>9,341</u>	<u>207,211</u>	<u>207,941</u>	<u>12,584</u>	<u>220,525</u>
Analysed between Charitable activities	<u>197,870</u>	<u>9,341</u>	<u>207,211</u>	<u>207,941</u>	<u>12,584</u>	<u>220,525</u>

Governance costs includes payments to the auditors of £4,800 (2019- £4,500) for audit fees. Payments to the auditors for accountancy fees of £1,500 (2019- £1,500).

### 9 Management Committee

Membership of the Management Committee is voluntary.

During the year Judy Tate, a trustee of the charity received remuneration of £50,501 (2019: £49,762). No trustee was paid any expenses during the period (2019: £nil). A Trustee may be employed by the Charity under circumstances which are laid out in the Memorandum & Articles.

The Charity has a combined liability insurance policy for both the fixed assets and indemnity insurance. The cost of this insurance for the year was £5,811 (2019: £5,773).

### 10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Full time	22	31
Part time	28	28
Total	<u>50</u>	<u>59</u>
By function:		
Direct charitable	39	47
Management and administration	11	12
	<u>50</u>	<u>59</u>

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees	(Continued)	
Employment costs	2020 £	2019 £
Wages and salaries	710,799	850,591
Social security costs	36,953	48,371
Other pension costs	28,045	29,631
	<u>775,797</u>	<u>928,593</u>

There were no employees whose annual remuneration was £60,000 or more.

### Remuneration by key personnel

The remuneration of key management personnel is as follows:

	2020 £	2019 £
Aggregate compensation	<u>117,924</u>	<u>129,088</u>

### 11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 January 2020	769,164	282,403	1,051,567
Additions	-	2,996	2,996
At 31 December 2020	<u>769,164</u>	<u>285,399</u>	<u>1,054,563</u>
<b>Depreciation and impairment</b>			
At 1 January 2020	366,276	248,187	614,463
Depreciation charged in the year	11,894	14,210	26,104
At 31 December 2020	<u>378,170</u>	<u>262,397</u>	<u>640,567</u>
<b>Carrying amount</b>			
At 31 December 2020	<u>390,994</u>	<u>23,002</u>	<u>413,996</u>
At 31 December 2019	<u>402,888</u>	<u>34,216</u>	<u>437,104</u>

The above assets are all used in furtherance of the Charity's objectives.  
The cost of depreciable assets included in land, buildings and improvements at 31st December 2020 was £729,457.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	-	5,029
Prepayments and accrued income	2,376	2,143
	<u>2,376</u>	<u>7,172</u>

### 13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	-	17,548
Trade creditors	6,119	1,930
Other creditors	3,301	6,529
Accruals and deferred income	48,650	56,584
	<u>58,070</u>	<u>82,591</u>

#### Deferred income

	2019	Movement	2020
	£	£	£
Income received in respect of activities to be undertaken in the following year	49,734	(9,401)	40,333
	<u>49,734</u>	<u>(9,401)</u>	<u>40,333</u>

### 14 Share capital

The company is limited by guarantee and does not have share capital.  
The liability of each member is limited to £1.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Resources expended	Balance at 1 January 2020	Resources expended	Balance at 31 December 2020
	£	£	£	£	£
Capital grant: Land and buildings	187,001	(2,545)	184,456	(2,545)	181,911
City of Nottingham: SRB Buildings	15,496	(215)	15,281	(215)	15,066
Nottingham City Council: Capital Grant	277	(277)	-	-	-
Early Years: Property Improvement	3,326	(76)	3,250	(76)	3,174
City of Nottingham – SRB Buildings: Repairs and Equipment	4,927	(80)	4,847	(80)	4,767
Nottingham City Council: Building Extension Grant	29,985	(400)	29,585	(400)	29,185
New Opportunities Fund – Baby Unit: Buildings and Equipment	27,440	(381)	27,059	(381)	26,678
	<u>268,452</u>	<u>(3,974)</u>	<u>264,478</u>	<u>(3,697)</u>	<u>260,781</u>

- The capital grant in respect of land and buildings was awarded for the charity's premises on Russell Road. The grant is being written off in line with the depreciation policy.
- The Nottingham City Council capital grant is towards various items and equipment and nursery costs. The nursery costs have all been incurred in prior periods and the remainder of the grant has been spent on capital equipment which has now been written off.
- The SRB grants, from the City of Nottingham, are for:
  - the building refurbishments and improvements
  - repairs and equipment
 Both grants relate to capital expenditure and are being written off in line with the depreciation policy.
- The grant from the New Opportunities Fund is in respect of the Baby Unit. The grant is to be used towards building the baby unit and also equipment for the baby unit. The grant is being written off in line with the depreciation policy.
- The Nottingham CC building extension grant was towards a new room in the Greenfields building. The grant was received fully in 2010 but related partly to 2011 building work. The income has been included to match the expenditure in the year in which it relates. The grant is being written off in line with the depreciation policy.
- The Early Years grant was funded by Nottingham City Council and is towards nursery improvements and general equipment for 2 year olds. This is being written down in line with the depreciation policy.
- The Awards for All grant is funded by The Big Lottery and is towards computer equipment in the nurseries. These assets are being depreciated in line with the relevant depreciation policy.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:						
Tangible assets	153,215	260,781	413,996	172,626	264,478	437,104
Current assets/ (liabilities)	525,838	-	525,838	423,845	-	423,845
	<u>679,053</u>	<u>260,781</u>	<u>939,834</u>	<u>596,471</u>	<u>264,478</u>	<u>860,949</u>

### 17 Operating lease commitments

At 31st December 2020 the Charity has annual commitments under non-cancellable operating leases as detailed below:

	Non property leases	Non property leases
	2020	2019
	£	£
Within one year	2,435	1,707
Within two to five years	3,653	-
	<u>6,088</u>	<u>1,707</u>

### 18 Related party transactions

Judy Tate is also a director of Nottingham Law Centre Limited. During the year Nottingham Law Centre paid The Greenfields Centre Limited a total of £nil (2019: £125) in respect of room hire costs.

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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<b>19 Cash generated from operations</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	78,885	(109,248)
Adjustments for:		
Investment income recognised in statement of financial activities	(723)	(1,999)
Depreciation and impairment of tangible fixed assets	26,104	29,173
Movements in working capital:		
Decrease/(increase) in debtors	4,796	(2,273)
(Decrease)/increase in creditors	(24,521)	30,851
<b>Cash generated from/(absorbed by) operations</b>	<b>84,541</b>	<b>(53,496)</b>
<b>20 Analysis of changes in net funds</b>		
	<b>At 1 January 2020</b>	<b>Cash flows At 31 December 2020</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	499,264	581,532
	<u>          </u>	<u>          </u>

# THE GREENFIELDS CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 21 Pensions: Defined benefit scheme

The charitable company participates in the Nottinghamshire County Council Pension Fund (the Fund), which is part of the Local Government Pension Scheme (LGPS) This is a multi-employer defined statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 (the Regulations) as amended, and the share of assets and liabilities applicable to each employer is not identifiable.

The results and assumptions of the most recent valuation of the scheme are as follows:

• Valuation Date	31 March 2019
• Valuation Method	Present value of future cashflows
• Value of Assets	£5,415 million
• Value of Liabilities	£5,820 million
• Funding level (assets/liabilities)	93%
• Funding level (change since previous valuation)	+6%
• Investment returns since last valuation (average)	10.3%
• Salary scale increase per annum	3.6%
• Pension increases per annum	2.6%
• Rate of price inflation (CPI)	2.6%
• Discount rate	4.8%

The valuers report that there are a few important regulatory uncertainties surrounding the 2019 valuation and that, although it is unclear what impact these will have on the future benefits of individual members, they have considered these issues in the assumption used to set the contribution rates for employers.

The scheme as a whole is in deficit at 31 March 2019 by £405m. As mentioned above, the charitable companies share of this cannot be identified and therefore the liability is not included in these financial statements.

If the charitable company left the scheme the regulations require that a cessation valuation be carried out to determine the assets and liabilities at closure. If there was a deficit then this would result in an exit charge.

#### Post valuation events:

Since the valuation date there has been some significant movements in the investment markets and in particular over the months, largely driven by the COVID-19 crisis. However, the funding model is designed to help withstand short-term volatility in markets as it is a longer-term model and the use of smoothed assumptions over a six-month period ultimately aims to set stable contributions for employers.

The last full triennial valuation was carried out as at 31 March 2019 and the report dated 31 March 2020 was just a review and not a full valuation was carried out.

#### Defined contribution scheme:

The charity also operates a defined contribution scheme in respect of some staff. The scheme and its assets are held by independent managers.