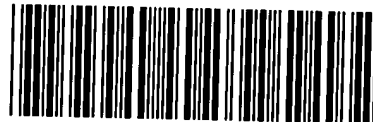


Charity Registration No. 1069990

Company Registration No. 02784445 (England and Wales)

FAKENHAM CHILDREN'S DAYCARE CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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FAKENHAM CHILDREN'S DAYCARE CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C W Wood G B Allcock S J Cornwall
Charity number	1069990
Company number	02784445
Principal address	Highfield Lawn Fieldlane Fakenham Norfolk NR21 9QR
Registered office	Highfield Lawn Fieldlane Fakenham Norfolk NR21 9QR
Independent examiner	Mapus- Smith & Lemmon LLP 48 King Street Kings Lynn Norfolk PE30 1HE

FAKENHAM CHILDREN'S DAYCARE CENTRE

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FAKENHAM CHILDREN'S DAYCARE CENTRE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their report and financial statements for the year ended 31 August 2018.

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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's object and its principal activity continues to be that of providing child care facilities in the Fakenham area. The organisation provides day care facilities for children up to 14 years of age including special facilities for six babies.

The main aims of the charity are;

- To provide affordable, flexible and inclusive, good quality childcare for children aged between 0-14 years, (16 with Additional or Special needs) that live in the Fakenham and District area.
- To provide a service that meets the needs of our families and enables parents to leave their children feeling confident and reducing anxiety in their childcare arrangements.
- To provide a programme of activities in which the welfare, security and development of children is of primary importance. Encouraging all children to grow and develop at an individual pace, promoting an awareness of their self worth and expanding their understanding of themselves and of others and to be a valued and valuable member of our Centre community.
- To make provision, with regard to the diverse needs of the community. To actively consult parents, schools and outside agencies involved with any child in our care ensuring that they meet their full potential. Recognising that each individual child has different needs relating to personal characteristics and pre-school experiences and that such needs require early identification, in order to build a programme of ongoing development.
- Create a loving and secure environment, where making choices, mistakes and trying things out are valued and celebrated. Where building self-esteem, independence of action and thought are encouraged, building children's confidence in all activities and providing opportunities for play and talk through observing, imagining, experimenting, exploring, identifying, choosing and practising.
- Praise and encourage good behaviour building self-esteem, fostering a caring attitude towards others and property. Learning to value everyone regardless of gender, race, class or disability, ensuring that all children have equality of opportunity and access to a broad, balanced, relevant and different curriculum, within a safe, secure and stimulating environment.

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

FAKENHAM CHILDREN'S DAYCARE CENTRE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and performance

The Day Care centre continues to work closely with all local providers and working with school on transitions and the local early years team.

Training continues, with staff having undergone the following training; First Aid, Child Protection, and Safeguarding, which are all Ofsted requirements. Other training included Level 2 and 3 in Childcare and Education, Health and Safety, Risk Assessment and Fire Hazard. Numerous other short courses to were undertaken to enhance personal development and the setting.

Our high standard of care to children in our rural area culminated in being awarded "Outstanding" by Ofsted in May 2018.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

From September 2017 the Government introduced the extra free entitlement for working parents of an extended 15 hours funding. This rise in funding and the high intake of children during this period has seen a significant rise in finances, leaving us with a more satisfactory outcome for the Centre's future.

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risk.

To ensure that the centre continues it's policy of ensuring all children are equally involved.

Structure, governance and management

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association.

The trustees, 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:

C W Wood
G B Allcock
S J Cornwall

New trustees are invited and encouraged to attend a series of short training sessions to familiarise themselves with the charity and the context within which it operates. These training sessions cover -

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

FAKENHAM CHILDREN'S DAYCARE CENTRE

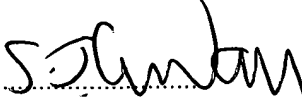
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The charity is organised so that the trustees meet regularly to manage its affairs. The trustees delegate the day to day responsibility to a centre manager.

The remaining staff employed at the centre provide a pre school breakfast club, care for young children during the day and after school facilities until 6.00 pm in the evening.

The trustees report was approved by the Board of Trustees:

 - SECRETARY
+ TRUSTEE
~~Trustee~~
Dated: 30.5.19. SUSAN CORNWALL
DIRECTOR AND TRUSTEE

FAKENHAM CHILDREN'S DAYCARE CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FAKENHAM CHILDREN'S DAYCARE CENTRE

I report to the trustees on my examination of the financial statements of Fakenham Children's Daycare Centre (the charity) for the year ended 31 August 2018.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Mrs Sharon Edwards, F.C.A.
Mapus- Smith & Lemmon LLP

48 King Street
Kings Lynn
Norfolk
PE30 1HE

Dated: 30/5/19.....

FAKENHAM CHILDREN'S DAYCARE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies	2	6,576	2,500	9,076	4,600
Charitable activities	3	386,836	-	386,836	293,756
Other trading activities	4	3,353	-	3,353	2,039
Investments	5	3	-	3	3
Total income		396,768	2,500	399,268	300,398
<u>Expenditure on:</u>					
Charitable activities	6	320,956	4,356	325,312	324,136
Net income/(expenditure) for the year/ Net movement in funds		75,812	(1,856)	73,956	(23,738)
Fund balances at 1 September 2017		45,287	115,748	161,035	184,773
Fund balances at 31 August 2018		121,099	113,892	234,991	161,035

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.

FAKENHAM CHILDREN'S DAYCARE CENTRE

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	10		120,115		126,243
Current assets					
Debtors	11	36,601		21,352	
Cash at bank and in hand		82,711		18,022	
		<u>119,312</u>		<u>39,374</u>	
Creditors: amounts falling due within one year	13	<u>(4,436)</u>		<u>(4,582)</u>	
Net current assets			114,876		34,792
Total assets less current liabilities			<u>234,991</u>		<u>161,035</u>
Income funds					
Restricted funds	14		113,892		115,748
Unrestricted funds			121,099		45,287
			<u>234,991</u>		<u>161,035</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 August 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees 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 Trustees on 30.4.19.

S. J. G. W. M. - SECRETARY
~~JP C. W. W. M.~~ + TRUSTEE
 Trustee

SUSAN CORNWALL

Company Registration No. 02784445 DIRECTOR AND TRUSTEE

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Charity information

Fakenham Children's Daycare Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Highfield Lawn, Fieldlane, Fakenham, Norfolk, NR21 9QR.

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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

Costs of generating funds are those costs incurred in trading activities that raise funds.

Charitable activities are those costs incurred by the charity in meeting its charitable objectives.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with the constitutional and statutory requirements.

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 buildings	2% straight line
Plant and equipment	20% reducing rate
Fixtures and fittings	20% reducing rate
Motor vehicles	20% reducing rate
Play equipment	20% reducing rate

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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents 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. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2018 £	2018 £	2018 £	2017 £
Donations and gifts	6,576	500	7,076	-
Grants	-	2,000	2,000	4,600
	<u>6,576</u>	<u>2,500</u>	<u>9,076</u>	<u>4,600</u>
For the year ended 31 August 2017	<u>-</u>	<u>4,600</u>		<u>4,600</u>
Grants receivable for core activities				
North Norfolk District Council grant	-	-	-	4,600
Tesco grant	-	2,000	2,000	-
	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>4,600</u>

3 Charitable activities

	2018 £	2017 £
Nursery fees & funding	<u>386,836</u>	<u>293,756</u>

4 Other trading activities

	Unrestricted funds	Total
	2018 £	2017 £
Fundraising events	<u>3,353</u>	<u>2,039</u>

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

5 Investments

	Unrestricted funds	Total
	2018 £	2017 £
Interest receivable	3	3

6 Charitable activities

	2018 £	2017 £
Staff costs	263,743	258,140
Depreciation and impairment	6,493	7,368
Playgroup materials	18,131	21,551
NNDC	2,078	3,642
HP Interest	101	603
Rates	5,811	5,155
Phone	1,284	726
Repairs & Renewals	4,336	4,561
Cleaning	6,484	6,930
Insurance	1,379	2,881
Recruitment service	1,345	1,119
Motor expenses	895	1,104
Sundry	4,083	4,332
Other charitable expenditure	2,870	1,215
	319,033	319,327
Share of governance costs (see note 7)	6,279	4,809
	325,312	324,136
Analysis by fund		
Unrestricted funds	320,956	
Restricted funds	4,356	
	325,312	
For the year ended 31 August 2017		
Unrestricted funds		318,398
Restricted funds		5,738
		324,136

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

7 Support costs

	Support costs £	Governance costs £	2018 £	2017 £
Accountancy	-	3,364	3,364	2,311
Office costs	-	2,139	2,139	1,853
Bank charges	-	776	776	645
	-	6,279	6,279	4,809
Analysed between Charitable activities	-	6,279	6,279	4,809

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
	23	24
Employment costs	2018 £	2017 £
Wages and salaries	262,773	257,519
Other pension costs	970	621
	263,743	258,140

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

10 Tangible fixed assets

	Freehold buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Play equipment £	Total £
Cost						
At 1 September 2017	170,141	3,189	1,373	22,065	25,156	221,924
Additions	-	364	-	-	-	364
At 31 August 2018	170,141	3,553	1,373	22,065	25,156	222,288
Depreciation and impairment						
At 1 September 2017	56,658	2,986	1,312	12,756	21,969	95,681
Depreciation charged in the year	3,403	113	12	2,327	637	6,492
At 31 August 2018	60,061	3,099	1,324	15,083	22,606	102,173
Carrying amount						
At 31 August 2018	110,080	454	49	6,982	2,550	120,115
At 31 August 2017	113,483	203	61	9,309	3,187	126,243

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

11 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	35,479	21,352
Prepayments and accrued income	1,122	-
	<u>36,601</u>	<u>21,352</u>

12 Finance lease commitments

Future minimum lease payments due under finance leases:

	2018 £	2017 £
Within one year	-	670

13 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Obligations under finance leases	12	-	670
Other taxation and social security		2,550	1,245
Trade creditors		282	1,163
Other creditors		884	784
Accruals and deferred income		720	720
		<u>4,436</u>	<u>4,582</u>

Assets purchased under hire purchase agreements are secured against the assets for which they were used to purchase.

FAKENHAM CHILDREN'S DAYCARE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

14 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 September 2017	Movement in funds		Balance at 31 August 2018
	£	Incoming resources £	Resources expended £	£
Freehold building - Daycare centre Highfield Lawn, Fakenham	113,483	-	(3,403)	110,080
Playgroup Equipment - Tables and chairs	2,265	-	(453)	1,812
Tesco Grant - Fencing	-	2,000	-	2,000
Donation - Sensory equipment	-	500	(500)	-
	<u>115,748</u>	<u>2,500</u>	<u>(4,356)</u>	<u>113,892</u>

The Daycare Centre's main building, address Highfield Lawn, Field Lane, Fakenham, Norfolk NR21 9QR has been funded with money which means the building can only be used for the purpose of providing day care services to children under the age of 14. The building can not be sold on for any other purpose. Depreciation and property improvements will be the only movements against the restricted funds value in relation to this building.

The playgroup equipment consists of tables and chairs which were funded by a grant received from North Norfolk District Council in January 2017 to improve facilities at the playgroup.

15 Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
Fund balances at 31 August 2018 are represented by:				
Tangible assets	8,223	111,892	120,115	126,243
Current assets/(liabilities)	114,876	-	114,876	34,792
	<u>123,099</u>	<u>111,892</u>	<u>234,991</u>	<u>161,035</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).