

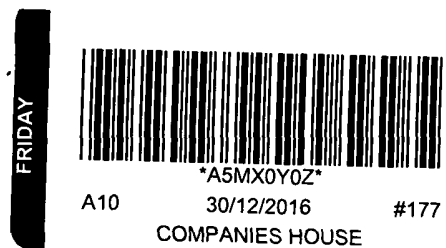
The Registered Company Number is:- 04188412

The Registered Charity Number is 1087112

## Gingerbread Cottage Playgroup Limited

### Report and Accounts

31 March 2016



# **Gingerbread Cottage Playgroup Limited**

## **Report and accounts**

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**Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

**Trustees' Annual Report for the year ended 31 March 2016**

The Trustees present their Report and Accounts for the year ended 31 March 2016, which also comprises the Directors' Report required by the Companies Act 2006.

**Reference and administrative details**

The legal name of the charity is :-Gingerbread Cottage Playgroup Limited

***The charity's areas of operation and UK charitable registration.***

The charity is registered in England & Wales with charity number 1087112

***Legal structure of the charity***

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. and its governing document is a Memorandum and Articles of Association under company legislation.

The Governing Document is dated 27 March 2001

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

**The principal operating address, telephone number and email and web addresses of the charity are:-**

Launde House

Harborough Road , Oadby

Leicester LE2 4LE

Telephone Number: 0116 2711165

Email Address: [info@gingerbreadnursery.co.uk](mailto:info@gingerbreadnursery.co.uk)

**The registered office of the charity for Companies Act purposes is:-**

Launde Primary School

New Street , Oadby

Leicester LE2 4LJ

**The Trustees in office on the date the report was approved were:-**

Mrs J K Riyait - Signatory and Director

Mrs A Withers

Mr Suren Patel - Treasurer

## **Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

### **Trustees' Annual Report for the year ended 31 March 2016**

#### **The Trustees in office during the year were:-**

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

#### **Objects and activities of the charity**

##### ***The purposes of the charity as set out in its governing document.***

The Gingerbread Nursery's primarily charitable purpose is the education of children primarily under statutory school age at affordable prices.

The nursery's vision of inclusion is to ensure that every child's needs are met by providing an interesting, safe, secure and happy environment. All our children are valued as individuals and gain a sense of self-worth, achieve their full potential and can be happy and healthy through play.

The nursery also offer the opportunity to the parents to take responsibility for and to become involved in the activities of the nursery.

##### ***The main activities undertaken in relation to those purposes during the year.***

#### **Activities: Childcare**

The Gingerbread Playgroup has two sites:

GB1 is a term time playgroup which provides 38 places to local families for children aged two years to five years and is opened Monday to Friday from 9 am - 4 pm.

GB2 is a full time playgroup which provides 98 places for the children aged six months to eight years. The nursery opens Monday to Friday all year around apart from closing for a week in each of the main school holiday periods of Easter, Summer and Christmas. Sessions are from 7:45 am to 5:45 pm.

#### **Activities: Education**

GB1 and GB2 provides funded early education for two, three and four year old children.

The playgroups implement the Early Year Foundation Stage and the staff team meet regularly to provide the children with planned activities around the children's interests and learning needs. The nursery operates a key person system which works very well. The staff knows and understand their key children and parents know and trust their child's key person. When staff identify that children are not achieving a level of development that is typical for their age they actively work with parents so that the children get access to the services and support they need.

GB1 was inspected by Ofsted on 02 October 2015 and was assessed as Outstanding. GB2 was inspected on 31 August 2016 and was assessed as Good.

## **Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

### **Trustees' Annual Report for the year ended 31 March 2016**

#### ***The main activities undertaken during the year to further the charity's purpose for the public benefit.***

The Gingerbread Cottage Playgroup objectives are the advancement of education by offering appropriate play and learning facilities and by offering the opportunity for parents to take responsibility for and to become involved in the running of the nursery.

The Trustees consider that Gingerbread's principal objective and activities, described above on this report ( childcare and education) are consistent with the Charity's objects.

The Early Learning Entitlement for two year olds allow Gingerbread to offer 15 hours provision to those who qualify. All parents of children aged three years and above, are entitled to 15 hours free early year provision each week ( term time).

Children who have special educational needs and/or disabilities are very well supported to make good progress. Staff works extremely closely with parents and other professionals, such as speech and language therapists, to make sure children's development targets are precisely linked to their needs.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

#### ***How the activities undertaken during the year contributed to the achievement of the aims and objectives.***

##### **Quality of Staff:**

The management team expertly lead an enthusiastic team of staff. The Playgroup places considerable emphasis on staff development by providing them with in house training and off site training for their continued professional development. In the year 2015-2016 all the staff were auto-enrolled into the pension scheme and all the staff had 1% payrise on 01 Jan 2016.

##### **Working with Parents:**

Parents are welcomed into the playgroup to join in at story time, parents evening and regular family trips. This helps to ensure continuity in children's learning is fully promoted.

#### ***Resources used in the activities undertaken during the year.***

Please refer to the Statement of Financial Activities for the year which is set out in the attached financial statements.

#### **The main achievements and performance of the charity during the year.**

During October 2015, one of the site GB1 had OFSTED inspection and was assessed as Outstanding Nursery.

We have regular feedback from the parents and they all agree that their children are happy and thriving in the playgroup. Parents comment that the staff knows the family and child very well.

## **Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

### **Trustees' Annual Report for the year ended 31 March 2016**

#### ***The difference the charity's performance during the year has made to the beneficiaries of the charity.***

As the charity is regularly investing resources for learning material and equipment, the children at the nursery make rapid progress in their learning, in relation to their starting points. They are highly motivated and eager to learn.

Due to the regular training of staff, staff are creative and enthusiastic to use their knowledge to effectively plan activities that meet children's needs and interests.

#### ***The degree to which the achievements and performance during the year have benefited wider society.***

The nursery caters for children from all social and economic backgrounds and so achieves the criteria for public benefit.

Gingerbread is committed to providing the free entitlement to childcare which is funded by the government, and ensures that children attending only the free hour's benefit from the full extent of the activities and resources provided within those sessions, without any additional charges.

### **Structure, governance and management of the charity**

#### ***The methods used to recruit and appoint new charity trustees.***

The Gingerbread Playgroup encourages applications from the parents. Relevant training is provided.

#### ***The charity's organisational structure.***

The charity is a charitable company limited by guarantee and was set up on 27/03/2001. It is governed by its governing document, Memorandum and Articles of Association.

The charity consists of the trustees, management team and the staff.

**Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

**Trustees' Annual Report for the year ended 31 March 2016****Financial review*****The charity's financial position at the end of the year ended 31 March 2016***

The financial position of the charity at 31 March 2016 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Net income</b>	29,488	144,792
Unrestricted Revenue Funds available for the general purposes of the charity	554,276	524,788
<b>Total Funds</b>	<b>554,276</b>	<b>524,788</b>

***Financial review of the position at the reporting date, 31 March 2016 .***

The Statement of Financial Activities shows net incoming resources for the year of £29.4k (2014/2015: £144.7k )

Wages and Salaries which represent the biggest share of running the nursery were £425k (2014/2015: £356k) or 77% of the nursery's income generated by nursery fees. The Trustee's faithfully and carefully apply the reserves to improve the facilities provided to the children and invest in the training of high calibre staff.

The trustees consider the financial performance by the charity during the year to have been satisfactory.

***Policies on reserves.***

The Nursery has unrestricted reserves of £554k at year end which is equivalent to approx annual running costs of the nursery. The target level of reserves for a nursery is three month's running cost. The total reserves at year end are in excess of the set target by Trustee's.

***Going Concern***

The Nursery has unrestricted reserves of £554k at year end.

There are no long term loans or any long term liabilities. The nursery has positive cash balance of £276k.

There are no concerns for the Trustees and Management Committee regarding the Going Concern of the Charitable Company.

**Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

**Trustees' Annual Report for the year ended 31 March 2016*****Availability and adequacy of assets of each of the funds***

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

***Investment policy and investment objectives.***

The only investments are bank deposit accounts.

***Risks and uncertainties facing the charity.***

The main risks for the charity is the fall in the quality of childcare resulting in loss of income.

The charity is regularly investing resources for learning material and equipment for the children. The charity also regularly trains its staff and other senior members to avoid a fall in the quality of care given to the children.

***Plans For the Future*****Summary of plans for the future and the trustees' perspective of the future direction of the charity.**

The Charitable Company will continue to upgrade or replace furniture, toys and other fixtures and fittings as well as the play areas. The main objective is to achieve consistently high quality provision across both the nurseries GB1 and GB2.

The Trustees are also planning to open another site in Leicester.

**Details of The Independent Examiner**

Jitender Kaur

Member of Chartered Accountant

9 Stoughton Road

Oadby

Leicester

LE2 4DS



## **Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

### **Trustees' Annual Report for the year ended 31 March 2016**

#### **Statement of Directors' and Trustees' Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP 2015.

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed , subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

## **Gingerbread Cottage Playgroup Limited**

### **Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 March 2016**

I report on the financial statements of the charitable company on pages 11 to 30 for the year ended 31 March 2016 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102 (effective January 2015) as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales, effective January 2015 (The SORP), under the historical cost convention and the accounting policies set out on page 20.

#### **Respective responsibilities of Trustees and Independent Examiner**

As described on page 7, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, 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 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit under any legal provision, or otherwise, and is eligible for independent examination, it is my responsibility to:-

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

#### **Basis of Examiner's Statement and scope of work undertaken**

I conducted my examination in accordance with the General Directions issued by the Charity Commission for England & Wales, under section 145(5)(b) of the Act, setting out the duties of an Independent Examiner in relation to the conducting of an Independent Examination. An Independent Examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the Independent Examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Subject to the limitations upon the scope of my work as detailed above, in connection with my examination, I can confirm that :-

This is a report in respect of an examination carried out under section 145 of the Act and in accordance with any directions given by the Commission under subsection (5)(b) of that section which are applicable;

and that no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements :-

**Gingerbread Cottage Playgroup Limited**

Registered company number:- 04188412

**Trustees' Annual Report for the year ended 31 March 2016**

**Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 11-30.

The financial statements have been prepared implementing the Statement of Recommended Practice for Accounting and Reporting by Charities 2015 and in accordance with the Financial Reporting Standard for Smaller Entities 2015.

These accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 23 December 2016.



Mrs J K Riyait  
Director and Trustee

## **Gingerbread Cottage Playgroup Limited**

to keep accounting records in accordance with section 386 of the Companies Act 2006 and section 130 of the Charities Act 2011;

to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and The Charities Act 2011 and;

that the accounts comply with section 396 of the Companies Act 2006 and that the financial statements be prepared in accordance with the methods and principles set out in the Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2015)

have not been met or to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;



Jitender Kaur - Independent Examiner

Chartered Accountant

9 Stoughton Road  
Oadby  
Leicester  
LE2 4DS

This report was signed on 23 December 2016

**Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2016**

**Statement of Financial Activities for the year ended 31 March 2016**

	SORP Ref	Current year Unrestricted Funds 2016 £	Current year Restricted Funds 2016 £	Current year Total Funds 2016 £	Prior Year Total Funds 2015 £
<b>Income &amp; Endowments from:</b>					
Charitable activities	A2	589,725	-	589,725	606,452
Investments	A4	134	-	134	83
Other	A5	18	-	18	-
<b>Total income</b>	<b>A</b>	<b>589,877</b>	<b>-</b>	<b>589,877</b>	<b>606,535</b>
<b>Expenditure on:</b>					
Charitable activities	B2	560,389	-	560,389	461,743
<b>Total expenditure</b>	<b>B</b>	<b>560,389</b>	<b>-</b>	<b>560,389</b>	<b>461,743</b>
Net gains on investments	B4	-	-	-	-
<b>Net income for the year</b>		<b>29,488</b>	<b>-</b>	<b>29,488</b>	<b>144,792</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>29,488</b>	<b>-</b>	<b>29,488</b>	<b>144,792</b>
<b>Net movement in funds</b>		<b>29,488</b>	<b>-</b>	<b>29,488</b>	<b>144,792</b>
<b>Reconciliation of funds:-</b>	<b>E</b>				
<b>Total funds brought forward</b>		<b>524,788</b>	<b>-</b>	<b>524,788</b>	<b>379,996</b>
<b>Total funds carried forward</b>		<b>554,276</b>	<b>-</b>	<b>554,276</b>	<b>524,788</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A Statement of Total Recognised Gains and Losses is included in these accounts as a separate primary statement

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

**The notes attached on pages 20 to 30 form an integral part of these accounts.**

**Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2016**

	SORP Ref	Prior Year Unrestricted Funds 2015 £	Prior Year Restricted Funds 2015 £	Prior Year Total Funds 2015 £
<b>Income &amp; Endowments from:</b>				
Charitable activities	A2	-	-	606,452
Investments	A4	-	-	83
		-	-	-
<b>Total income</b>	<b>A</b>	<u>-</u>	<u>-</u>	<u>606,535</u>
<b>Expenditure on:</b>				
Charitable activities	B2	-	-	461,743
		-	-	-
<b>Total expenditure</b>	<b>B</b>	<u>-</u>	<u>-</u>	<u>461,743</u>
<b>Net income for the year</b>		-	-	144,792
		-	-	-
<b>Net income after transfers</b>		<u>-</u>	<u>-</u>	<u>144,792</u>
<b>Other recognised gains/(losses)</b>		-	-	-
		-	-	-
<b>Net movement in funds</b>		<u>-</u>	<u>-</u>	<u>144,792</u>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		379,996	-	379,996
		-	-	-
<b>Total funds carried forward</b>		<u>379,996</u>	<u>-</u>	<u>524,788</u>
<b>All activities derive from continuing operations</b>				

## Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2016

A Statement of Total Recognised Gains and Losses is included in these accounts as a separate primary statement

The notes attached on pages 20 to 30 form an integral part of these accounts.

### Statement of Total Recognised Gains and Losses for the year ended 31 March 2016

	2016 £	2015 £
<b>Surplus for the year :-</b>		
Net excess of income over expenditure from operations before tax	29,470	144,792
Realised gains on the disposal of tangible fixed assets	18	-
<b><i>Income from operations before tax in the Statement of Financial Activities</i></b>	<b>29,488</b>	<b>144,792</b>
 <b><i>Surplus as shown in the Income and Expenditure account</i></b>	 <b>29,488</b>	 <b>144,792</b>
<b>Net Movement in funds before taxation</b>	<b>29,488</b>	<b>144,792</b>
<b>Funds generated in the year as shown on Statement of Financial Activities:</b>	<b>29,488</b>	<b>144,792</b>

The notes attached on pages 20 to 30 form an integral part of these accounts.

### Gingerbread Cottage Playgroup Limited - Resources applied in the year ended 31 March 2016 towards fixed assets for Charity use:-

	2016 £	2015 £
Funds generated in the year as detailed in the SOFA	29,488	144,792
Resources applied on functional fixed assets	(5,705)	(15,763)
<b>Net resources available to fund charitable activities</b>	<b>23,783</b>	<b>129,029</b>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

The notes attached on pages 20 to 30 form an integral part of these accounts.

**Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2016**

**Movements in revenue and capital funds for the year ended 31 March 2016**

**Revenue accumulated funds**

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Last year Total Funds 2015 £
Accumulated funds brought forward	524,788	-	524,788	379,996
Recognised gains and losses before transfers	29,488	-	29,488	144,792
	<b>554,276</b>	<b>-</b>	<b>554,276</b>	<b>524,788</b>
<b>Closing revenue funds</b>	<b>554,276</b>	<b>-</b>	<b>554,276</b>	<b>524,788</b>
<b>Summary of funds</b>	Unrestricted and Designated funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Last Year Total Funds 2015 £
Revenue accumulated funds	554,276	-	554,276	524,788

**The notes attached on pages 20 to 30 form an integral part of these accounts.**



**Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2016**

**Gingerbread Cottage Playgroup Limited  
Income and Expenditure Account for the year ended 31 March 2016 as required by the Companies Act 2006**

	2016 £	2015 £
<b>Income</b>		
Income from operations	589,725	606,452
Investment income		
Interest receivable	134	83
<b>Gross income in the year before exceptional items</b>	<b>589,859</b>	<b>606,535</b>
<b>Exceptional items:</b>		
Realised gains on disposals of tangible fixed assets held for the charity's own use	18	-
<b>Gross income in the year including exceptional items</b>	<b>589,877</b>	<b>606,535</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	551,776	453,149
Depreciation and amortisation	8,013	7,994
Governance costs	600	600
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>560,389</b>	<b>461,743</b>
<b>Net income before tax in the financial year</b>	<b>29,488</b>	<b>144,792</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>29,488</b>	<b>144,792</b>
<b>Retained surplus for the financial year</b>	<b>29,488</b>	<b>144,792</b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The notes attached on pages 20 to 30 form an integral part of these accounts.**

# **Gingerbread Cottage Playgroup Limited - Balance Sheet as at 31 March 2016**

	SORP		2016	2015
	Note	Ref	£	£
<b>Fixed assets</b>		A		
Tangible assets	8	A2	279,531	281,830
<b>Current assets</b>		B		
Stocks		B1	1,600	1,531
Debtors	11	B2	10,222	14,494
Cash at bank and in hand		B4	276,422	248,687
<b>Total current assets</b>			<u>288,244</u>	<u>264,712</u>
<b>Creditors: amounts falling due within one year</b>	12	C1	<u>(13,499)</u>	<u>(21,754)</u>
<b>Net current assets</b>			274,745	242,958
<b>The total net assets of the charity</b>			<u>554,276</u>	<u>524,788</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

## **Restricted funds**

## **Unrestricted Funds**

Unrestricted Revenue Funds	16	D3	554,276	524,788
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## **Designated Funds**

<b>Total charity funds</b>			<u>554,276</u>	<u>524,788</u>
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The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the examiner is on page 10.

**Gingerbread Cottage Playgroup Limited - Balance Sheet as at 31 March 2016**

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.



Mrs J K Riyait  
Trustee

Approved by the board of trustees on 23 December 2016

The notes attached on pages 20 to 30 form an integral part of these accounts.

# Gingerbread Cottage Playgroup Limited

## Cash Flow Statement for the year ended 31 March 2016

		2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities as shown below	A	<u>33,297</u>	<u>121,395</u>
<b><i>Cash flows from investing activities</i></b>			
Interest received		134	83
Purchase of property, plant and equipment		(5,796)	(15,763)
<b>Net cash used in investing activities</b>	<b>B</b>	<b><u>(5,562)</u></b>	<b><u>(15,680)</u></b>
<b><i>Cash flows from financing activities</i></b>			
<b>Net cash provided by financing activities</b>	<b>C</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Overall cash provided by all activities</b>	<b>A+B+C</b>	<b><u>27,735</u></b>	<b><u>105,715</u></b>
<b>Cash movements</b>			
Change in cash and cash equivalents from activities in the year ended 31 March 2016		27,735	105,715
Cash and cash equivalents at 1 April 2015		248,687	142,972
Change in cash and cash equivalents due to exchange rate movements		-	-
<b>Cash at bank and in hand less overdrafts at 31 March</b>		<b><u>276,422</u></b>	<b><u>248,687</u></b>

# **Gingerbread Cottage Playgroup Limited**

## **Cash Flow Statement for the year ended 31 March 2016**

### **Gingerbread Cottage Playgroup Limited**

## **Cash Flow Statement for the year ended 31 March 2016 - Continued**

### **Reconciliation of net income to net cash flow from operating activities**

Net income as shown in the Statement of Financial Activities	29,488	144,792
<b>Adjustments for :-</b>		
Depreciation charges	8,013	7,994
Write downs of investments	-	-
Net losses/(gains) on investment assets	-	-
Dividends, interest and rents from investments	(134)	(83)
Profit on the sale of Fixed and Intangible Assets	(18)	-
Increase in stocks	(69)	(250)
Decrease/(increase) in debtors	4,272	(11,401)
Decrease in creditors, excluding loans	(8,255)	(19,657)
<b>Net cash provided by operating activities</b>	<b>A</b>	
	<b>33,297</b>	<b>121,395</b>
<b>Analysis of cash and cash equivalents</b>		
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash in hand at for the year ended 31 March 2016	276,422	248,687
Notice deposits - (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>276,422</b>	<b>248,687</b>

# **Gingerbread Cottage Playgroup Limited**

## **Notes to the Accounts for the year ended 31 March 2016**

### **1 Accounting policies**

#### ***Policies relating to the production of the accounts.***

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102 (effective January 2015)) and 'The FRS102 Statement of Recommended Accounting Practice 2015', (The SORP 2015), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP 2015 in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Risks and future assumptions**

These accounts have been prepared on a going concern basis which assumes the charitable company will have the ability to continue its operations as a going concern.

#### ***Policies relating to categories of income and income recognition.***

##### **Nature of income**

Income from Charitable Activities is the fees paid for the Childcare.

##### **Income recognition**

Income is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

##### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

# **Gingerbread Cottage Playgroup Limited**

## **Notes to the Accounts for the year ended 31 March 2016**

### ***Tangible fixed assets***

Tangible fixed assets are measured at their original cost value. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over estimated useful lives.

Fixture and Fittings	25 % reducing balance.
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The buildings are continually maintained to a very good standard therefore depreciation is not provided on improvements to the property.

### **Stocks and work in progress**

Stock is valued at the lower of cost and net realisable value.

### **Debtors**

Debtors are measured at their recoverable amounts at the balance sheet date.

### **Creditors and provisions**

Liabilities are recognised on the accruals basis in accordance with the normal accounting principles, modified when necessary in accordance with the guidance given in SORP.

### **Cash and bank balances**

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

### **Leasing and hire purchase contracts and commitments**

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

### **Pensions - defined contribution schemes**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

## **2 Liability to taxation**

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

## **3 Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

# Gingerbread Cottage Playgroup Limited

## Notes to the Accounts for the year ended 31 March 2016

### 4 Net surplus before tax in the financial year

	2016 £	2015 £
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	8,013	7,994
Pension costs	438	-

### 5 Staff costs and emoluments

#### Salary costs

	2016 £	2015 £
Gross Salaries excluding trustees and key management personnel	424,358	356,655
Employer's operating costs of defined contribution pension schemes	438	-
Trustees' Remuneration as detailed in note 0	-	-
<b>Total salaries, wages and related costs</b>	<b>424,796</b>	<b>356,655</b>

#### Numbers of full time employees or full time equivalents

	2016	2015
The average number of total staff employed in the year was	29	23

#### The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on charitable activities	28	22
Engaged on management and administration	1	1
<b>The estimated full time equivalent number of all staff employed as above</b>	<b>-</b>	<b>-</b>

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

### 6 Defined contribution pension schemes

Under the Pensions Act 2008, every employer in the UK must put certain staff into a pension scheme and contribute towards it. Gingerbread set up a pension scheme with People's Pension for automatic enrolment. The scheme started from 01 February 2016.

Contributions are charged to the profit and loss account as they become payable at last day of each month.

### 7 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.



# Gingerbread Cottage Playgroup Limited

## Notes to the Accounts for the year ended 31 March 2016

### 8 Tangible fixed assets

	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2015	254,855	75,367	-	330,222
Additions	-	5,796	-	5,796
Disposals	-	(109)	-	(109)
<b>At 31 March 2016</b>	<b>254,855</b>	<b>81,054</b>	<b>-</b>	<b>335,909</b>
<b>Depreciation</b>				
At 1 April 2015	-	48,392	-	48,392
Charge for the year	-	8,013	-	8,013
On disposals	-	(27)	-	(27)
<b>At 31 March 2016</b>	<b>-</b>	<b>56,378</b>	<b>-</b>	<b>56,378</b>
<b>Net book value</b>				
At 31 March 2016	<b>254,855</b>	<b>24,676</b>	<b>-</b>	<b>279,531</b>
At 31 March 2015	<b>254,855</b>	<b>26,975</b>	<b>-</b>	<b>281,830</b>

### 10 Stocks & Work in Progress

	2016 £	2015 £
Stocks before write downs	1,600	1,531
	<b>1,600</b>	<b>1,531</b>

#### Analysis of the carrying value of stocks and work in progress by activities

	Work in Progress		Stocks	
Activity	2016 £	2015 £	2016 £	2015 £
Nursery Fees	-	-	1,600	1,531
	<b>-</b>	<b>-</b>	<b>1,600</b>	<b>1,531</b>

### 11 Debtors

	2016 £	2015 £
Trade debtors	9,576	8,134
Prepayments and accrued income	646	6,360
	<b>10,222</b>	<b>14,494</b>

# Gingerbread Cottage Playgroup Limited

## Notes to the Accounts for the year ended 31 March 2016

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

	2016 £	2015 £
Trade creditors	1,086	8,286
Accruals	2,400	6,275
PAYE, NIC VAT and other taxes	8,217	5,438
Other creditors	1,796	1,755
	<b>13,499</b>	<b>21,754</b>

### 13 Income and Expenditure account summary

	2016 £	2015 £
At 1 April 2015	524,788	379,996
Surplus after tax for the year	29,488	144,792
At 31 March 2016	<b>554,276</b>	<b>524,788</b>

### 14 Related party transactions

There were no transactions with related parties in the year.

### 15 Particulars of how particular funds are represented by assets and liabilities

#### At 31 March 2016

	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Intangible Assets	-	-	-	-
Tangible Fixed Assets	279,531	-	-	279,531
Investments at valuation:-				
Current Assets	288,244	-	-	288,244
Current Liabilities	(13,499)	-	-	(13,499)
	<b>554,276</b>	<b>-</b>	<b>-</b>	<b>554,276</b>

#### At 1 April 2015

	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Intangible Assets	-	-	-	-
Tangible Fixed Assets	281,830	-	-	281,830
Investments at valuation:-				
Current Assets	264,712	-	-	264,712
Current Liabilities	(21,754)	-	-	(21,754)
	<b>524,788</b>	<b>-</b>	<b>-</b>	<b>524,788</b>

# Gingerbread Cottage Playgroup Limited

## Notes to the Accounts for the year ended 31 March 2016

### 16 Change in total funds over the year as shown in Note 15 , analysed by individual funds

	Funds brought forward from 2015	Movement in funds in 2016 See Note 17	Transfers between funds in 2016	Funds carried forward to 2017
	£	£	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	524,788	29,488	-	554,276
<b>Total unrestricted and designated funds</b>	<b>524,788</b>	<b>29,488</b>	<b>-</b>	<b>554,276</b>
<b>Total charity funds</b>	<b>524,788</b>	<b>29,488</b>	<b>-</b>	<b>554,276</b>

### 17 Analysis of movements in funds over the year as shown in Note 16

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2016 £	2016 £	2016 £	2016 £
<b>Unrestricted and designated funds:-</b>				
Unrestricted revenue funds	589,877	(560,389)	-	29,488
	<b>589,877</b>	<b>(560,389)</b>	<b>-</b>	<b>29,488</b>

### 18 The purposes for which the funds as detailed in note 16 are held by the charity are:-

#### Unrestricted and designated funds:-

Unrestricted revenue funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

Unrestricted revaluation reserve

This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.

### 19 Ultimate controlling party

The charity is under the control of its legal members.

## Gingerbread Cottage Playgroup Limited

### Activity analysis of Income and expenditure for the for the year ended 31 March 2016

*This analysis is classssified by activity and not by conventional nominal descriptions.*

#### 20 Analysis of income by activity

Activity	SOFA ref	2016 £	2016 £	2015 £	2015 £
<b>Income from charitable activities</b>					
Nursery Fees			589,725		606,452
<b>Total Income from charitable activities</b>	<b>A2</b>		<b>589,725</b>		<b>606,452</b>
<b>Summary of Total Income, including the items above</b>					
Charitable activities	<b>A2</b>		589,725		606,452
Investment income	<b>A4</b>		134		83
Other income	<b>A5</b>		18		-
<b>Total income as shown in the SOFA</b>	<b>A</b>		<b>589,877</b>		<b>606,535</b>
<b>Categories of income</b>					
Income from non exchange transactions			-		-
Income from exchange transactions			589,877		606,535
			<b>589,877</b>		<b>606,535</b>

#### 21 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2016	2016	2016	2016	2015
	£	£	£	£	£
<b>Nursery Fees</b>					
Direct costs	450,372	-	-	<b>450,372</b>	378,681
Employee costs not included in direct cost:	-	10,299	-	<b>10,299</b>	3,160
Premises expenses	-	63,340	-	<b>63,340</b>	51,373
Administrative overheads	-	9,328	-	<b>9,328</b>	8,898
Professional fees	-	18,373	-	<b>18,373</b>	10,184
Financial costs	-	8,077	-	<b>8,077</b>	8,847
<b>Total Nursery Fees</b>	<b>450,372</b>	<b>109,417</b>	<b>-</b>	<b>559,789</b>	<b>461,143</b>

## Gingerbread Cottage Playgroup Limited

### Activity analysis of Income and expenditure for the for the year ended 31 March 2016

#### Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2016	2016	2016	2016	2015
	£	£	£	£	£
Total Nursery Fees	450,372	109,417	-	559,789	461,143
Total Governance costs as detailed in Note 30		600		600	600
<b>Total charitable expenditure</b>	<b>450,372</b>	<b>110,017</b>	<b>-</b>	<b>560,389</b>	<b>461,743</b>

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 31

#### Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Nursery Fees	600	8,077	10,299	91,041	110,017
<b>Grand Total</b>	<b>600</b>	<b>8,077</b>	<b>10,299</b>	<b>91,041</b>	<b>110,017</b>

### 22 Analysis of non charitable expenditure by activity

#### Activity

<i>Fundraising activities</i>	Fundraising activities 2016 £	Fundraising activities 2015 £
<i>Governance costs</i>	Governance costs 2016 £	Governance costs 2015 £
Other Expenditure - Governance costs as detailed in Note 30	600	600

### 23 Carrying value of work in progress analysed between activities

	2016 £	2015 £
Nursery Fees	1,600	1,531
	<b>1,600</b>	<b>1,531</b>

# Gingerbread Cottage Playgroup Limited

Detailed analysis of income and expenditure for the year ended 31 March 2016 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

## 24 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2016 £	Current year Restricted Funds 2016 £	Current year Total Funds 2016 £	Prior Year Total Funds 2015 £
Primary purpose and ancillary trading				
Nursery Fees	589,725	-	589,725	606,452
<b>Total Primary purpose and ancillary trading</b>	<b>589,725</b>	<b>-</b>	<b>589,725</b>	<b>606,452</b>

## 25 Total Income from charitable activities

	Current year Unrestricted Funds £ 2016	Current year Restricted Funds £ 2016	Current year Total Funds £ 2016	Prior Year Total Funds £ 2015
Total income from charitable trading	589,725	-	589,725	606,452
<b>Total from charitable activities A2</b>	<b>589,725</b>	<b>-</b>	<b>589,725</b>	<b>606,452</b>

## 26 Investment income

	Current year Unrestricted Funds 2016 £	Current year Restricted Funds 2016 £	Current year Total Funds 2016 £	Prior Year Total Funds 2015 £
Bank Interest Receivable	134	-	134	83
<b>Total investment income A4</b>	<b>134</b>	<b>-</b>	<b>134</b>	<b>83</b>

## 27 Other income and gains

	Current year Unrestricted Funds 2016 £	Current year Restricted Funds 2016 £	Current year Total Funds 2016 £	Prior Year Total Funds 2015 £
<b>Summary of Realised Gains</b>				
Realised gains on disposals of tangible fixed assets held for the charity's own use	18	-	18	-
<b>Total other income A5</b>	<b>18</b>	<b>-</b>	<b>18</b>	<b>-</b>

## 28 Expenditure on charitable activities - Direct spending

Current year      Current year      Current year      Prior Year

# Gingerbread Cottage Playgroup Limited

Detailed analysis of income and expenditure for the year ended 31 March 2016 as required by the SORP 2015

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2016	2016	2016	2015
	£	£	£	£
Gross wages and salaries - charitable activities	424,358	-	424,358	356,655
Defined contribution pension costs - charitable activities	438	-	438	-
Marketing and advertising of charitable services	-	-	-	1,881
Food Cost	9,272	-	9,272	9,938
Activities Cost	12,270	-	12,270	7,890
Uniforms	4,034	-	4,034	2,317
<b>Total direct spending</b>	<b>450,372</b>	<b>-</b>	<b>450,372</b>	<b>378,681</b>
<b>B2a</b>				
<b>29 Support costs for charitable activities</b>				
	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2016	2016	2016	2015
	£	£	£	£
<b>Employee costs not included in direct costs</b>				
Training and welfare - staff	10,299	-	10,299	3,160
<b>Premises Expenses</b>				
Rent payable under operating leases	38,938	-	38,938	31,906
Rates and water charges	2,260	-	2,260	1,840
Light heat and power	6,503	-	6,503	5,302
Cleaning and waste management	3,954	-	3,954	2,980
Premises repairs, renewals and	10,589	-	10,589	8,249
Property insurance	1,096	-	1,096	1,096
<b>Administrative overheads</b>				
Telephone, fax and internet	3,222	-	3,222	4,728
Postage	122	-	122	-
Stationery and printing	-	-	-	204
Software licences and expenses	1,783	-	1,783	550
Membership subscriptions	407	-	407	68
Equipment expenses	1,618	-	1,618	624
Hire of equipment	1,119	-	1,119	1,363
Liability and contents insurance	1,019	-	1,019	1,194
Sundry expenses	38	-	38	167
<b>Professional fees paid to advisors other than the auditor or examiner</b>				
Accountancy fees other than examination or audit fees	4,226	-	4,226	3,882
HR Consultancy fees	2,805	-	2,805	-
Other legal and professional	3,484	-	3,484	-
Spencefield Lane - Legal and Professional	7,858	-	7,858	6,302
<b>Financial costs</b>				

## Gingerbread Cottage Playgroup Limited

Detailed analysis of income and expenditure for the year ended 31 March 2016 as required by the SORP 2015

Bank charges	64	-	64	57
Credit Card Charges	-	-	-	796
Depreciation & Amortisation in total for	8,013	-	8,013	7,994
<b>Support costs before reallocation</b>	<b>109,417</b>	<b>-</b>	<b>109,417</b>	<b>82,462</b>
<b>Total support costs</b>	<b>109,417</b>	<b>-</b>	<b>109,417</b>	<b>82,462</b>

The basis of allocation of costs between activities is described under accounting policies

### 30 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2016 £	Current year Restricted Funds 2016 £	Current year Total Funds 2016 £	Prior Year Total Funds 2015 £
Independent Examiner's fees	600	-	600	600

### 31 Total Charitable expenditure

		Current year Unrestricted Funds 2016 £	Current year Restricted Funds 2016 £	Current year Total Funds 2016 £	Prior Year Total Funds 2015 £
Total direct spending	<b>B2a</b>	450,372	-	450,372	378,681
Total support costs	<b>B2d</b>	109,417	-	109,417	82,462
Total Governance costs	<b>B2e</b>	600	-	600	600
<b>Total charitable expenditure</b>	<b>B2</b>	<b>560,389</b>	<b>-</b>	<b>560,389</b>	<b>461,743</b>