

The Registered Company Number is:- 04188412

The Charity Registration Number is :- 1087112

Gingerbread Cottage Playgroup Limited

Report and Accounts

31 March 2019



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 2019

The Trustees presents his Report and Accounts for the year ended 31 March 2019, 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 is also known by its operating name, Gingerbread Nursery

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 0116 2711165

Email Address: info@gingerbreadnursery.co.uk

Web address: <http://gingerbreadnursery.co.uk/>

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

Launde Primary School

New Street , Oadby

Leicester

LE2 4LJ

Gingerbread Cottage Playgroup Limited

Registered company number:- 04188412

Trustees' Annual Report for the year ended 31 March 2019**The Trustees in office on the date the report was approved were:-**

Mr Moiz Abidhusein Jafferji -Director, Signatory and Chair (appointed on 13th December 2018)

Mr Abrar Jussab- Treasurer and Secretary (appointed on 13th December 2018)

Mrs J K Riyait - Signatory and Secretary (appointed on 13th May 2019)

Mrs Nicola Matts- Signatory and Director (resigned on 13th December 2018)

Ketna Patel- Secretary (resigned on 18th January 2019)

Pavinder Rai- Treasurer (resigned on 02nd January 2019)

Mr Moiz Abidhusein Jafferji - Signatory and Chair (appointed on 13th December 2018)

Mr Abrar Jussab- Treasurer and Secretary (appointed on 13th December 2018)

The Trustees in office during the year were:-

The trustees who served as a trustee in the reporting period were as shown above.

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.

Gingerbread Cottage Playgroup Limited

Registered company number:- 04188412

Trustees' Annual Report for the year ended 31 March 2019

Activities: Childcare

The Gingerbread Playgroup now has four sites

GB1 is a term time playgroup which provides 38 full time 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.

In March 2019 Gingerbread have opened two new sites in Leicestershire - Gingerbread Mews and Gingerbread Nook. Both new nurseries will be full time nurseries.

Activities: Education

Gingerbread Nurseries 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. All the sites are inspected by Ofsted and are assessed as Good.

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 30 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.

The charity's strategies for achieving its aims and objectives in the future.

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

Gingerbread Cottage Playgroup Limited

Registered company number:- 04188412

Trustees' Annual Report for the year ended 31 March 2019

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.

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.

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 2019

Financial review

The charity's financial position at the end of the year ended 31 March 2019

The financial position of the charity at 31 March 2019 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2019	2018
	£	£
Net income	48,181	86,107
Unrestricted Revenue Funds available for the general purposes of the charity	691,365	643,184
Total Funds	691,365	643,184

Financial review of the position at the reporting date, 31 March 2019 .

Policies on reserves.

The Nursery has unrestricted reserves of £691k at year end which is more than annual running costs of the nursery.

The nursery bank balance at the year end is £240k (2018- £512k) as in 2019 Gingerbread added two more nurseries to the site. Both the sites were acquired in March 2019.

The target level of bank balance 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 £691k at year end.

There are no long term loans or any long term liabilities. The nursery has positive cash balance of £240k.

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

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.

Plans For the Future

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 all four nurseries.

Details of The Independent Examiner

Gingerbread Cottage Playgroup Limited

Registered company number:- 04188412

Trustees' Annual Report for the year ended 31 March 2019

Jitender Kaur

Member of ICAEW

9 Stoughton Road

Oadby

Leicester

LE2 4DS

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 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.

Gingerbread Cottage Playgroup Limited

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Trustees' Annual Report for the year ended 31 March 2019

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.

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 10 to 25.

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 3 December 2019.



Mr Moiz Abidhusein Jafferji
Director and Trustee

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 2019

I report on the financial statements of the charitable company on pages 10 to 25 for the year ended 31 March 2019 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 16.

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.

Independent Examiner's Statement, Report and Opinion

Attention is drawn to the accounting policy stating that, 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, and in order to accord with current best practice, the Trustees have determined to prepare the financial statements in accordance with the FRS 102 SORP 2015. I concur with this approach, and any references in my report to the regulations should be read subject to this comment.

Gingerbread Cottage Playgroup Limited

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 :-

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

Member of ICAEW

9 Stoughton Road
Oadby
Leicester
LE2 4DS

This report was signed on 3 December 2019

Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2019

Statement of Financial Activities for the year ended 31 March 2019

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2019 £	2019 £	2019 £	2018 £
Income & Endowments from:					
Charitable activities	A2	697,732	-	697,732	688,244
Other trading activities	A3	616	-	616	-
Investments	A4	556	-	556	143
Total income	A	698,904	-	698,904	688,387
Expenditure on:					
Raising funds	B1	370	-	370	-
Charitable activities	B2	650,353	-	650,353	602,280
Total expenditure	B	650,723	-	650,723	602,280
Net gains on investments	B4	-	-	-	-
Net income for the year		48,181	-	48,181	86,107
Net income after transfers	A-B-C	48,181	-	48,181	86,107
Net movement in funds		48,181	-	48,181	86,107
Reconciliation of funds:-					
	E				
Total funds brought forward		643,184	-	643,184	557,077
Total funds carried forward		691,365	-	691,365	643,184

Gingerbread Cottage Playgroup Limited - Statement of Financial Activities for the year ended 31 March 2019

**Gingerbread Cottage Playgroup Limited
Income and Expenditure Account for the year ended 31 March 2019 as required by the Companies Act 2006**

	2019 £	2018 £
<i>Income</i>		
Income from operations	698,348	688,244
Investment income		
Interest receivable	556	143
Gross income in the year before exceptional items	698,904	688,387
Gross income in the year including exceptional items	698,904	688,387
<i>Expenditure</i>		
Charitable expenditure, excluding depreciation and amortisation	634,241	595,017
Depreciation and amortisation	15,512	6,663
Fundraising costs	370	-
Governance costs	600	600
Total expenditure in the year	650,723	602,280
 Net income before tax in the financial year	 48,181	 86,107
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	48,181	86,107
Retained surplus for the financial year	48,181	86,107

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 10 to 25 form an integral part of these accounts.

Gingerbread Cottage Playgroup Limited - Balance Sheet as at 31 March 2019

	SORP		2019	2018
	Note	Ref	£	£
Fixed assets		A		
Intangible assets	9	A1	194,344	-
Tangible assets	10	A2	294,654	275,868
Total fixed assets			<u>488,998</u>	<u>275,868</u>
Current assets		B		
Stocks		B1	10,600	1,600
Debtors	12	B2	81,754	12,492
Cash at bank and in hand		B4	239,932	512,209
Total current assets			<u>332,286</u>	<u>526,301</u>
Creditors: amounts falling due within one year	13	C1	<u>(129,919)</u>	<u>(158,985)</u>
Net current assets			<u>202,367</u>	<u>367,316</u>
The total net assets of the charity			<u>691,365</u>	<u>643,184</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	17	D3	691,365	643,184
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Designated Funds

Total charity funds			<u>691,365</u>	<u>643,184</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 director is satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

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

The director acknowledges his 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 9.

Gingerbread Cottage Playgroup Limited - Balance Sheet as at 31 March 2019

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.



Mr Moiz Abidhusein Jafferji
Trustee

Approved by the board of trustees on 3 December 2019

The notes attached on pages 10 to 25 form an integral part of these accounts.

Gingerbread Cottage Playgroup Limited

Cash Flow Statement for the year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities		
Net cash (used in)/provided by operating activities as shown below	A (44,191)	92,627
Cash flows from investing activities		
Interest received	556	143
Proceeds from sale of property, plant and equipment	616	2,117
Purchase of property, plant and equipment	(31,619)	(3,241)
Purchase of intangible fixed assets	(197,638)	-
Net cash used in investing activities	B (228,085)	(981)
Cash flows from financing activities		
Net cash provided by financing activities	C -	-
Overall cash (used in)/provided by all activities	A+B+C (272,276)	91,646
Cash movements		
Change in cash and cash equivalents from activities in the year ended 31 March 2019	(272,276)	91,646
Cash and cash equivalents at 1 April 2018	512,209	-
Rounding Difference	(1)	-
Cash at bank and in hand less overdrafts at 31 March	239,932	91,646

Gingerbread Cottage Playgroup Limited

Cash Flow Statement for the year ended 31 March 2019

Gingerbread Cottage Playgroup Limited

Cash Flow Statement for the year ended 31 March 2019 - Continued

Reconciliation of net income to net cash flow from operating activities

Net income as shown in the Statement of Financial Activities	48,181	86,107
Adjustments for :-		
Depreciation charges	12,218	6,663
Amortisation charges	3,294	-
Dividends, interest and rents from investments	(556)	(143)
Increase in debtors	(69,262)	-
Decrease in creditors, excluding loans	(29,066)	-
Net cash (used in)/provided by operating activities	A (44,191)	92,627

Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand at for the year ended 31 March 2019	239,932	512,209
Notice deposits - (less than 3 months)	-	-
Total cash and cash equivalents	239,932	512,209

Gingerbread Cottage Playgroup Limited

Notes to the Accounts for the year ended 31 March 2019

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.

Categories of Income

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

Income from exchange transactions is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

Income from a non-exchange transaction is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

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.

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

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

Recognition of liabilities and expenditure

Gingerbread Cottage Playgroup Limited

Notes to the Accounts for the year ended 31 March 2019

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 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.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. 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.

Leasehold premises and building improvements	0	% straight line
Equipment, Fixture and Fittings	25	% reducing balance

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.

Financial instruments including 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 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 2019

4 Net surplus before tax in the financial year

	2019	2018
	£	£

The net surplus before tax in the financial year is stated after charging:-

Depreciation of owned fixed assets	15,512	6,663
Pension costs	5,019	4,863

5 Staff costs and emoluments

<i>Salary costs</i>	2019	2018
	£	£
Gross Salaries excluding trustees and key management personnel	448,622	461,199
Employer's National Insurance for all staff	30,405	-
Employer's operating costs of defined contribution pension schemes	5,019	4,863
Trustees Remuneration	-	-

Total salaries, wages and related costs	484,046	466,062
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<i>Numbers of full time employees or full time equivalents</i>	2019	2018
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The average number of total staff employed in the year was	28	29
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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

The charity operates a defined contribution pension scheme, the costs of which are shown above.

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.

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.

8 Deferred income - Unrestricted and Designated funds

	Opening Deferrals	Released from prior years	Received less released in year	Deferred at year end
	£	£	£	£
2019/2020 Fees Received in Mar 19	141,576	(141,576)	-	102,479
Total	141,576	(141,576)	-	102,479

Gingerbread Cottage Playgroup Limited

Notes to the Accounts for the year ended 31 March 2019

	2019 £	2018 £
These deferrals are included in creditors	102,479	141,576

9 Intangible Fixed Assets

Goodwill:

Cost

Additions	197,638	-
At 31 March 2019	197,638	-

Amortisation

Provided during the year	3,294	-
At 31 March 2019	3,294	-

Net book value	194,344	-
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10 Tangible fixed assets

	Building Improvements £	Equipment, Fixture and Fittings £	Motor Vehicles £	Total £
Cost				
At 1 April 2018	257,999	71,772	-	329,771
Additions	-	31,619	-	31,619
Disposals	-	(1,210)	-	(1,210)
At 31 March 2019	257,999	102,181	-	360,180
Depreciation				
At 01 Apr 18	-	53,902	-	53,902
Charge for the year	-	12,218	-	12,218
On disposals	-	(594)	-	(594)
At 31 March 2019	-	65,526	-	65,526
Net book value				
At 31 March 2019	257,999	36,655	-	294,654
At 31 March 2018	257,999	17,870	-	275,869

Gingerbread Cottage Playgroup Limited

Notes to the Accounts for the year ended 31 March 2019

11 Stocks & Work in Progress

2019	2018
£	£

Stocks before write downs	10,600	1,600
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<u>10,600</u>	<u>1,600</u>
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12 Debtors

2019	2018
£	£

Trade debtors	-	2,131
Prepayments and accrued income	71,654	10,361

<u>81,754</u>	<u>12,492</u>
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13 Creditors: amounts falling due within one year

2019	2018
£	£

Trade creditors	8,014	696
Accruals	2,400	2,400
Deferred Income - Unrestricted & designated funds	102,479	141,576
PAYE, NIC VAT and other taxes	12,425	10,582
Other creditors	4,601	3,731

<u>129,919</u>	<u>158,985</u>
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14 Income and Expenditure account summary

2019	2018
£	£

At 1 April 2018	643,184	557,077
Surplus after tax for the year	48,181	86,107

At 31 March 2019	<u>691,365</u>	<u>643,184</u>
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15 No related party transactions

There were no transactions with related parties in the year.

Gingerbread Cottage Playgroup Limited

Notes to the Accounts for the year ended 31 March 2019

16 Particulars of how particular funds are represented by assets and liabilities

At 31 March 2019	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Intangible Assets	194,344	-	-	194,344
Tangible Fixed Assets	294,654	-	-	294,654
Current Assets	332,286	-	-	332,286
Current Liabilities	(129,919)	-	-	(129,919)
	691,365	-	-	691,365

At 1 April 2018	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	275,869	-	-	275,869
Investments at valuation:-				
Current Assets	526,301	-	-	526,301
Current Liabilities	(158,985)	-	-	(158,985)
	643,185	-	-	643,185

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

	Funds brought forward from 2018	Movement in funds in 2019	Transfers between funds in 2019	Funds carried forward to 2020
	£	£	£	£
		See Note 18		
Unrestricted and designated funds:-				
Unrestricted revenue funds	643,184	48,181	-	691,365
Total unrestricted and designated funds	643,184	48,181	-	691,365
Total charity funds	643,184	48,181	-	691,365

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

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2019	2019	2019	2019
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted revenue funds	698,904	(650,723)	-	48,181
	698,904	(650,723)	-	48,181

Gingerbread Cottage Playgroup Limited

Notes to the Accounts for the year ended 31 March 2019

19 The purposes for which the funds as detailed in note 17 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.

20 Ultimate controlling party

The charity is under the control of its legal members.

Gingerbread Cottage Playgroup Limited

Detailed analysis of income and expenditure for the year ended 31 March 2019 as required by the SORP 2015

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

21 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Primary purpose and ancillary trading				
Childcare Fees	696,672	-	696,672	686,924
Uniform Sale	1,060	-	1,060	1,320
Total Primary purpose and ancillary trading	697,732	-	697,732	688,244

22 Total Income from charitable activities

	Current year Unrestricted Funds £ 2019	Current year Restricted Funds £ 2019	Current year Total Funds £ 2019	Prior Year Total Funds £ 2018
Total income from charitable trading	697,732	-	697,732	688,244
Total from charitable activities A2	697,732	-	697,732	688,244

23 Income from other, non charitable, trading activities

	2019 Current year Unrestricted Funds 2019 £	2019 Current year Restricted Funds 2019 £	2019 Current year Total Funds 2019 £	2018 Prior Year Total Funds 2018 £
Income from fundraising events	616	-	616	-
Total from other activities A3	616	-	616	-

24 Investment income

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Bank Interest Receivable	556	-	556	143
Total investment income A4	556	-	556	143

Gingerbread Cottage Playgroup Limited

Detailed analysis of income and expenditure for the year ended 31 March 2019 as required by the SORP 2015

25 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Gross wages and salaries - charitable activities	438,689	-	438,689	460,177
Employers' NI - Charitable activities	30,405	-	30,405	-
Defined contribution pension costs - charitable activities	5,019	-	5,019	4,863
Temporary Staff - Charitable Activities	9,933	-	9,933	1,022
Food Cost	11,744	-	11,744	11,134
Activities Cost	5,236	-	5,236	6,978
Uniforms	1,241	-	1,241	-
Total direct spending	502,267	-	502,267	484,174

26 Support costs for charitable activities

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Employee costs not included in direct costs				
Training and welfare - staff	4,855	-	4,855	7,015
Staff Uniform	2,914	-	2,914	814
Travel and subsistence - staff	194	-	194	15
Recruitment expenses	-	-	-	5,520
Premises Expenses				
Rent payable under operating leases	49,287	-	49,287	44,591
Rates and water charges	5,440	-	5,440	2,904
Light heat and power	8,234	-	8,234	7,570
Cleaning and waste management	3,781	-	3,781	3,990
Premises repairs, renewals and	14,868	-	14,868	5,614
Property insurance	1,142	-	1,142	1,036
Administrative overheads				
Telephone, fax and internet	5,172	-	5,172	4,836
Stationery and printing	730	-	730	315
Membership subscriptions	275	-	275	222
Equipment expensed	4,261	-	4,261	128
Hire of equipment	1,901	-	1,901	963
Software licences and expenses	5,635	-	5,635	2,466
Advertising and marketing	3,960	-	3,960	62
Liability and contents insurance	2,559	-	2,559	1,973
Sundry expenses	746	-	746	187
Assets Write Off	617	-	617	2,119
Bad Debts	-	-	-	6,667

Gingerbread Cottage Playgroup Limited

Detailed analysis of income and expenditure for the year ended 31 March 2019 as required by the SORP 2015

Professional fees paid to advisors other than the auditor or examiner

Accountancy fees other than examination or audit fees	3,600	-	3,600	3,450
Legal fees	500	-	500	-
HR Consultancy fees	7,176	-	7,176	5,941
Other legal and professional	4,115	-	4,115	2,413

Financial costs

Bank charges	12	-	12	32
Depreciation & Amortisation in total for	15,512	-	15,512	6,663

Support costs before reallocation	147,486	-	147,486	117,506
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Total support costs	147,486	-	147,486	117,506
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The basis of allocation of costs between activities is described under accounting policies

27 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Independent Examiner's fees	600	-	600	600

28 Total Charitable expenditure

		Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Total direct spending	B2a	502,267	-	502,267	484,174
Total support costs	B2d	147,486	-	147,486	117,506
Total Governance costs	B2e	600	-	600	600
<i>Total charitable expenditure</i>	B2	650,353	-	650,353	602,280

29 Expenditure on raising funds and costs of investment management

		Current year Unrestricted Funds 2019 £	Current year Restricted Funds 2019 £	Current year Total Funds 2019 £	Prior Year Total Funds 2018 £
Cost of fundraising activities		370	-	370	-
Total fundraising costs	B1	370	-	370	-