REGISTERED COMPANY NUMBER: SC238421 (Scotland)
REGISTERED CHARITY NUMBER: SC030280

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2020

for

ST. ROCH'S CHILDCARE SERVICE

ST. ROCH'S CHILDCARE SERVICE

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for the Year Ended 31 March 2020

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Report of the Trustees for the Year Ended 31 March 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are:

* To advance education through:
  - The provision and supervision of learning-orientated activities for school and pre-school children, and primarily those resident within the area served by North Glasgow Community Planning Area ("the Operating Area")
  - The provision of care, guidance, instruction, activities and support directed towards addressing the special educational needs of school and pre-school children (and primarily those resident within the Operating Area) who come from a home environment and/or single parent family that is disadvantaged by way of its economic circumstances and/or social isolation.
* To promote and/or provide training in the skills associated with the care and supervision of school and pre-school children (and primarily those resident within the Operating Area)
* To relieve poverty particularly among the residents of the Operating Area, in particular (but without prejudice to that generality)
  - by releasing poor individuals (whether parents or guardians) having the care of school and/or pre-school children to attend training courses and programmes which are directed towards the acquisition of skills which will assist such individuals in obtaining employment; or
  - by allowing poor individuals (whether parents or guardians) having the care of school and/or pre-school children to maintain themselves in paid employment.
* To promote, conduct and/or support such other charitable projects and programmes for the benefit of the community within the Operating Area as the trustees may consider appropriate from time to time.

In furtherance of these objects, but not otherwise, the charity shall have the following powers:

* To promote, establish, develop, operate and/or support nursery and/or childcare facilities within the Operating Area, which may include (without prejudice to that generality) extended daycare for children of pre-school age, out-of-school childcare projects, breakfast clubs, and school clubs.
* To advise in relation to, prepare, organise and/or conduct, educational and training courses and programmes.
* To provide advice and support to people wishing to relieve their poverty through self-employment in the field of childcare services.
* To promote, construct, establish and/or manage a centre providing facilities for childcare, and accommodation for public and third sector organisations and agencies which provide services which are of benefit to the community within the Operating Area.
* To stimulate the formation of, and support, community groups and other bodies operating within the voluntary sector whose activities further the aims of the company or are otherwise directed towards some charitable purpose.
* To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio and video recordings, multi-media products and display materials, and to establish and maintain websites and other electronic means for sharing information.
* To carry on any other activity which may be advantageously carried on in connection with any of the objects of the charitable company.

Public benefit

The charity is a public benefit entity.

Report of the Trustees
for the Year Ended 31 March 2020

STRATEGIC REPORT

Achievement and performance

Charitable activities

We continue to operate from two sites within the 'Royston Corridor' providing childcare from six weeks to the first year of secondary education. The provision of services currently on offer is as follows:

i) Charles Street
   - 64 places 0-5 years.

ii) Royston Primary School
   - 72 out of school care places covering Primary 1 to Primary 7.

Financial review

Investment policy and objectives

Under the memorandum and articles of association, the charity has the power to make any investment, which the trustees see fit.

Reserves policy

St. Roch's Childcare Service continues to operate as a social economy organisation. Receiving grants on a year to year basis, reserves are not built up or created. At the start of each financial year, funding streams are in place to support that year's budgeted expenditure. When we know how much grant we have been awarded we set the fees to meet the difference in running costs. Any reserves on restricted funds reflected on the balance sheet therefore tend to reflect funding received in advance of expenditure being incurred.

Our aim is to provide high quality childcare and therefore we must continually review and update our policies and procedures and staff skills. Health and Safety is now on the agenda for meetings at every level. Board and senior staff meetings, team leader and planning meetings. This ensures that the organisation takes account of all safety issues and meets the Health and Social Care Standards, My Support, My Life and any changes in legislation.

Going concern

It is the opinion of the trustees that activities will continue for at least a period of twelve months from the date of signing these accounts and therefore that the charity is a going concern.

This opinion is based on known and anticipated funding for the years ahead against expected costs. Where funding does not meet requirements then costs are expected to be reduced accordingly.

Funds in deficit

A deficit on unrestricted charitable funds of £12,025 at the end of the previous year was returned to a surplus position during the current year.

At the current year end all funds were in a surplus position.

STRATEGIC REPORT

Financial review

Impact of Covid-19 Pandemic

The trustees have considered the impact that the Covid-19 pandemic could have on the ongoing operations of the charitable company.

This includes the potential impact of reduced levels of income for a period of time, the effect of the lockdown and social distancing measures as well as the availability of government assistance to the group during this difficult period.

Occupancy is lower than anticipated because colleges, universities and other learning institutes are not yet having face to face lectures and learning is currently on line. Therefore, there is no requirement for childcare. We anticipate that there will be some face to face classes over the next couple of months and institutes returning to some normality during phase 4 of the road map. We expect our occupancy to increase over the next 2 months. In the meantime, we will staff the service accordingly and continue to use the government scheme to furlough staff.

Some of our current parents are still on furlough and again anticipate that when the scheme ends they may return to employment thus requiring childcare again.

The trustees expect the charity to run at a small deficit during the lockdown and for a period thereafter while the impact of the virus persists but based on the level of cumulative reserves and funds in the bank along with the availability of government assistance they are confident that the charity can continue operating as a going concern.

We applied to a number of funders for support and secured funds from the Community fund, Health and Wellbeing and the Robertson Trust.

We will continue to apply for relevant funding to support the service when each fund opens.
The Glasgow Communities fund will replace the Integrated grant fund from October 2020-2023 and we strongly believe we will secure funds to support the service.

Principal risks and uncertainties

The trustees have identified that financial sustainability is the main financial risk for the charity. Key elements in the management of this risk are the regular review of available liquid funds to ensure that debts can be settled as they fall due, ensuring grant funding is received in a timely manner, and the active management of debtor balances relating to parental contributions.

Financial and risk management objectives and policies

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Future plans

Partnership funding for 3 - 5 year olds was reinstated in April 2016 providing financial benefits to parents. This gives the Project a competitive advantage in maintaining existing and attracting new users.

The service originally expressed an interest in being commissioned by Glasgow City Council to provide an additional provision for vulnerable two year olds. This was a pilot scheme. The service did not have any vulnerable two's who were eligible under the scheme and therefore did not participate in the scheme.

From August 2019 the families at St Roch's have been given the opportunity to access 900 hours of preschool funding. This is an eligibility process by the local council depending on financial status of the family.

We have secured a contract for 2020 with Glasgow City Council for the expansion of Early Learning and Childcare to 1140 hours.

This will increase the funded hours to 22.5 hours per week per child for 50 weeks each year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The directors of the charitable company ('the charity') are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association there are two categories of trustee; Member trustees and Co-opted trustees. The minimum number of trustees is 5, and the maximum number of trustees is 9 out of which no more than 3 can be Co-opted trustees. Member trustees can be appointed at any time but must retire at the first general meeting following appointment. In addition, at each annual general meeting the two member trustees who have been longest in office since they were last appointed shall retire from office. Member trustees may be re-appointed at the annual general meeting. Co-opted trustees can be appointed at any time but must vacate office at each annual general meeting. Following the annual general meeting, the Member trustees may re-appoint Co-opted trustees.

Organisational structure

The board of trustees, who meet bi-monthly, administers the charity. The board may delegate powers to any committee consisting of one or more trustees. The day to day running of the charity is designated to senior staff who report to the trustees.

Induction and training of new trustees

New Trustees meet with the Chairperson and the Officer in Charge to discuss the function of the board and the roles and responsibilities of office bearers and members. Background information is available on the organisational structure and the service provision. Minutes of the previous three meetings are reviewed and others are available on request. Format and frequency of meetings is discussed and a schedule of planned meetings is provided. We have developed a new induction policy for members.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC238421 (Scotland)

Registered Charity number

SC030280

Registered office

Unit W14
141 Charles Street
Glasgow
Strathclyde
G21 2QA

Trustees

M J Jones
Mr D Mundy
J Toal
M O Obi

Auditors

Sharles Audit Limited
Statutory Auditor
29 Brandon Street
Hamilton
ML3 6DA

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers
Clydesdale Bank
66 Queen Street
Glasgow
G21 2QA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of St. Roch's Childcare Service for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Sharles Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 4 September 2020 and signed on the board's behalf by:

M J Jones - Trustee

Report of the Independent Auditors to the Trustees and Members of St. Roch's Childcare Service

Opinion

We have audited the financial statements of St. Roch's Childcare Service (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 18 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Keith Edwards (Senior Statutory Auditor)
for and on behalf of Sharles Audit Limited
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
29 Brandon Street
Hamilton
ML3 6DA

4 September 2020

ST. ROCH'S CHILDCARE SERVICE

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	**2020 Total funds £**	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	**4,264**	**-**	**4,264**	441
Charitable activities	5				
Childcare		**381,276**	**220,404**	**601,680**	587,536
Investment income	4	**-**	**-**	**-**	37
Total		**385,540**	**220,404**	**605,944**	588,014
EXPENDITURE ON					
Charitable activities	6				
Childcare		**338,591**	**222,917**	**561,508**	683,782
NET INCOME/(EXPENDITURE)		**46,949**	**(2,513)**	**44,436**	(95,768)
RECONCILIATION OF FUNDS					
Total funds brought forward		**(12,025)**	**22,013**	**9,988**	105,756
TOTAL FUNDS CARRIED FORWARD		**34,924**	**19,500**	**54,424**	9,988

Balance Sheet
31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	**2020 Total funds £**	2019 Total funds £
FIXED ASSETS					
Tangible assets	13	**970**	**-**	**970**	-
CURRENT ASSETS					
Debtors	14	**31,269**	**-**	**31,269**	15,020
Cash at bank and in hand		**39,979**	**19,500**	**59,479**	76,137
		71,248	**19,500**	**90,748**	91,157
CREDITORS					
Amounts falling due within one year	15	**(37,294)**	-	**(37,294)**	(81,169)
NET CURRENT ASSETS		**33,954**	**19,500**	**53,454**	9,988
TOTAL ASSETS LESS CURRENT LIABILITIES		**34,924**	**19,500**	**54,424**	9,988
NET ASSETS/(LIABILITIES)		**34,924**	**19,500**	**54,424**	9,988
FUNDS	16				
Unrestricted funds				**34,924**	(12,025)
Restricted funds				**19,500**	22,013
TOTAL FUNDS				**54,424**	9,988

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

The financial statements were approved by the Board of Trustees and authorised for issue on 4 September 2020 and were signed on its behalf by:

M J Jones - Trustee

D Mundy - Trustee

ST. ROCH'S CHILDCARE SERVICE

Cash Flow Statement
for the Year Ended 31 March 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	**(16,812)**	(101,560)
Net cash used in operating activities		**(16,812)**	(101,560)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(1,046)**	-
Sale of tangible fixed assets		**1,200**	-
Interest received		**-**	37
Net cash provided by investing activities		**154**	37
Change in cash and cash equivalents in the reporting period		**(16,658)**	(101,523)
Cash and cash equivalents at the beginning of the reporting period		**76,137**	177,660
Cash and cash equivalents at the end of the reporting period		**59,479**	76,137

ST. ROCH'S CHILDCARE SERVICE

Notes to the Cash Flow Statement
for the Year Ended 31 March 2020

1. **RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM** OPERATING ACTIVITIES

	2020	2019
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	**44,436**	(95,768)
Adjustments for:		
Depreciation charges	**76**	1,000
Profit on disposal of fixed assets	**(1,200)**	-
Interest received	-	(37)
(Increase)/decrease in debtors	**(16,249)**	13,076
Decrease in creditors	**(43,875)**	(19,831)
Net cash used in operations	**(16,812)**	(101,560)

2. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.19	Cash flow	**At 31.3.20**
	£	£	**£**
Net cash			
Cash at bank and in hand	**76,137**	**(16,658)**	**59,479**
	76,137	**(16,658)**	**59,479**
Total	**76,137**	**(16,658)**	**59,479**

1. STATUTORY INFORMATION

St. Roch's Childcare Service is a charitable company, limited by guarantee, registered in Scotland. The company and charity registration numbers and registered office address can be found in the reference and administrative details section of the Report of the Trustees.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis.

As explained in the trustees report the charity's ongoing operations have been impacted by the Covid-19 pandemic and the associated lockdown. As this stage it is not possible to say how significant this impact will be or for how long it will be experienced. As a result of the fall in income the trustees have taken steps to reduce costs in the short term and have utilised the available government assistance so that the charity can continue operating as a going concern.

Statement of compliance
There were no material departures from the Charities SORP (FRS102).

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grant income is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Parental contribution income is recognised when the charity has entitlement to the funds based on childcare services supplied.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs
Most costs are allocated directly to an activity cost category. Staff costs which cannot be directly attributed to one activity cost category are allocated using an estimated time basis.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	-	Over the period of lease

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Nursery equipment	- 25% on cost
Fixtures and fittings	- 25% on reducing balance
Minibuses	- 25% on cost

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Individual assets costing £1,000 or less are not capitalised but are charged to the Statement of Financial Activities in the period in which they were purchased.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Basic financial instruments
Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost

Significant judgements and estimates
In the application of the charity's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	4,264	441

4. INVESTMENT INCOME

	2020	2019
	£	£
Bank interest receivable	-	37

5. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	Childcare	Total activities
	£	£
Parental contributions	378,763	369,131
Grants	222,917	218,405
	601,680	587,536

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Childcare	335,472	226,036	561,508

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Staff costs	308,053	349,921
Bad debts	5,043	3,639
Trips, outings & activities	353	2,714
Direct expenses	4,274	14,755
Sundry equipment	4,822	3,115
Catering & room expenses	12,927	17,902
	335,472	392,046

8. SUPPORT COSTS

	Other	Governance costs	Totals
	£	£	£
Childcare	**183,961**	**42,075**	**226,036**

Support costs, included in the above, are as follows:

Finance

	2020 Total activities	2019 Total activities
	£	£
Bank charges	**-**	**50**

Other

	2020	2019 Total
	Childcare	activities
	£	£
Wages	**102,843**	**116,313**
Social security	**5,592**	**7,456**
Pensions	**1,585**	**1,204**
Equipment hire	**3,746**	**3,972**
Rent and rates	**47,827**	**63,813**
Insurance	**4,930**	**8,923**
Heat, light & power	**2,159**	**3,132**
Telephone	**4,888**	**6,723**
Post, stationery and adverts	**2,786**	**2,095**
Sundries	**1,709**	**328**
Other support costs	**7,020**	**29,732**
Depreciation of tangible fixed assets	**76**	**1,000**
Loss/(gain) on sale of tangible fixed assets	**(1,200)**	**-**
	183,961	**244,691**

Governance costs

	2020	2019 Total
	Childcare	activities
	£	£
Wages	**20,569**	**23,262**
Social security	**1,118**	**1,491**
Pensions	**317**	**241**
Auditors' remuneration	**3,210**	**3,210**
Accountancy and legal fees	**16,861**	**18,791**
	42,075	**46,995**

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	**3,210**	3,210
Depreciation - owned assets	**76**	1,000
Hire of plant and machinery	**3,746**	3,972
Surplus on disposal of fixed assets	**(1,200)**	-

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

11. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	**411,372**	465,249
Social security costs	**22,366**	29,823
Other pension costs	**6,339**	4,816
	440,077	499,888

The average monthly number of employees during the year was as follows:

	2020	2019
Trustees	**4**	4
Administration	**4**	6
Childcare	**18**	26
	26	36

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	441	-	441
Charitable activities			
Childcare	371,131	216,405	587,536
Investment income	37	-	37
Total	371,609	216,405	588,014
EXPENDITURE ON			
Charitable activities			
Childcare	394,290	289,492	683,782
NET INCOME/(EXPENDITURE)	(22,681)	(73,087)	(95,768)
RECONCILIATION OF FUNDS			
Total funds brought forward	10,656	95,100	105,756
TOTAL FUNDS CARRIED FORWARD	(12,025)	22,013	9,988

13. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Nursery equipment £	Fixtures and fittings £	Minibuses £	Totals £
COST					
At 1 April 2019	**229,172**	**57,937**	**49,474**	**34,327**	**370,910**
Additions	-	-	**1,046**	-	**1,046**
Disposals	-	-	-	**(34,327)**	**(34,327)**
At 31 March 2020	**229,172**	**57,937**	**50,520**	-	**337,629**
DEPRECIATION					
At 1 April 2019	**229,172**	**57,937**	**49,474**	**34,327**	**370,910**
Charge for year	-	-	**76**	-	**76**
Eliminated on disposal	-	-	-	**(34,327)**	**(34,327)**
At 31 March 2020	**229,172**	**57,937**	**49,550**	-	**336,659**
NET BOOK VALUE					
At 31 March 2020	-	-	**970**	-	**970**
At 31 March 2019	-	-	-	-	-

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Prepayments and accrued income	**31,269**	15,020

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	**3,944**	7,339
Social security and other taxes	**-**	24,436
Other creditors	**843**	-
Accruals and deferred income	**32,507**	49,394
	37,294	81,169

16. MOVEMENT IN FUNDS

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
Unrestricted funds			
General fund	**(12,025)**	**46,949**	**34,924**
Restricted funds			
Glasgow City Council	**22,013**	**(2,513)**	**19,500**
TOTAL FUNDS	**9,988**	**44,436**	**54,424**

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	**385,540**	**(338,591)**	**46,949**
Restricted funds			
Glasgow City Council	**220,404**	**(222,917)**	**(2,513)**
TOTAL FUNDS	**605,944**	**(561,508)**	**44,436**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	10,656	(22,681)	(12,025)
Restricted funds			
Glasgow City Council	-	22,013	22,013
Big Lottery Fund Grant - Play at Our Place	95,100	(95,100)	-
	95,100	(73,087)	22,013
TOTAL FUNDS	105,756	(95,768)	9,988

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	371,609	(394,290)	(22,681)
Restricted funds			
Glasgow City Council	216,405	(194,392)	22,013
Big Lottery Fund Grant - Play at Our Place	-	(95,100)	(95,100)
	216,405	(289,492)	(73,087)
TOTAL FUNDS	588,014	(683,782)	(95,768)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.18 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	10,656	24,268	34,924
Restricted funds			
Glasgow City Council	-	19,500	19,500
Big Lottery Fund Grant - Play at Our Place	95,100	(95,100)	-
	95,100	(75,600)	19,500
TOTAL FUNDS	105,756	(51,332)	54,424

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	757,149	(732,881)	24,268
Restricted funds			
Glasgow City Council	436,809	(417,309)	19,500
Big Lottery Fund Grant - Play at Our Place	-	(95,100)	(95,100)
	436,809	(512,409)	(75,600)
TOTAL FUNDS	1,193,958	(1,245,290)	(51,332)

Restricted funds:

Glasgow City Council - Integrated Fund
These grants are specifically targeted at residents of the City of Glasgow and are given to facilitate parents and guardians into employment or into training so leading to employment.

Glasgow City Council - Quality Improvement Fund
This grant has been awarded by Glasgow City Council to upgrade the garden facilities on site.

Glasgow City Council - Other
This grant funding was repurposed, with agreement from GCC, towards funding childcare costs for eligible 2 year olds. £19,500 of this funding had still to be utilised at the year end.

Big Lottery Fund Grant - Play at Our Place
This grant was awarded by The Big Lottery Fund to set up parental support.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2020.

18. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.