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

Report of the Trustees and

Financial Statements for the Year Ended 31 March 2021

for

ST. ROCH'S CHILDCARE SERVICE

ST. ROCH'S CHILDCARE SERVICE

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for the Year Ended 31 March 2021

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Report of the Trustees for the Year Ended 31 March 2021

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 2021. 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.

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

At the current year and previous year ends all funds were in a surplus position.

STRATEGIC REPORT

Financial review

Impact of Covid-19 Pandemic

The service utilised the government funded furlough scheme. At the time of applying for this scheme there was no specific guidance issued to publicly funded businesses on the use of the scheme along with existing or current funds; neither did the service have an idea if current and additional funding would prevail during the lockdown measures forced upon the service. The service was lucky enough to receive funding to push through the lockdown restrictions. On assessment we have established that 48% of funding received by funders related to our salary bill and as a result we are repaying the sum of £32,413 (48%) of furlough received in the accounting year. This has been identified and provided for within the accounts and was repaid to HMRC on 4 November 2021.

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

Whilst we are currently beyond level 0 in our operating area the Early Learning and Childcare guidance still has several restrictions and mitigations in place. This will continue to have a financial impact.

Presently there is extra Personal, Protective Equipment used, extra staff to maintain distancing and cohorts and enhanced cleaning operations in place.

Occupancy has risen, however there is a reduced number of college/university students needing childcare. Classes continue to be mainly online with a small percentage of face-to-face lectures, and this has reduced the need for children to attend. Many parents who have English as a second language have dropped out of studying as they are unable to manage the online application as a form of learning.

We secured the Glasgow Communities funding which has increased funded places for three to five-year-olds.

We will continue to apply for relevant funding to support the service when each fund opens.

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.

STRATEGIC REPORT

Future plans

We have secured a contract for 2020 - 2023 with Glasgow City Council for the expansion of Early Learning and Childcare to 1,140 hours. This has increased the funded hours to 22.5 hours per week per child for 50 weeks each year.

Glasgow has been successful in its bid to be part of year two of Scottish Governments pilot around automatic funded deferred entry for all children born between the start of term in August and the end of February. This means they will have an automatic entitlement to a funded year the same way that the January and February born children have had for many years. Without the government needing supporting documentation for deferral this could increase the number of school age children we retain for an extra year. They will receive the government funded entitlement.

Increasing occupancy continues to be a priority especially at the Out of School Care provision. Attracting older children to the service by offering opportunities for extracurricular activities. A service that combines childcare with extracurricular activities could potentially increase occupancy.

The Scottish Milk and Healthy snack scheme was launched on the 1st of August 2021.It is a free entitlement for children including lunch provision for 3-5-year-olds. Parents are not invoiced for food hence the scheme will reduce our catering bills significantly.

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
D Mundy
J Toal
M O Obi

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

Bankers
Clydesdale Bank
66 Queen Street
Glasgow
G1 3DS

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.

ST. ROCH'S CHILDCARE SERVICE (REGISTERED NUMBER: SC238421)

Report of the Trustees
for the Year Ended 31 March 2021

This report has been prepared in accordance with the special provisions of Part 15 of the 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 5 November 2021 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 2021 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 2021 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 17 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
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

The aims of our audit are to identify and assess the risks of material misstatement of the financial statements as a result of fraud or error, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement as a result of fraud or error and to respond appropriately to those risks. As a result of the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Charities SORP (FRS 102).
- We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks by making inquiries of management. We undertook a review of legal fees for any evidence of non-compliance.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
  - identifying and documenting the controls management has in place to prevent and detect fraud and error;
  - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - challenging assumptions and judgements made by management in its significant accounting estimates;
  - identifying and testing journal entries, in particular any journal entries posted for large or unusual amounts;
  - assessing the extent of compliance with relevant laws and regulations; and
  - sample testing of transactions and balances.

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

6 November 2021

ST. ROCH'S CHILDCARE SERVICE

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	**2021 Total funds £**	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	-	-	-	4,264
Charitable activities	4				
Childcare		**276,918**	**377,635**	**654,553**	601,680
Total		**276,918**	**377,635**	**654,553**	605,944
EXPENDITURE ON					
Charitable activities	5				
Childcare		**144,062**	**382,888**	**526,950**	561,508
NET INCOME/(EXPENDITURE)		**132,856**	**(5,253)**	**127,603**	44,436
RECONCILIATION OF FUNDS					
Total funds brought forward		**34,924**	**19,500**	**54,424**	9,988
TOTAL FUNDS CARRIED FORWARD		**167,780**	**14,247**	**182,027**	54,424

ST. ROCH'S CHILDCARE SERVICE (REGISTERED NUMBER: SC238421)

Balance Sheet
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	**2021 Total funds £**	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	**2,930**	-	**2,930**	970
CURRENT ASSETS					
Debtors	13	**25,545**	**-**	**25,545**	31,269
Cash at bank and in hand		**216,940**	**32,467**	**249,407**	59,479
		242,485	**32,467**	**274,952**	90,748
CREDITORS					
Amounts falling due within one year	14	**(77,635)**	**(18,220)**	**(95,855)**	(37,294)
NET CURRENT ASSETS		**164,850**	**14,247**	**179,097**	53,454
TOTAL ASSETS LESS CURRENT LIABILITIES		**167,780**	**14,247**	**182,027**	54,424
NET ASSETS		**167,780**	**14,247**	**182,027**	54,424
FUNDS	15				
Unrestricted funds				**167,780**	34,924
Restricted funds				**14,247**	19,500
TOTAL FUNDS				**182,027**	54,424

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 5 November 2021 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 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	**192,184**	(16,812)
Net cash provided by/(used in) operating activities		**192,184**	(16,812)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(2,256)**	(1,046)
Sale of tangible fixed assets		**-**	1,200
Net cash (used in)/provided by investing activities		**(2,256)**	154
Change in cash and cash equivalents in the reporting period		**189,928**	(16,658)
Cash and cash equivalents at the beginning of the reporting period		**59,479**	76,137
Cash and cash equivalents at the end of the reporting period		**249,407**	59,479

ST. ROCH'S CHILDCARE SERVICE

Notes to the Cash Flow Statement
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	**127,603**	44,436
Adjustments for:		
Depreciation charges	**296**	76
Profit on disposal of fixed assets	**-**	(1,200)
Decrease/(increase) in debtors	**5,724**	(16,249)
Increase/(decrease) in creditors	**58,561**	(43,875)
Net cash provided by/(used in) operations	**192,184**	(16,812)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	**At 31.3.21**
	£	£	**£**
Net cash			
Cash at bank and in hand	**59,479**	**189,928**	**249,407**
	59,479	**189,928**	**249,407**
Total	**59,479**	**189,928**	**249,407**

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.

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

	2021	2020
	£	£
Donations	**-**	4,264

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	Childcare	Total activities
	£	£
Parental contributions	**232,298**	**378,763**
Insurance proceeds	**8,518**	**-**
Grants	**413,737**	**222,917**
	654,553	**601,680**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Childcare	**306,444**	**220,506**	**526,950**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	**279,824**	308,053
Bad debts	**9,498**	5,043
Trips, outings & activities	**-**	353
Direct expenses	**182**	4,274
Sundry equipment	**7,423**	4,822
Catering & room expenses	**9,517**	12,927
	306,444	335,472

7. SUPPORT COSTS

	Other	Governance costs	Totals
	£	£	£
Childcare	**180,993**	**39,513**	**220,506**

7. SUPPORT COSTS - continued

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

Other

	2021 Childcare **£**	2020 Total activities £
Wages	**93,589**	**102,843**
Social security	**5,375**	**5,592**
Pensions	**973**	**1,585**
Equipment hire	**-**	**3,746**
Rent and rates	**46,128**	**47,827**
Insurance	**6,539**	**4,930**
Heat, light & power	**1,840**	**2,159**
Telephone	**3,742**	**4,888**
Post, stationery and adverts	**3,326**	**2,786**
Sundries	**9,481**	**1,709**
Travel	**51**	**238**
Training and recruitment	**1,128**	**591**
Repairs & maintenance	**1,222**	**571**
Cleaning	**7,303**	**5,620**
Depreciation of tangible fixed assets	**296**	**76**
Loss/(gain) on sale of tangible fixed assets	**-**	**(1,200)**
	180,993	**183,961**

Governance costs

	2021 Childcare **£**	2020 Total activities £
Wages	**18,718**	**20,569**
Social security	**1,075**	**1,118**
Pensions	**195**	**317**
Auditors' remuneration	**3,440**	**3,210**
Accountancy and legal fees	**16,085**	**16,861**
	39,513	**42,075**

8. NET INCOME/(EXPENDITURE)

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

	2021 **£**	2020 £
Auditors' remuneration	**3,440**	3,210
Depreciation - owned assets	**296**	76
Hire of plant and machinery	**-**	3,746
Surplus on disposal of fixed assets	**-**	(1,200)

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	**374,356**	411,372
Social security costs	**21,501**	22,366
Other pension costs	**3,892**	6,339
	399,749	440,077

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

	2021	2020
Trustees	**4**	4
Administration	**4**	4
Childcare	**18**	18
	26	26

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,264	-	4,264
Charitable activities			
Childcare	381,276	220,404	601,680
Total	385,540	220,404	605,944
EXPENDITURE ON			
Charitable activities			
Childcare	338,591	222,917	561,508
NET INCOME/(EXPENDITURE)	46,949	(2,513)	44,436
RECONCILIATION OF FUNDS			
Total funds brought forward	(12,025)	22,013	9,988

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	34,924	19,500	54,424

12. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Nursery equipment £	Fixtures and fittings £	Totals £
COST				
At 1 April 2020	**229,172**	**57,937**	**50,520**	**337,629**
Additions	**980**	**-**	**1,276**	**2,256**
At 31 March 2021	**230,152**	**57,937**	**51,796**	**339,885**
DEPRECIATION				
At 1 April 2020	**229,172**	**57,937**	**49,550**	**336,659**
Charge for year	**115**	**-**	**181**	**296**
At 31 March 2021	**229,287**	**57,937**	**49,731**	**336,955**
NET BOOK VALUE				
At 31 March 2021	**865**	**-**	**2,065**	**2,930**
At 31 March 2020	-	-	970	970

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 **£**	2020 £
Other debtors	**322**	-
Prepayments and accrued income	**25,223**	31,269
	25,545	31,269

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	**2,541**	3,944
Social security and other taxes	**14,240**	-
Other creditors	**1,175**	843
Accruals and deferred income	**77,899**	32,507
	95,855	37,294

15. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	**34,924**	**132,856**	**167,780**
Restricted funds			
Glasgow City Council	**19,500**	**(19,500)**	**-**
The Robertson Trust	**-**	**14,247**	**14,247**
	19,500	**(5,253)**	**14,247**
TOTAL FUNDS	**54,424**	**127,603**	**182,027**

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	**276,918**	**(144,062)**	**132,856**
Restricted funds			
Glasgow City Council	**327,635**	**(347,135)**	**(19,500)**
The Robertson Trust	**15,000**	**(753)**	**14,247**
Corra Foundation	**25,000**	**(25,000)**	-
National Lottery Community Fund	**10,000**	**(10,000)**	**-**
	377,635	**(382,888)**	**(5,253)**
TOTAL FUNDS	**654,553**	**(526,950)**	**127,603**

15. MOVEMENT IN FUNDS - continued

Comparatives for 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

Comparative 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

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

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	(12,025)	179,805	167,780
Restricted funds			
Glasgow City Council	22,013	(22,013)	-
The Robertson Trust	-	14,247	14,247
	22,013	(7,766)	14,247
TOTAL FUNDS	9,988	172,039	182,027

15. 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	662,458	(482,653)	179,805
Restricted funds			
Glasgow City Council	548,039	(570,052)	(22,013)
The Robertson Trust	15,000	(753)	14,247
Corra Foundation	25,000	(25,000)	-
National Lottery Community Fund	10,000	(10,000)	-
	598,039	(605,805)	(7,766)
TOTAL FUNDS	1,260,497	(1,088,458)	172,039

Restricted funds:

Glasgow City Council - Communities Fund
These grants are specifically targeted at residents of the City of Glasgow and are given to the service to support the financial operations allowing parents and guardians to receive quality childcare leading them into employment or into training.

The Robertson Trust
The grant was released during the pandemic to use for children requiring emergency childcare. We call this respite care. There are a number of reasons for the service assessment to using this money for childcare and covers families who are in poverty, bereaved Isolated, in an abusive situation. This is a temporary respite arrangement to help families in need.

The fund also covers training opportunities for staff to help and support families. This includes counselling, bereavement or behaviour management

Corra Foundation
The fund was given during the pandemic and intended to support staff salaries so that we could continue to support families during lockdown who were unable to access the service because of the imposed restrictions. We were able to council and support families and had the Health and Wellbeing of all families at the centre. We helped bereaved and struggling families and those who needed direction and advice.

National Lottery Community Fund
The fund is very much the same as the CORRA fund and was intended to cover staff salaries to continue supporting families.

Contacting and helping families during the pandemic was our priority. All non-funded children were not charged fees if they were unable to attend and therefore a parental contribution decreased. Staff set up online learning for children and engaged with families from afar.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021 nor for the year ended 31 March 2020.

17. 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.