

Company registration number: NI606282

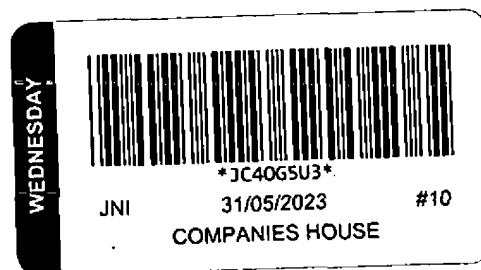
Charity registration number: 101320

KILLEAN PLAYGROUP LIMITED

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 August 2022



SP McKeown & Co Ltd
Chartered Certified Accountants, Registered Auditors & Tax Advisors
5 Lower Catherine Street
Newry
Co Down
BT35 6BE

KILLEAN PLAYGROUP LIMITED

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KILLEAN PLAYGROUP LIMITED

Reference and Administrative Details

Charity Registration Number	101320
Company Registration Number	NI606282
Registered Office	The charity is incorporated in Northern Ireland. 2 Kellys Road Killean Newry Co Down BT35 8RY
Independent Examiner	SP McKeown & Co Ltd Chartered Certified Accountants, Registered Auditors & Tax Advisors 5 Lower Catherine Street Newry Co Down BT35 6BE
Bankers	Danske Bank Newry 58 Hill Street Newry BT34 1BD

KILLEAN PLAYGROUP LIMITED

Strategic Report for the Year Ended 31 August 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 August 2022, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

In line with recommended practice from the Charity Commission for Northern Ireland, the playgroup has established a reserves policy to ensure the stability of the mission, programme, employment and ongoing operations of the organisation. The target minimum reserve fund has been identified as £60,000 which ensures that the core activity of Killean Playgroup Ltd could continue during a period of unforeseen difficulty in relation to the salaries, day to day running and in the event of redundancies.

A proportion of these reserves have to be maintained in a readily realisable form. Fundraising will continue on a year to year basis.

The strategic report was approved by the trustees of the charity on 26 May 2023 and signed on its behalf by:

SIGNED SECURELY
Pauline Dowdall
29/05/2023 at 11:21:20 AM UTC

.....
Mrs Pauline Dowdall
Trustee

SIGNED SECURELY
Collette King
29/05/2023 at 11:14:03 AM UTC

.....
Mrs Collette King
Trustee

KILLEAN PLAYGROUP LIMITED

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2022.

Objectives and activities

As per the constitution, the company's objectives and activities are specifically restricted to the following: to promote play based learning environments for all children under statutory school age (hereinafter referred to as the beneficiaries) of Killean and its surrounding greater ward area (hereinafter called the "area of benefit") without distinction of age, gender, marital status, disability, sexual orientation, nationality, ethnic identity, political or religious opinion, by associating the statutory authorities, community and voluntary organisations and the inhabitants in a common effort to advance education, and in particular;

(a) to advance the education of the beneficiaries by the provision of safe and satisfying group play, with the right of parents/carers to take responsibility for and to become involved in the activities of the group and to promote the preservation of health of the beneficiaries;

(b) to support the vision and values of Early Years- the organisation for young children (hereinafter called 'Early Years');

(c) to advance any other exclusively charitable purpose as the directors may, from time to time, decide in accordance with the law of charity.

The playgroup is open Monday to Friday - 9.00 to 12.30 and employs 4 qualified staff. It provides a facility where the children can learn in a safe and stimulating environment at their own pace. The playgroup works to provide the pre-school curriculum and is proud to have been recognised by Early Years with an Accreditation. In setting our objectives and planning our activities for the year the trustees have given careful consideration to the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the charity's purposes and provide a benefit to the beneficiaries.

Objectives, strategies and activities

The School reopened after Covid-19 restrictions in September 2020. After a difficult few months of working from home and keeping in touch with parents and children virtually, this was a welcome relief.

Objectives include getting children back to a normal routine and enhancing learning and development through face to face teaching.

Going concern

Management have considered a period of at least 12 months from the date of approval of these financial statements as part of their assessment of the appropriateness of the going concern assumption, and have concluded that the going concern basis is appropriate.

The effect of Covid-19 in 2020 has not created any doubt on the ability of the company to continue. Being a childcare facility, the premises were instructed to close but the company is supported by the Department of Education and has sufficient reserves to meet its financial obligations.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mrs Pauline Dowdall
	Mrs Fionnuala O'Neil
	Mrs Collette King
	Mr Patrick Mc Namee

KILLEAN PLAYGROUP LIMITED

Trustees' Report

The annual report was approved by the trustees of the charity on 26 May 2023 and signed on its behalf by:

SIGNED SECURELY
Pauline Dowdall
29/05/2023 at 11:21:20 AM UTC

.....
Mrs Pauline Dowdall
Trustee

SIGNED SECURELY
Collette King
29/05/2023 at 11:14:03 AM UTC

.....
Mrs Collette King
Trustee

Structure, governance and management

Organisational structure

Killean Playgroup is a company limited by guarantee and accepted as charitable by HMRC. The company is also a registered charity with The Charity Commission for Northern Ireland under charity number 101320. The company was incorporated on 22nd February 2011. The company was established under a Memorandum of Association which established the objects and powers of the company, and is governed by its Articles of Association. The liability of the members is limited in that every member of the company undertakes to contribute an amount not exceeding £1 in the event of the company being wound up.

Recruitment and Appointment of Directors

The charity trustees are also directors of the company. There were no changes to the Directors during the financial year.

Organisation Structure

The Board consists of four Trustees who administer the playgroup and meet monthly. The Board has appointed a Playgroup Leader to manage the day-to-day operations of the Playgroup. The Playgroup leader has delegated authority, within terms of delegated approval, for operational matters including staff supervision, delivery of Playgroup activities and budgetary management. The Playgroup is affiliated to the Early Years organisation and works very closely with their Early Years Specialist to ensure that staff are up-to-date with policy and practice within the sector. Staff also undertake regular training.

KILLEAN PLAYGROUP LIMITED

Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies		16,487	49,785	66,272
Investment income	4	108	-	108
Total income		16,595	49,785	66,380
Expenditure on:				
Raising funds		(440)	-	(440)
Charitable activities	5	(16,169)	(47,053)	(63,222)
Total expenditure		(16,609)	(47,053)	(63,662)
Net (expenditure)/income		(14)	2,732	2,718
Net movement in funds		(14)	2,732	2,718
Reconciliation of funds				
Total funds brought forward		19,237	(1,572)	17,665
Total funds carried forward	16	19,223	1,160	20,383
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies		26,891	38,825	65,716
Investment income	4	79	-	79
Total income		26,970	38,825	65,795
Expenditure on:				
Raising funds		(2)	-	(2)
Charitable activities	5	(12,467)	(40,397)	(52,864)
Total expenditure		(12,469)	(40,397)	(52,866)
Net income/(expenditure)		14,501	(1,572)	12,929
Net movement in funds		14,501	(1,572)	12,929
Reconciliation of funds				
Total funds brought forward		4,736	-	4,736
Total funds carried forward	16	19,237	(1,572)	17,665

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 16.

The notes on pages 8 to 16 form an integral part of these financial statements.

KILLEAN PLAYGROUP LIMITED

(Registration number: N1606282)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	426	533
Current assets			
Debtors	11	173	700
Cash at bank and in hand	12	88,686	85,314
		88,859	86,014
Creditors: Amounts falling due within one year	13	(1,295)	(1,275)
Net current assets		87,564	84,739
Total assets less current liabilities		87,990	85,272
Creditors: Amounts falling due after more than one year	14	(67,607)	(67,607)
Net assets		20,383	17,665
Funds of the charity:			
Restricted income funds			
Restricted funds		1,160	(1,572)
Unrestricted income funds			
Unrestricted funds		19,223	19,237
Total funds	16	20,383	17,665

For the financial year ending 31 August 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 5 to 16 were approved by the trustees, and authorised for issue on 26 May 2023 and signed on their behalf by:

SIGNED SECURELY
Pauline Dowdall
29/05/2023 at 11:21:20 AM UTC

Mrs Pauline Dowdall
Trustee

SIGNED SECURELY
Collette King
29/05/2023 at 11:14:03 AM UTC

Mrs Collette King
Trustee

The notes on pages 8 to 16 form an integral part of these financial statements.

KILLEAN PLAYGROUP LIMITED

Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		2,718	12,929
Adjustments to cash flows from non-cash items			
Depreciation		107	133
Investment income	4	<u>(108)</u>	<u>(79)</u>
		2,717	12,983
Working capital adjustments			
Decrease in debtors	11	527	729
Increase in creditors	13	<u>20</u>	<u>25</u>
Net cash flows from operating activities		3,264	13,737
Cash flows from investing activities			
Interest receivable and similar income	4	<u>108</u>	<u>79</u>
Net increase in cash and cash equivalents		3,372	13,816
Cash and cash equivalents at 1 September		<u>85,314</u>	<u>71,498</u>
Cash and cash equivalents at 31 August		<u><u>88,686</u></u>	<u><u>85,314</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 8 to 16 form an integral part of these financial statements.

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Charity status

The charity is a charity private company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The charity is registered in Northern Ireland.

The address of its registered office is:

2 Kellys Road

Killean

Newry

Co Down

BT35 8RY

These financial statements were authorised for issue by the trustees on 26 May 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS102) (Charities SORP (FRS102)), the Charities Act (Northern Ireland) 2008 and Companies Act 2006.

Basis of preparation

KILLEAN PLAYGROUP LIMITED meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% reducing balance basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from charitable activities

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

	Unrestricted funds General £	Restricted funds £	Total funds £
Playgroup Fees	11,540	-	11,540
Donations	3,990	-	3,990
SELB Grants	-	38,847	38,847
Other Grants	-	7,058	7,058
HSCB Grants	-	2,400	2,400
SHSCT Grants	-	780	780
Supported learning grant	-	700	700
Total for 2022	15,530	49,785	65,315
Total for 2021	26,280	38,825	65,105

4 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	108	108
Total for 2022	108	108
Total for 2021	79	79

5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Staff costs		13,739	5,774	19,513
Allocated support costs		1,135	41,270	42,405
Governance costs		-	9	9
		1,295	-	1,295
Total for 2022		16,169	47,053	63,222
Total for 2021		12,467	40,397	52,864

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Charitable activities	14,874	47,053	61,927	51,589

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

	Activity undertaken directly £	Grant funding of activity £	Total expenditure £
Charitable activity	14,874	47,053	61,927
Total for 2021	11,192	40,397	51,589

6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

7 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	41,552	36,533
Pension costs	853	1,158
	<u>42,405</u>	<u>37,691</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Average number of employees	<u>4</u>	<u>4</u>

No employee received emoluments of more than £60,000 during the year.

8 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>1,295</u>	<u>1,275</u>

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 September 2021	1,600	1,600
At 31 August 2022	1,600	1,600
Depreciation		
At 1 September 2021	1,067	1,067
Charge for the year	107	107
At 31 August 2022	1,174	1,174
Net book value		
At 31 August 2022	426	426
At 31 August 2021	533	533

11 Debtors

	2022 £	2021 £
Other debtors	173	700

12 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	88,686	85,314

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	1,295	1,275

14 Creditors: amounts falling due after one year

	2022 £	2021 £
Other loans	67,607	67,607

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

15 Share capital

16 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	19,237	16,595	(16,609)	19,223
Restricted funds	<u>(1,572)</u>	<u>49,785</u>	<u>(47,053)</u>	<u>1,160</u>
Total funds	<u>17,665</u>	<u>66,380</u>	<u>(63,662)</u>	<u>20,383</u>
	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted funds				
General	4,736	26,970	(12,469)	19,237
Restricted funds	<u>-</u>	<u>38,825</u>	<u>(40,397)</u>	<u>(1,572)</u>
Total funds	<u>4,736</u>	<u>65,795</u>	<u>(52,866)</u>	<u>17,665</u>

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2022 £
Tangible fixed assets	426	-	426
Current assets	85,012	3,847	88,859
Current liabilities	(1,295)	-	(1,295)
Creditors over 1 year	<u>(67,607)</u>	<u>-</u>	<u>(67,607)</u>
Total net assets	<u>16,536</u>	<u>3,847</u>	<u>20,383</u>

KILLEAN PLAYGROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2022

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2021 £
Tangible fixed assets	533	-	533
Current assets	85,314	700	86,014
Current liabilities	(1,275)	-	(1,275)
Creditors over 1 year	(67,607)	-	(67,607)
Total net assets	<u>16,965</u>	<u>700</u>	<u>17,665</u>

18 Related party transactions

During the year the charity made the following related party transactions:

Killean Playgroup

(Killean Playgroup Limited took over the trade of Killean playgroup (unincorporated entity). Killean Playgroup loaned an amount of £67,606.93 to the limited company. This debt is not secured)

At the balance sheet date the amount due to Killean Playgroup was £67,607 (2021 - £67,607).