

**OUR LADY'S FIRST STEPS PRE SCHOOL**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

# OUR LADY'S FIRST STEPS PRE SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	A Rowlands
	M Gaskin
	P Whimperley
	A Gibson
	S Mellor
	T Owens
	S Percival
<b>Charity number</b>	H Whitfield
<b>Principal address</b>	1018543
<b>Independent examiner</b>	Clinton View
	Widnes
	Cheshire
	WA8 8JN
<b>Bankers</b>	Mitchell Charlesworth
	Glebe Business Park
	Lunts Heath Road
	Widnes
	Cheshire
	WA8 5SQ
<b>Bankers</b>	
<b>Bankers</b>	Yorkshire Bank plc
	20 Albert Road
	Widnes
	Cheshire
	WA8 6JG

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# OUR LADY'S FIRST STEPS PRE SCHOOL

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# OUR LADY'S FIRST STEPS PRE SCHOOL

## TRUSTEES' REPORT

### ***FOR THE YEAR ENDED 31 AUGUST 2022***

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The trustees present their annual report and financial statements for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "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**

The charity's objects are to enhance the development and education of children primarily under statutory school aged by encouraging parents to understand and provide for the needs of their children through community groups and by; (A) Offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability. (B) Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas. (C) Instigating and adhering to and furthering the aims and objects of the pre-school learning alliance. There has been no change in these during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

The committee, staff and parents were all thanked for their ongoing support. Pat Whimperley, Elaine Gaskin and Ann Gibson were declared as officers and will continue in their roles as stated above. Megan Bird was welcomed as a new parent representative, replacing Natalie Thomas.

Anne gave information to all present regarding the new Early Years Frame Work and the changes that have been made to the Ofsted inspection process. Staff will also be informed about the changes and how they can ensure they are meeting the new requirements.

Future training needs were also discussed and a budget agreed.

It was agreed by all staff that the improvements to the outdoor play areas have been a huge success and children are enjoying getting outside more. Staff explained how the areas have enhanced the planning and improved outcomes for children.

#### **Financial review**

All present were given a copy of the annual financial report. Tracey went through the details in the report in more detail, she was extremely pleased that after having been overdrawn by over £23,000.00 at the end of the previous year, the nursery has finished this financial year with a positive bank balance of almost £20,000.00.

Three members of staff left the setting during this year but all have been replaced, along with one member of staff taken on as an apprentice.

Although the nursery is in a better financial position than the previous year, it will still not be possible to do some remedial work that needs to be done to the bathrooms etc. as we need to keep a large amount of funds in the bank to cover the intended minimum wage rise which is rumored to be an increase of over just 10% in April 2023 and we have still not been sent any school meals bills from Halton Borough Council since March 2022. These bills average at least £1,000.00 per week and contract has been made with many members from school meals asking for bills to be sent but these have still not come to us. Tracey has advised that we should look into finishing our contract with Halton Borough Council and look into employing our own qualified cook. She thinks that in the long term, this will be more beneficial and cost effective for the nursery.

# OUR LADY'S FIRST STEPS PRE SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

### **Risk policy**

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Plans for future periods**

Continue to improve the nursery environment inside and outside. Ensure all staff continue to develop their skills by providing in-house training. To provide work shops for parents to attend alongside staff.

### **Structure, governance and management**

The charity is registered in England and Wales under a Constitution adopted on 14 January 1993 as amended on 1 December 1999 and by a scheme of amendment on 1 March 2017.

### **Trustees**

The trustees who served during the year and up to the date of signature of the financial statements were:

A Rowlands  
M Gaskin  
P Whimperley  
A Gibson  
S Mellor  
T Owens  
S Percival  
H Whitfield

### **Chairperson's closing report**

Pat thanked all staff including the management team; Anne, Shirley and Tracey for their commitment and hard work ensuring that the children's needs are met.

Pat will be standing down as chair person in the next 12 months. Pat and the management team have decided it is the ideal opportunity to put together a new committee who will bring new and different skills to the role, it has been a pleasure to be a part of this nursery family.

The trustees' report was approved by the Board of Trustees.

M Gaskin  
**Trustee**

22 June 2023

# OUR LADY'S FIRST STEPS PRE SCHOOL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF OUR LADY'S FIRST STEPS PRE SCHOOL

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I report to the trustees on my examination of the financial statements of Our Lady's First Steps Pre school (the charity) for the year ended 31 August 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of chartered, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

P L Griffiths FCA DChA on behalf of  
Mitchell Charlesworth

Glebe Business Park  
Lunts Heath Road  
Widnes  
Cheshire  
WA8 5SQ

Dated: 22 June 2023

# OUR LADY'S FIRST STEPS PRE SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT *FOR THE YEAR ENDED 31 AUGUST 2022*

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	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>			
Donations and legacies	2	1,709	23,144
Charitable activities	3	671,230	558,224
		<hr/>	<hr/>
<b>Total income</b>		672,939	581,368
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Charitable activities	4	644,442	626,318
		<hr/>	<hr/>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		28,497	(44,950)
Fund balances at 1 September 2021		60,181	105,131
		<hr/>	<hr/>
<b>Fund balances at 31 August 2022</b>		88,678	60,181
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# OUR LADY'S FIRST STEPS PRE SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	8		67,205		85,958
<b>Current assets</b>					
Debtors	9	13,607		8,520	
Cash at bank and in hand		19,846		-	
		<u>33,453</u>		<u>8,520</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(11,980)</u>		<u>(34,297)</u>	
Net current assets/(liabilities)			21,473		(25,777)
<b>Total assets less current liabilities</b>			<u>88,678</u>		<u>60,181</u>
<b>Income funds</b>					
Unrestricted funds			88,678		60,181
			<u>88,678</u>		<u>60,181</u>

The financial statements were approved by the Trustees on 22 June 2023

M Gaskin  
Trustee



# OUR LADY'S FIRST STEPS PRE SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	13		44,254		(55,880)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(625)		(1,867)	
<b>Net cash used in investing activities</b>			(625)		(1,867)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			43,629		(57,747)
Cash and cash equivalents at beginning of year			(23,783)		33,964
<b>Cash and cash equivalents at end of year</b>			19,846		(23,783)
<b>Relating to:</b>					
Cash at bank and in hand			19,846		-
Bank overdrafts included in creditors payable within one year			-		(23,783)

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

##### Charity information

Our Ladys First Steps Pre School is a charity incorporated in England and Wales. The principal office is Clinton View, Widnes, Cheshire, WA8 8JN. The nature of the charity's operations and principal activities are described in the Trustees' Report on page 1.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution adopted on 14 January 1993 as amended on 1 December 1999 and by a scheme of variation dated 1 March 2017, the Charities Act 2011 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Improvements to property	10% straight line
Fixtures and fittings	15% straight line
Computers	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
CJRS grants receivable	1,709	23,144

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 3 Charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Nursery fees	364,908	249,212
Milk reimbursement	1,934	1,263
Other income	2,333	916
Nursery funding	302,055	306,833
	<u>671,230</u>	<u>558,224</u>

### 4 Charitable activities

	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	538,987	522,896
Depreciation and impairment	19,378	19,081
Insurance and rates	3,265	3,259
Repairs and maintenance	3,170	5,299
Groceries	14,558	9,646
School meals	30,838	34,472
Consumables	11,696	9,491
Toys and equipment	2,549	3,216
Printing, stationery and postage	760	582
Sundry expenses	3,450	2,159
Accountancy	-	126
Bank charges and interest	2,867	2,616
Utilities	6,110	4,885
Professional subscriptions	3,493	3,282
	<u>641,121</u>	<u>621,010</u>
Share of support costs (see note 5)	777	688
Share of governance costs (see note 5)	2,544	4,620
	<u>644,442</u>	<u>626,318</u>

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 5 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Other office costs	777	-	777	688	-	688
Independent examination fees	-	2,544	2,544	-	4,620	4,620
	<u>777</u>	<u>2,544</u>	<u>3,321</u>	<u>688</u>	<u>4,620</u>	<u>5,308</u>
Analysed between Charitable activities	<u>777</u>	<u>2,544</u>	<u>3,321</u>	<u>688</u>	<u>4,620</u>	<u>5,308</u>

### 6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

There were no expenses reimbursed to trustees during the year.

### 7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>34</u>	<u>33</u>
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	506,519	490,955
Social security costs	26,243	26,001
Other pension costs	6,225	5,940
	<u>538,987</u>	<u>522,896</u>

There were no employees whose annual remuneration was more than £60,000.

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 8 Tangible fixed assets

	Improvements to property £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 September 2021	7,603	117,329	5,161	130,093
Additions	-	625	-	625
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	7,603	117,954	5,161	130,718
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation and impairment</b>				
At 1 September 2021	-	40,358	3,777	44,135
Depreciation charged in the year	760	17,638	980	19,378
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	760	57,996	4,757	63,513
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>				
At 31 August 2022	6,843	59,958	404	67,205
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2021	7,603	76,971	1,384	85,958
	<hr/>	<hr/>	<hr/>	<hr/>

### 9 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	13,607	8,520
	<hr/>	<hr/>

### 10 Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	-	23,783
	<hr/>	<hr/>
Payable within one year	-	23,783
	<hr/>	<hr/>

# OUR LADY'S FIRST STEPS PRE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

	Notes	2022 £	2021 £
Bank overdrafts	10	-	23,783
Other taxation and social security		5,832	4,450
Trade creditors		2,952	2,960
Other creditors		299	290
Accruals and deferred income		2,897	2,814
		<u>11,980</u>	<u>34,297</u>

### 12 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

### 13 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	28,497	(44,950)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	19,378	19,081
Movements in working capital:		
(Increase) in debtors	(5,087)	(8,082)
Increase/(decrease) in creditors	1,466	(21,929)
<b>Cash generated from/(absorbed by) operations</b>	<u>44,254</u>	<u>(55,880)</u>

### 14 Analysis of changes in net funds/(debt)

The charity had no debt during the year.