



Trustees' Annual Report 2019-20

For the period: 1st September 2019 to: 31st August 2020

Charity name: Lawshall Pre-school

Charity registration no: 1024417

Objectives and Activities

Area	Narrative
Summary of the purposes of the charity as set out in its governing document	Providing childcare for children aged 2 1/2 years until they start full time education.
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	<p>The aims of the pre-school are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:</p> <ul style="list-style-type: none">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.

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit

The trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

Policy on grant making

Not applicable.

Policy on social investment including program related investment

Not applicable.

Contribution made by volunteers

No material financial contributions have been made in the year by any of the charity's volunteers.

Achievements and Performance

Area	Narrative
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	The pre-school has continued to provide excellent care and development for the children attending the setting with a varied programme of experiences and activities. However, the year has been significantly impacted by Covid-19 with the pre-school open for key worker children for much of it.

Financial Review

Area	Narrative
Review of the charity's financial position at the end of the period	<p>The charity made a small deficit of £5,477 (2018-19: surplus of £35,796) for the year, whereas we had originally planned for a small surplus before Covid-19 intervened.</p> <p>Early years funding reduced from £89,944 in 2018-19 to £60,805 following the transition of a significant cohort of children to primary school. Session fees also reduced from £16,490 in 2018-19 to £14,858 in the current year.</p> <p>However, it had been anticipated that both early years funding and session fees would have recovered somewhat during the year had it not been for the interruption caused by Covid-19.</p> <p>As well as preventing the majority of children from attending the pre-school after February, Covid-19 also meant that our fundraising efforts for the year were curtailed with all activities after Easter being cancelled.</p> <p>Meanwhile staff costs increased from £65,507 in 2018-19 to £75,828 following the decision early in the year to take on an additional staff member to fully constitute the team and provide much needed resilience.</p> <p>Extremely fortunately, immediately after the end of the current year, we were awarded a £5,000 business support grant from Babergh District Council which has effectively eliminated the deficit for the year, although this will be reported in the 2020-21 accounts.</p>
Statement explaining the policy for holding reserves stating why they are held	<p>The trustees aim to maintain reserves at a level they judge sufficient to meet the charity's liabilities, principally redundancy costs, in the event of the charity</p>

being wound up. This is reviewed annually by the trustees.

Amount of reserves held	£36,096 (2018-19: £41,598)
Reasons for reserves being below target.	The target level of reserves is £25,023. The amount of reserves held in 2019-20 is comfortably above the target following a major focus by the Trustees and staff in rebuilding reserves during the year.
Explanation of any uncertainties about the charity continuing as a going concern	The trustees are confident that the charity will continue as a going concern.
The charity's principal sources of funds (including any fundraising)	<p>The charity's principal sources of funding are:</p> <ul style="list-style-type: none"> • Local authority funding for children attending the pre-school • Session fees for children attending sessions not covered by local authority funding. • Donations and fundraising activities by the committee.
Investment policy and objectives including any social investment policy adopted	Not applicable.
A description of the principal risks facing the charity.	<p>The principal risks facing the charity are judged by the trustees to be:</p> <ul style="list-style-type: none"> • Loss of key members of staff. • Inability to replace outgoing members of the committee. • Inability to recover the level of financial reserves. • An unexpected drop in the numbers of children attending the pre-school. <p>The trustees are focused on controlling these risks as far as reasonably possible.</p>

Structure, Governance and Management

Area	Narrative
Description of charity's trusts:	Not applicable.
Type of governing document <i>(e.g. trust deed, royal charter)</i>	Constitution.
How is the charity constituted? <i>(e.g. unincorporated association, CIO)</i>	Unincorporated association. The Pre-school is a body in membership of the Pre-school Learning Alliance.
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	<p>Not less than two weeks before the date of the next Annual General Meeting of the pre-school at which the election of elected Committee members will take place each Member shall be sent a form which any Member wishing to stand as a candidate for election to the Committee must complete and return to the Secretary to indicate their willingness to act as a member of the Committee if elected.</p> <p>At the Annual General Meeting the prospective new elected members of the Committee will be those candidates receiving the highest number of votes from the Members, up to a maximum of 12 elected Committee members in total. Candidates will need to notify their willingness to stand on the Committee to the Secretary.</p> <p>Where a Member is:</p> <p>(a) Family Membership</p>

Parents or guardians of all children who attend any group run by the Pre-school wishing to support the aims of the Pre-school.

(b) Affiliate Membership

Affiliate Membership is open to those individuals, organisations or other bodies interested in supporting the aims of the Pre-school. Affiliate Members may join at any time with the agreement of the Committee.

Reference and administrative details

Charity name	Lawshall Pre-school
Other names the charity uses	Not applicable
Registered charity number	1024417
Charity's principal address	Bluebell Building All Saints CEVC Primary School The Street Lawshall Suffolk IP29 4QA

Names of the charity trustees who manage the charity

	Trustee name	Office <i>(if any)</i>	Dates acted <i>(if not for whole year)</i>	Name of person (or body) entitled to appoint trustee <i>(if any)</i>
1	Caroline Adams	Chair		
2	Hannah Bayley			
3	Jenna Beeton			
4	Jo Cobbett			
5	Rebecca Holt			
6	Libby Lake			
7	Michelle Plume	Secretary		
8	Stephen Potter	Treasurer		
9	Rachel Watson			
10	Ervin Xhafa			

Funds held as custodian trustees on behalf of others

Area	Narrative
Description of the assets held in this capacity	Not applicable.
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	Not applicable.
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	Not applicable.

Exemptions from disclosure

Area	Narrative
Reason for non-disclosure of key personnel details	Not applicable.

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees:

Signature(s)

Full name(s) **Stephen Potter**

Position Treasurer

Date []^h October 2020

LAWSHALL PRESCHOOL
FINANCE REPORT
For The Year Ending 31st August 2020

	<u>AutumTerm</u>	<u>Spring Term</u>	<u>Summer Term</u>	<u>2019-20 Total</u>
INCOME:	<u>2019</u>	<u>2020</u>	<u>2020</u>	
	£	£	£	£
Session & L Club Fees	6,889.50	6,849.35	2,431.45	16,170.30
Early Years Funding	17,720.98	26,582.97	16,501.07	60,805.02
Fundraising	565.95	22.00	-	587.95
Grants & Donations	-	-	-	-
Uniform sales	110.00	-	-	110.00
New building funds	-	-	-	-
Other income (First Aid Course takings)	-	-	-	-
Apprentice funding	-	-	-	-
Gift Aid received	-	-	-	-
Transfer from No.2 account	-	-	-	-
HMRC	-	-	-	-
Total Income	25,286.43	33,454.32	18,932.52	77,673.27
EXPENDITURE:				
Staff Wages	(24,488.03)	(23,376.38)	(18,224.66)	(66,089.07)
HMRC PAYE NI	(2,187.72)	(3,866.08)	(1,423.45)	(7,477.25)
Nest Pensions	(879.20)	(583.35)	(709.45)	(2,172.00)
Extra childrens events	(105.47)	-	-	(105.47)
Snacks & Food	(419.85)	(233.77)	(83.64)	(737.26)
Resources	(489.20)	(66.83)	(5.76)	(561.79)
Business rates	(212.00)	(109.72)	56.72	(265.00)
Misc Expenses	(541.35)	(218.47)	(85.00)	(844.82)
Stationary & Print Supplies	(87.59)	(22.64)	(195.73)	(305.96)
Cleaning & PPE	(214.74)	(90.97)	(311.89)	(617.60)
Petty Cash for Consumables	(70.00)	(70.00)	-	(140.00)
Staff Training	(143.00)	(15.00)	-	(158.00)
Rent & Insurance	-	-	(622.86)	(622.86)
Phone & Utility bills	(171.48)	(168.55)	(150.67)	(490.70)
New equipment	(89.99)	(117.23)	-	(207.22)
IT	(1,234.42)	(995.99)	(151.20)	(2,381.61)
Gifts	-	-	-	-
Lawshall No 2 Account	-	-	-	-
Total Expenditure	(31,334.04)	(29,934.98)	(21,907.59)	(83,176.61)
Surplus / (Loss)	(6,047.61)	3,519.34	(2,975.07)	(5,503.34)

Bank Balances	£
no.2 a/c	5,030.06
current a/c	31,065.78
Total	36,095.84

Linda Claydon (FCCA)
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Lawshall Pre-School
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Dear Sirs,

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

I endeavour to plan my work so that I have a reasonable expectation of detecting significant control weaknesses and, if detected, I would have carried out additional work directed towards identification of consequent fraud or other irregularities.

However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, my examinations as internal auditor should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

Confirmation of Audit

I have completed all the checks that I feel relevant to your organisation and would like to issue an audit confirmation as required by the Financial Institutions of the UK.

Yours faithfully

Linda Claydon, FCCA