

Company Registration No. 07557678 (England and Wales)

LITTLE BEARS PRE SCHOOL
REPORT AND FINANCIAL STATEMENTS
31 AUGUST 2020

LITTLE BEARS PRE SCHOOL

CONTENTS

	Page
Company information	1
Directors’ report	2 - 6
Independent examiner’s report	7
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes to the financial statements	11 - 16

LITTLE BEARS PRE SCHOOL

COMPANY INFORMATION

Directors and trustees

E Martch-Harry
G Peach

Registered office

Little Bears Pre-School
Nursteed Community Primary School
Brickley Lane
Devizes
Wiltshire
SN10 3BF

Accountant

B Dowdeswell
17 Ferguson Road
Devizes
Wiltshire
SN10 3UA

Independent examiner

S Hatcher
North Cottage
Snowswick Lane
Buscot
Faringdon
SN7 8DP

Charity Number

1032470

Company Number

07557678

LITTLE BEARS PRE SCHOOL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The directors present their annual report with the financial statements of the company for the year ended 31 August 2020.

Structure, Governance and Management

The company is limited by guarantee and is a charity registered in England and Wales. It is governed by its Memorandum and Articles of Association and is a public benefit entity.

The charity is managed by a committee of eleven members, two of whom are trustees. The committee meets once every term and is chaired by the chairperson. Relevant papers are circulated before each meeting and minutes taken.

The trustees are responsible for the charity's risk management and internal control systems.

Trustees are nominated and appointed by existing committee members for a period of one year and renewable by nomination for a further term of one year. It is the trustee's intention to appoint new trustees to represent skills and interests that fully cover the scope of the nursery's activities.

All trustees receive relevant company documentation as part of the induction programme and are kept up to date with policy news through board and trustee meetings. The trustees are responsible for the charity's risk management and internal control systems.

Objectives and Activities

The aims of the pre-school are to enhance the development and education of children primarily under statutory school age and encouraging parents to understand and provide for the needs of their children through community groups and by;

- offering appropriate play, education and care facilities, family learning together with the right of parents 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;
- 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;
- Supporting and furthering the aims and objects of the Pre-School Learning Alliance.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the future aims and objectives.

The Trustees measure the success of the year against the objectives set using financial and non-financial performance indicators. The benefits of the pre-school are assessed not only in terms of the number of places taken but also the positive impact on the children and parents themselves. The review of the year sets out the performance of the charity.

LITTLE BEARS PRE SCHOOL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Review of the Year

Little Bears enjoyed another successful year. The principle objectives and activities undertaken during the year comprise:

- Continuation of financial strength with secure contingencies in place.
- Securing all spaces available for children at the nursery to maximise local authority funding.
- Provide outstanding and ongoing play, care and education facilities to the children of the nursery.

Charitable Activities

Little Bears is a purpose built pre-school specialising in providing care, play and education facilities to pre-school aged children (3 – 4 year olds). A member of the Pre-School Learning Alliance, the provision for the children's development is guided by the Early Years Foundation Stage (EYFS). The charity is funded through the local authority, attendance fees and internal fundraising by committee members and volunteers. The website can be viewed at www.littlebearsdevizes.org.uk

The cost of providing pre-school services for the year ending 31st August 2020 was £82,790 which is an increase compared with prior year costs of £67,928. 32 children attended throughout 2019-20 guided by a team of 6 qualified staff.

Ofsted have rated the quality of the provision as “outstanding”.

Helping the Wider Community

Little Bears continues to work in partnership with parents, encouraging volunteers to help with governance and various activities within the setting, working with the wider community to build relationships and help support the children and parents throughout their journey with Little Bears.

The Bristol Standard is used as a tool of continuous improvement involving staff, children and their families.

Volunteers

None of the activities of Little Bears would be possible without the help and unstinting support of our dedicated committee and volunteers. During the year, the charity enjoyed great assistance from 2 volunteers who not only form the committee that govern Little Bears, but also helped with fundraising and other activities within the setting. The trustees and all staff are eternally grateful for their continued hard work and support.

Fundraising Activities

Given the limitations of covid, the committee were still able to hold fundraising events during the year totalling gross income of £1,315. Fundraising is vital to the pre school as the money raised provides extra-curricular trips and activities for the children. A grant of £5,000 was received to improve outdoor spaces around the building.

LITTLE BEARS PRE SCHOOL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Planned fundraising for 2020-21 will include re launching seasonal events as well as the highly successful annual sponsored sports day, hopeful of limited restrictions caused by Covid-19.

Financial Review

Little Bears showed a surplus of £14,073 on income of £82,394 for the year ended 31st August 2020 compared to a prior year deficit of £(709). Income had increased by 23% due to a cyclical increase in headcount as well as a £5,000 grant in restricted income for outdoor space improvements and income toward building maintenance.

Expenditure increased by 22% from £67,928 to £82,790 due to increases in rent and building maintenance.

Reserves for Little Bears continues to show strength with the balance sheet showing net assets of £69,596 and restricted reserves of £5,000.

Reserves policy

Restricted funds are specific to the purpose presented by the donor and are ring-fenced as such for charitable projects. The balance of restricted funds at 31st August 2020 is £5,000.

The reserves policy states a requirement of at least three months of staff costs in unrestricted reserves which currently equates to approximately £14,000. At 31st August 2020, the charity had unrestricted funds of £64,596.

Principle risks

The charity's trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. The principle risks of the charity are identified and reviewed, falling under the headings of Governance, Operations, Finances, Environmental / External, Compliance.

A brief summary of major risks identified by the nursery include (but not exhaustive):

- Ensuring a quorum of committee members and suitable individuals to take on the role as Chair.
- Changes in government funding for working parents giving uncertainty to income.
- Incremental increases in overheads.

The risks have been reviewed and appropriate mitigation and management systems put in place.

LITTLE BEARS PRE SCHOOL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

Future Plans

Little Bears will continue to provide outstanding nursery care, education and support to the local children and their families whilst ensuring solid and continued financial stability. This will be made possible from the continued hard work and training of the Little Bears team.

Recruitment for volunteers and new members of the committee is an ongoing factor to the success of the nursery.

There will be a focus on marketing the setting and the fantastic work the team does. By increasing our profile in the local area more parents and families will be aware of the facilities and the opportunities for their children.

Directors

The Directors in office during the period were as follows:

E Martch-Harry
G Peach

Directors' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 charity will continue in business.

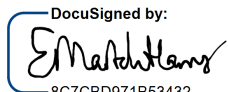
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

LITTLE BEARS PRE SCHOOL

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The directors have prepared this report in accordance with the special provisions of the Companies Act 2006 relating to small companies.

On behalf of the trustees

DocuSigned by:

.....8C7C8D971B53432.....

E Martch-Harry

Director

27-05-21 | 19:02 BST₂₀₂₁

LITTLE BEARS PRE SCHOOL**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020****Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act
 have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

Steve Hatcher

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S Hatcher
Independent Examiner

28-05-21 | 16:39 BST 2021

LITTLE BEARS PRE SCHOOL**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Income from:					
Donations		50	5,000	5,050	35
Charitable activities	2	80,399	-	80,399	65,527
Other trading activities		2,333	-	2,333	1,036
Other		9,081	-	9,081	621
Total		91,863	5,000	96,863	67,219
Expenditure on:					
Raising funds					
Fundraising costs		396	-	396	212
		396	-	396	213
Charitable activities	3	82,394		82,394	67,716
Total		82,790	-	82,790	67,928
Net movement in funds		9,073	5,000	14,073	(709)
Reconciliation of funds					
Total funds brought forward		55,523	-	55,523	56,232
Total funds carried forward		64,596	5,000	69,596	55,523

The notes on pages 11 to 18 form part of these financial statements.

LITTLE BEARS PRE SCHOOL**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Notes	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Current assets					
Debtors	5	522	-	522	516
Cash at bank and in hand		66,135	5,000	71,135	57,976
		<u>66,657</u>	<u>5,000</u>	<u>71,657</u>	<u>58,492</u>
Liabilities					
Creditors: amounts falling due within one year	6	2,061	-	2,061	2,969
Net current assets		<u>2,061</u>	<u>-</u>	<u>2,061</u>	<u>2,969</u>
Total assets less current liabilities		<u>64,596</u>	<u>5,000</u>	<u>69,596</u>	<u>55,523</u>
The funds of the charity					
Unrestricted funds		64,596	-	64,596	55,523
Restricted funds		<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
		<u>64,596</u>	<u>5,000</u>	<u>69,596</u>	<u>55,523</u>

The notes on pages 11 to 16 form part of these financial statements.

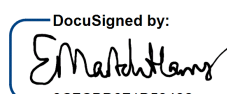
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and FRS102.

For the year ending 31 August 2020 the company 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 company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 27-05-21 | 19:02 PST and signed on their behalf by:

DocuSigned by:

 8C7CBD971B53432...
 L Martch-Harry, Director
 Company number - 07557678

LITTLE BEARS PRE SCHOOL**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
Cash used in operating activities	11	<u>13,159</u>	<u>(3,423)</u>
Increase / (decrease) in cash and cash equivalents in the year		<u>13,159</u>	<u>(3,423)</u>
Cash and cash equivalents at the beginning of the year		<u>57,976</u>	<u>61,399</u>
Total cash and cash equivalents at the end of the year		<u>71,135</u>	<u>57,976</u>

LITTLE BEARS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Little Bears Pre School 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 note(s).

b) Going concern

These financial statements have been prepared on a going concern basis. Based on a review of expected income and cash flows over the forthcoming year the trustees are satisfied that the going concern basis is a suitable basis on which to draw up the accounts.

c) Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

d) Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

e) Resources expended

Expenditure is included on an accruals basis and includes VAT which cannot be recovered.

f) Fundraising

This includes those services directly attributable to the costs of generating funds plus an appropriate proportion of overheads.

g) Charitable Activities

This includes those items incurred by the charity in the delivery of its activities and services for its beneficiaries.

LITTLE BEARS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support Little Bear's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

i) Debtors

Debtors are measured at their recoverable amounts.

LITTLE BEARS PRE SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020****2 Incoming resources from charitable activities**

	2020	2019
	£	£
Local authority funding	76,476	60,884
Attendance fees	<u>3,923</u>	<u>4,643</u>
	<u>80,399</u>	<u>65,527</u>

3 Charitable activities

	2020	2019
	£	£
Staff costs	59,307	55,233
Equipment and food	2,350	2,770
Building repairs / improvements	9,189	2,482
Trips/ activities	459	1,912
Insurance	889	878
Utilities	3,281	1,948
Rates	371	539
Staff training	272	522
Fire alarm / safety checks	185	235
Clothing	773	369
OFSTED	75	35
Accountancy fees	213	206
IT	666	193
Bank charges	63	65
Advertising	497	329
Rent	<u>4,200</u>	<u>-</u>
	<u>82,790</u>	<u>67,716</u>

4 Taxation

No provision for taxation is required as the company is a Registered Charity and all funds are applied for charitable activities.

LITTLE BEARS PRE SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020****5 Debtors**

	2020	2019
	£	£
Prepayments and accrued income	<u>522</u>	<u>516</u>
	<u><u>522</u></u>	<u><u>516</u></u>

6 Creditors

	2020	2019
	£	£
Accruals and deferred income	<u>2,061</u>	<u>2,969</u>
	<u><u>2,061</u></u>	<u><u>2,969</u></u>

7 Related party disclosure

One trustee received remuneration for their duties as treasurer of the charity with total gross pay totalling £2,115 (2018-19: £2,037)

No other trustees have received any benefits or remuneration as consideration for their duties to the charity. There have been no trustee expenses.

8 Company limited by guarantee

The company is limited by guarantee and has two members whose liability is limited to £1 each.

LITTLE BEARS PRE SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020****9 Analysis of total expenditure**

	2020 Direct Costs	2020 Support Costs	2020 Total	2019 Total
Expenditure on raising funds				
Fundraising events	<u>396</u>	<u>-</u>	<u>396</u>	<u>212</u>
 Expenditure on charitable activities				
Provision of pre-school services	<u>14,885</u>	<u>67,113</u>	<u>81,998</u>	<u>67,716</u>
	<u>14,885</u>	<u>67,113</u>	<u>81,998</u>	<u>67,716</u>
 Total	 <u>15,281</u>	 <u>67,113</u>	 <u>82,394</u>	 <u>67,928</u>

Support costs	2020 £	2019 £
Wages and salaries	58,007	55,233
Governance	365	318
Overheads	<u>8,741</u>	<u>3,366</u>
	<u>67,113</u>	<u>58,917</u>

LITTLE BEARS PRE SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020****10 Staff Costs**

	2020	2019
	£	£
Wages and salaries	57,374	54,730
Other pension	633	503
	<u>58,007</u>	<u>55,233</u>

The average number of persons, including Executive Directors, employed by the company during the year was:

	2020	2019
	No's	No's
Charitable activities	6	6
	<u>6</u>	<u>6</u>

No employee received employee benefits (excluding employer pension costs) of more than £60,000 during the year.

The aggregate staff cost of key personnel for the year was £27,079 (2018-19: £25,711) which include management personnel.

2 volunteers were engaged during the year, all of whom were members of the charity's committee and provided assistance within the pre-school and with fundraising activities.

11 Reconciliation of net movement in funds to net cash flow from operating activities

	2020	2019
	£	£
Net movement in funds	14,073	(709)
Decrease / (increase) in debtors	(6)	(7)
(Decrease) / increase in creditors	(908)	(2,707)
Net cash used in operating activities	<u>13,159</u>	<u>(3,423)</u>