
HAMPTON MAGNA PRE-SCHOOL
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Weavers
22 Ensign Business Centre
Westwood Way
Westwood Business Park
Coventry
CV4 8JA

HAMPTON MAGNA PRE-SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Elizabeth Jefferson
Mrs Nicola Glynn
Miss Hannah Gelfs
Mr David Jefferson
Ms E Stephens
Mrs Rebecca Hilliar

Charity number

1036482

Independent examiner

Weavers
22 Ensign Business Centre
Westwood Way
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United Kingdom
CV4 8JA

HAMPTON MAGNA PRE-SCHOOL

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HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

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 deed of trust, 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The aims of the pre-school are set out in our constitution and are to enhance the development and education of children under statutory school age 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.

The Committee of Management (the Trustees) has adopted a vision which is that every child should have the best possible preparation before entering school. We follow the guidance provided in the Early Years Foundation Stage Framework (EYFS) in order to provide high quality, open, inclusive preschool education and care to children who are safe, free from discrimination and happy while they play in our setting.

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit by following the guidance when making decisions and have not departed from that guidance.

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

In April 2020, the number of children on our roll was 8 two year old children (4 of which were receiving Nursery Education Grant Funding (NEGF)) and 20 three & four year-old children all in receipt of Universal NEGF and including 15 receiving additional NEGF for working parents.

In September 2020, after the 4 year old children had left to attend school numbers fell to 7 two year old children and 10 three and four year old children. By March 2021 this had changed to 3 two year old children and 15 three and four year old children.

Overall the hours children were in preschool fell slightly and our NEGF was slightly down on previous years.

Our ability to deliver services was adversely affected by Covid-19 restrictions and on March 23rd 2020 we closed to all but vulnerable children and children of keyworkers following Government Guidelines and re-opened on June 1st 2020. Of the children who met the criteria for vulnerable and key worker parents very few took up places and we operated very much on a part time basis.

We were inspected by Ofsted in June 2018 and the Inspector found that our setting is "Good". We have improved significantly since our previous inspection and we aim to achieve "Outstanding" the next time we are inspected. The latest inspection report can be found on the Ofsted website <http://reports.ofsted.gov.uk/> and our URN is 200607.

The Preschool has a strong positive relationship with Budbrooke Community Centre which owns the building from which we operate and has a very good reputation within the local community, with Special Educational Needs professionals, and with Budbrooke Primary School. In addition to NEGF sessions the Preschool operates an Early Morning Club and a Lunch Club enabling parents to access our services from 8:30am until 4:00pm on 4 days per week.

Safeguarding

Nothing is more important than children's welfare and children who need help and protection deserve high quality and effective support as soon as a need is identified. The Government issued guidance – Working Together to Safeguard Children in 2018 (the 2018 Guidance) where 4 pillars of safeguarding are published:

- Protecting children from maltreatment
- Preventing impairment of children's health or development
- Ensuring the children grow up in circumstances consistent with the provision of safe and effective care
- Taking action to enable all children to have the best outcomes.

We have put in place systems that respond to the needs and interests of children and families by complying with the 2018 Guidance, the requirements of the Early Years Foundation Stage and the advice provided by the Early Years Alliance.

All staff, volunteers and trustees undertake safeguarding checks on joining the Preschool, in accordance with OfSTED requirements and these checks are updated annually. Staff, volunteers and trustees undertake safeguarding training relevant to their role and this training is updated periodically. Staff recruitment procedures follow the requirements of Warwickshire County Council's safer recruitment procedures and we work closely with Warwickshire's Multi Agency Safeguarding Hub.

Income from privately paid sessions

Our commitment to supporting the Government's approach to funding childcare for working parents means that fewer working parents need to buy extra sessions and those that do need extra sessions buy fewer hours. Previously, we indicated that we may need to support the Preschool with a successful approach to fundraising, should our approach to ensuring parents need only take their funded places reduce our income from private fees. Covid-19 restrictions have seriously impacted on our ability to organise events and parents who were working from home needed fewer privately paid sessions. Fortunately, we are beginning to see private income pick up as voluntary take up for Early Morning Club and Lunch Club sessions is returning to normal levels.

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Fundraising activities

The Trustees aim to ensure that the Preschool is viable based on the income it receives from NEGF and parents who pay for non-funded sessions. However, we actively encourage fundraising activities and committee members, staff and parents are all active in raising funds that help to deliver our aims and objectives. This year we were unable to undertake any events due to Covid-19 restrictions.

Internal and external factors

The quality of our staff and the leadership of the Trustees has enabled the Preschool to improve its performance significantly and this has been assisted by the support from the local community.

The biggest factor to affect the preschool in its history was the UK wide lockdown in response to the health threats from COVID-19. However, the Preschool was able to remain available to key-worker parents and vulnerable children and managed a phased re-opening in July 2020. We fully opened in September 2020 and the Preschool has remained viable as, fortunately, Warwickshire County Council maintained their funding throughout.

Financial review

Financial position

The Statement of Financial Activities shows that the Preschool had a small deficit of £920 in the year to 31st March 2021 compared to a surplus of £11,093 in 2020.

Fortunately, we received full funding for children in receipt of NEGF (albeit this was slightly lower than last year due to the number of children on roll) and we were able to retain all of our staff without having to claim under the Coronavirus Job Retention Scheme. We did lose income from private fees and for SEN children not attending. Overall, the accounts show a small deficit for the year but the Trustees believe this was a good result under the circumstances.

Recruiting the staff needed to deliver the high-quality service that we aim for continues to prove difficult. Minimum pay rates are increasing at significantly higher rates than our income and unless NEGF funding rates improve we will struggle to cover the increased costs let alone improve our salary packages and improve our competitiveness in the market.

In addition, rent and other costs continue to increase and the Trustees consider that achieving a financial break even position over the next two years will be a good achievement and modest excesses of expenditure over income are sustainable due to previous years surpluses. Funds stood at £37,261 on 31st March 2021.

Principal funding sources

The principal source of the charity's funds is the NEGF administered by WCC. For parents who are not eligible for funding or require more hours than the NEGF available to them, the pre-school charges £4.40 per hour for three and four year-olds and £5.30 per hour for two year-olds. These rates were last reviewed in Autumn 2018.

Currently, the Preschool operates a single Unrestricted General Fund. As of 31st March 2021 this fund amounted to £37,261 which represents 48.8% of the expenditure in the year to 31st March 2021. This exceeded our target, according to our reserves policy, of holding at least 20% of a year's expenditure at any time.

Funds received by the charity go towards the rent of the Community Centre, books, equipment etc. for the children and wages for the staff.

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Risk Management

The trustees have 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.

The trustees have identified the following strategic and key operational risks and have measures and controls in place to ensure their effective management:

- (a) failure to comply with key requirements under the EYFS resulting in safeguarding, health and safety risks not being effectively managed and resulting in harm to a child or adult including a serious reputational impact or an inadequate grading by Ofsted or closure of the Preschool,
- (b) inadequate skills and experience of the Committee as a whole, resulting in poor governance or financial management or a lack of understanding of the requirements of the EYFS, Ofsted and WCC,
- (c) the impact of Government policy in relation to the doubling of NEGF and the capacity of the Preschool to deliver this without disproportionate increases in cost,
- (d) the loss of key staff,
- (e) the loss of funds due to fraud, theft or negligence,
- (f) the availability of Budbrooke Community Centre as a venue for the Preschool,
- (g) concerns that potential new trustees may have in relation to their personal financial liability,
- (h) currently, in South West Warwick, there is an over-supply of early years places for three and four year-old children and we need to ensure our marketing strategy enables us to bring in as many children as possible. The over-supply is expected to reduce over the next 2 to 3 years as the development of around 350 new homes in Hampton Magna continues.

Future Plans

As reported above the current NEGF funding has resulted in the Preschool needing to find additional resources to ensure its future sustainability. We are developing a strategic approach to fundraising and we anticipate that this will help us bridge the gap between what the Government pays and what we need.

We are also developing our marketing strategies in order to ensure we attract as many of the local 2, 3 and 4-year old children as we can. We need to ensure that families moving into the area as a result of new developments are aware of the services we can offer as soon as they arrive.

Feedback from parents who do not use our Preschool suggests that not opening on Tuesdays is a significant reason for opting for other settings and we need to look at how we can address this including developing a wrap around service with local childminders.

Structure, Governance and Management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity. The full name of the charity is Hampton Magna Pre-School and its registered number is 1036482. The charity was established by a constitution adopted on the 3rd December, 1993. The constitution was subsequently updated to the 2008 model constitution issued by the Pre-school Learning Alliance at the Annual General Meeting of 6th October 2010.

The charity's principal address is Community Centre, Field Barn Road, Hampton Magna, CV35 8RX.

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

Mrs Elizabeth Jefferson

Mrs Nicola Glynn

Miss Hannah Gelfs

Mr David Jefferson

Mr A Allsop

(Resigned 8 December 2020)

Mrs Lucy Field

(Resigned 8 December 2020)

Ms E Stephens

Mrs Rebecca Hilliar

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Recruitment and appointment of new trustees

The Trustees are elected for one year at the Annual General Meeting. Retiring members are eligible for re-election unless they have served on the committee in any capacity for ten consecutive years. The Committee is able to co-opt up to 3 additional Trustees and a co-optee can serve on the committee until the next AGM unless they have served for 6 consecutive years.

Trustees including Co-Optees do not receive any remuneration or expenses in their capacity as members of the management committee.

Induction and training of new trustees

New Trustees are given suitable training in their duties and responsibilities as members of the management Committee. Additional training is provided if a committee member is also a volunteer worker in the Preschool.

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



Mrs Elizabeth Jefferson

Trustee

Dated: 25 November 2021

HAMPTON MAGNA PRE-SCHOOL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HAMPTON MAGNA PRE-SCHOOL

I report to the trustees on my examination of the financial statements of Hampton Magna Pre-School (the charity) for the year ended 31 March 2021.

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

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



Edward W. Buckworth FCA
Weavers

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Dated: 25 November 2021

HAMPTON MAGNA PRE-SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations received	2	35	130
Income from charitable activities - Preschool	3	75,442	79,126
Income from fundraising events	4	-	286
Interest received	5	12	38
Total income		75,489	79,580
<u>Expenditure on:</u>			
Charitable activities	6	76,409	68,487
Net (expenditure)/income for the year/ Net movement in funds		(920)	11,093
Fund balances at 1 April 2020		38,181	27,088
Fund balances at 31 March 2021		37,261	38,181

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

All income and expenditure derives from continuing activities.

HAMPTON MAGNA PRE-SCHOOL

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		10		14
Current assets					
Debtors	11	1,689		1,343	
Cash at bank and in hand		41,056		44,927	
		<u>42,745</u>		<u>46,270</u>	
Creditors: amounts falling due within one year	12	<u>(5,494)</u>		<u>(8,103)</u>	
Net current assets			37,251		38,167
Total assets less current liabilities			<u>37,261</u>		<u>38,181</u>
Income funds					
Unrestricted funds			37,261		38,181
			<u>37,261</u>		<u>38,181</u>

The financial statements were approved by the Trustees on 25 November 2021



Mrs Elizabeth Jefferson
Trustee

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Hampton Magna Pre-School is an unincorporated charity, registered in England and Wales.

The registered office address and place of business is at The Community Centre, Field Barn Road, Hampton Magna, Warwick, CV35 8RT.

The Charity is a public-benefit entity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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.

1.4 Incoming resources

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. Any income recognised for the period but not received at the Balance Sheet date is included as a debtor.

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.

Voluntary services provided to the charity are not recognised financially in the accounts and no attempt is made to place a monetary value on such services.

The charity receives grants under the Nursery Education Grant Funding scheme from Warwick County Council. Income from this source is recognised on the basis of the period to which the grant funding relates.

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.5 Resources expended

Liabilities are recognised 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 costs related to a particular category.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost less 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:

Fixtures and fittings	25% on reducing balance
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1.7 Retirement benefits

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

2 Donations received

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	35	130

3 Income from charitable activities - Preschool

	Pre-school income	Pre-school income
	2021	2020
	£	£
Preschool fees	8,106	8,111
Grants received under Nursery Education Grant Funding	67,336	71,015
	<u>75,442</u>	<u>79,126</u>

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Income from fundraising events

	Total Unrestricted funds	
	2021	2020
	£	£
Fundraising events	-	286
	<u> </u>	<u> </u>

5 Interest received

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	12	38
	<u> </u>	<u> </u>

6 Charitable activities

	2021	2020
	£	£
Staff costs	58,026	48,628
Depreciation	4	4
Insurance	773	765
Rent	10,884	11,406
Staff training	655	359
Equipment	2,121	2,025
Play group requisites	235	385
Food and drinks	318	382
Sundry expenses	2,455	3,519
	<u> </u>	<u> </u>
	75,471	67,473
	<u> </u>	<u> </u>
Share of governance costs (see note 7)	938	1,014
	<u> </u>	<u> </u>
	76,409	68,487
	<u> </u>	<u> </u>

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Accountancy	-	638	638	666	Governance
Clerical assistance	-	231	231	288	Governance
Bank charges	-	69	69	60	Governance
	<u>-</u>	<u>938</u>	<u>938</u>	<u>1,014</u>	
Analysed between					
Charitable activities	-	938	938	1,014	
	<u>-</u>	<u>938</u>	<u>938</u>	<u>1,014</u>	

The charity was invoiced £637.68 including VAT in the year by the independent examiner (2020: £665.40).

8 Trustees

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

Wages paid to committee members cover their work as members of staff and do not include pay for work as members of the committee.

Miss H. Gelfs is a committee member and is also on the staff of the preschool for which she is paid a salary.

In the course of the charity's operations trustees occasionally incur expenses on the charity's behalf and these amounts are reimbursed to the relevant trustee. Amounts are supported by invoices or other paperwork as appropriate.

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	5	4
	<u>5</u>	<u>4</u>
Employment costs	2021	2020
	£	£
Wages and salaries	56,336	47,056
Pension costs - defined contribution	1,690	1,572
	<u>58,026</u>	<u>48,628</u>
	<u>58,026</u>	<u>48,628</u>

No employee of the charity received emoluments in excess of £60,000.

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2020	1,900
At 31 March 2021	<u>1,900</u>
Depreciation and impairment	
At 1 April 2020	1,886
Depreciation charged in the year	4
At 31 March 2021	<u>1,890</u>
Carrying amount	
At 31 March 2021	<u>10</u>
At 31 March 2020	<u>14</u>

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	1,608	1,219
Other debtors	-	43
Prepayments and accrued income	81	81
	<u>1,689</u>	<u>1,343</u>

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,327	7,403
Other creditors	14	-
Accruals and deferred income	4,153	700
	<u>5,494</u>	<u>8,103</u>

13 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).