

HAMPTON MAGNA PRE-SCHOOL
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 Powell
Mr David Jefferson
Ms E Stephens
Mrs Rebecca Hilliar

Charity number

1036482

Independent examiner

Weavers
22 Ensign Business Centre
Westwood Way
Westwood Business Park
Coventry
United Kingdom
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HAMPTON MAGNA PRE-SCHOOL

CONTENTS

	Page
Trustees' report	1 - 5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 14

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 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 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 Early Years 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 2022

Achievements and performance

The numbers of children attending at least one session at the preschool had fallen in the year to March 2021, due to the Covid-19 pandemic and the resultant closures. In April 2021 the preschool had 3 two year-old children and 15 three and four year-olds. During the year to March 2022 the number of two year-olds increased to 5 and the number of three and four year-olds remained at 15.

The trustees and staff were concerned that the number of children should not dwindle and in mid-2021 decided to be more proactive in marketing the pre-school. We targeted 2 year-old children particularly because they help to provide a stable income over more years than three or four year-old children and we are pleased to report that numbers of two year-olds attending the preschool have doubled since April 2022.

This is particularly welcome as the number of children on the roll usually falls significantly at the start of the Autumn term when the older children move on to primary school. This strategy should help to ensure the sustainability of the preschool.

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.

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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. We started to resume fundraising activities in the year to March 2022, as Covid-19 restrictions were lifted. At the 2022 AGM we will be seeking support from members to undertake more effective fundraising.

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. The Preschool was able to remain available to key-worker parents and vulnerable children during this period. The Preschool has remained viable as, fortunately, Warwickshire County Council maintained their funding throughout and continues to support the Preschool.

Financial review

Financial position

The Statement of Financial Activities shows that the Preschool had a surplus of £4,914 in the year to 31st March 2022 compared to a small deficit of £920 in 2021.

We were supported by Warwick District Council who provided an additional grant of £12,500 on top of the usual funding during the year for which we were grateful.

Income from private fees increased compared to the previous year and NEGF funding remained at a similar level. SEN funding rose as the preschool had more of these children attending in the year to March 2022 than in the previous year although the fall in income in the previous year was in part due to the Covid-19 lockdowns and there being no SEN children attending during these periods.

Recruiting the staff needed to deliver the high-quality service that we aim for continues to prove difficult. We increased our pay rates for staff during the year in order to maintain the competitiveness of the preschool and to retain the high quality staff that we have. Further increases in the National Minimum wage in April 2022 has put further pressure on staff costs.

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 £42,175 on 31st March 2022.

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 we charge £4.80 per hour for three and four year-olds and £5.45 per hour for two year-olds. These rates were increased from £4.40 and £5.30 respectively on 1st September 2021.

Currently, the Preschool operates a single Unrestricted General Fund. As of 31st March 2022 this fund amounted to £42,175 which represents 48% of the expenditure in the year to 31st March 2022. 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 2022

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

The preschool needs 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. As noted above we will be seeking support from members to undertake fundraising activities in the future.

Our marketing strategy to increase the number of two year-olds attending has proven successful so we plan to maintain this for the future. 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.

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.

In October 2022 the committee undertook a routine review of Governance documents and found a possible problem regarding the adoption of the 2011 constitution. It was subsequently discovered that the committee at the time of its adoption had minuted the adoption correctly but that the relevant documents had not been approved by the Charity Commission. After taking advice from the Early Years Alliance we have submitted, via the EYA, all the documents needed for the Charity Commission to give formal approval to us adopting the 2011 Constitution.

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 Powell

Miss Hannah Gelfs

(Resigned 9 November 2022)

Mr David Jefferson

Ms E Stephens

Mrs Rebecca Hilliar

HAMPTON MAGNA PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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: 17 November 2022

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 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

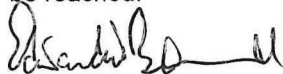
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting 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

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

Dated: 17 November 2022

HAMPTON MAGNA PRE-SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<u>Income from:</u>			
Donations received	2	-	35
Income from charitable activities - Preschool	3	92,796	75,442
Income from fundraising events	4	54	-
Interest received	5	5	12
Total income		<u>92,855</u>	<u>75,489</u>
<u>Expenditure on:</u>			
Charitable activities	6	<u>87,941</u>	<u>76,409</u>
Net income/(expenditure) for the year/ Net movement in funds		4,914	(920)
Fund balances at 1 April 2021		<u>37,261</u>	<u>38,181</u>
Fund balances at 31 March 2022		<u><u>42,175</u></u>	<u><u>37,261</u></u>

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		7		10
Current assets					
Debtors	11	1,915		1,689	
Cash at bank and in hand		51,491		41,056	
		<u>53,406</u>		<u>42,745</u>	
Creditors: amounts falling due within one year	12	<u>(11,238)</u>		<u>(5,494)</u>	
Net current assets			42,168		37,251
Total assets less current liabilities			<u>42,175</u>		<u>37,261</u>
Income funds					
Unrestricted funds			42,175		37,261
			<u>42,175</u>		<u>37,261</u>

The financial statements were approved by the Trustees on 17 November 2022



Mrs Elizabeth Jefferson
Trustee

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

Any other Government grants are recognised on receipt.

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

	Total Unrestricted funds	
	2022 £	2021 £
Donations and gifts	-	35
	<u> </u>	<u> </u>

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Income from charitable activities - Preschool

	Pre-school income 2022 £	Pre-school income 2021 £
Preschool fees	11,014	8,106
Grants received from Warwickshire County Council and Warwick District Council - see below	81,782	67,336
	<u>92,796</u>	<u>75,442</u>
Performance related grants		
Grants under Nursery Education Grant Funding scheme	57,090	58,364
Grants for Special Education Needs	12,192	8,972
Warwick District Council Covid-19 support grant	12,500	-
Other	-	-
	<u>81,782</u>	<u>67,336</u>

4 Income from fundraising events

	Unrestricted funds 2022 £	Total 2021 £
Fundraising events	54	-

5 Interest received

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	5	12

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	2022 £	2021 £
Staff costs	68,422	58,026
Depreciation	3	4
Insurance	732	773
Rent	12,419	10,884
Staff training	120	655
Equipment	1,041	2,121
Regulatory fees	239	235
Food and drinks	577	318
Sundry expenses	2,255	2,455
Fees paid for outside activities	1,020	-
	<u>86,828</u>	<u>75,471</u>
Share of governance costs (see note 7)	1,113	938
	<u>87,941</u>	<u>76,409</u>

7 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Accountancy	-	656	656	638	Governance
Clerical assistance	-	360	360	231	Governance
Bank charges	-	97	97	69	Governance
	<u>-</u>	<u>1,113</u>	<u>1,113</u>	<u>938</u>	
Analysed between Charitable activities	-	1,113	1,113	938	

The charity was invoiced £656.16 including VAT in the year by the independent examiner (2021 £637.68).

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.

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Trustees

(Continued)

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.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	5	5
	<u>5</u>	<u>5</u>
Employment costs	2022	2021
	£	£
Wages and salaries	66,210	56,336
Pension costs - defined contribution	2,212	1,690
	<u>68,422</u>	<u>58,026</u>
	<u>68,422</u>	<u>58,026</u>

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

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2021	1,900
At 31 March 2022	<u>1,900</u>
Depreciation and impairment	
At 1 April 2021	1,890
Depreciation charged in the year	3
At 31 March 2022	<u>1,893</u>
Carrying amount	
At 31 March 2022	7
At 31 March 2021	<u>10</u>

HAMPTON MAGNA PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	1,826	1,608
Prepayments and accrued income	89	81
	<u>1,915</u>	<u>1,689</u>

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	331	1,327
Other creditors	3	14
Accruals and deferred income	10,904	4,153
	<u>11,238</u>	<u>5,494</u>

13 Related party transactions

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