

MONTROSE PRE-SCHOOL

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st AUGUST 2021

Montrose Pre-School,
The Methodist Church,
Locket Road,
Wealdstone,
HA3 7ND

Telephone 020 8863 5800

Mobile 07940 439 255

Website www.montrosepreschool.co.uk

email: montrosepreschool@yahoo.com

Registered Charity Number 1037511

Early Years Alliance Member 8986

Ofsted Registration 509061

MONTROSE PRE-SCHOOL

OFFICERS DURING THE YEAR ENDED 31 AUGUST 2021

TRUSTEES

Chair : Aelwyn Taylor (From 1.4.14)
Adetutu Alafe-Aluko (From 1.9.17)
Susan Aldridge (From 19.3.19)
Elizabeth Allner (From 29.1.19)
David Foinette (From 12.3.11)
Kathleen Harrison (From 25.9.18 to 31.8.21)
Christine Messenger (From 9.2.16)
Sailesh Shah (From 29.1.19)

MANAGER

Claire O'Driscoll
Deputy Julie Curd

TREASURER

David Foinette

BANKERS

Barclays Bank plc,

INDEPENDENT EXAMINER

John Pennells

CONSTITUTION

The Early Years Alliance,
Pre-school Constitution 2008

TRUSTEES REPORT FOR THE YEAR ENDING 31st AUGUST 2021

The Charity and Trustees

Montrose Pre-School is an independent unincorporated charity reporting to the Charity Commission and OFSTED (Office for Standards in Education) and is a member of the Early Years Alliance, an organisation promoting good practice among all types of child carers, including Pre-Schools. Montrose Pre-School is governed by the Board of Trustees, with day to day responsibility undertaken by the Pre-School's Manager. Historically, Trustees have been recruited from the parents of children attending the Pre-School; from among the members of Wealdstone Methodist Church, in whose premises the Pre-School operates; and others in the local community with relevant skills. Its constitution is the Early Years Alliance Constitution 2008.

Aims and Objectives

The Pre-School aims to provide a happy, safe, and effective learning environment for children from the local community. The size of the premises restricts the number of children at any one time to 18, so the fact that both morning and afternoon sessions have operated five days a week, significantly increases the number of children who can be offered places. The Trustees believe that they are meeting their obligation to assist the wider community by the Pre-School promoting and fostering working partnerships with children's parents or carers; ensuring equal opportunities for all; and including those from disadvantaged backgrounds, or having special needs. The Trustees have paid due regard to the guidance issued by the Charity Commission on public benefit.

Safeguarding, Equality and Recruitment

Trustees receive training based on guidelines issued by the Methodist Church for Church Trustees. All Trustees and staff are subject to enhanced Disclosure and Barring Service (DBS) checks. Where a person has not had the relevant DBS check, (for example a parent wishing to assist at a session on a one off basis), they are accompanied at all times by a staff member.

It goes without saying that there is no bar to any Trustee, staff member, parent or pupil attending the Pre-School on the grounds of race, religion, gender, sexual orientation, or disability.

Parents may apply for their child's place at any time, and need to show that either they qualify for assistance from the local authority, or can fund the sessions themselves.

Pay Policy and Equality

Staff during their probationary period are paid at the rate of the Living Wage. Upon concluding their probation the pay is increased depending on the grade and responsibility of the post. This applies equally to male and female staff.

Trustees Report for the Year Ending 31st August 2021 Continued

Trustee Responsibilities

The Trustees accept that they must act strictly in accordance with the charity's constitution; act only in the charity's interests; take a long term view of the charity's operations; not to derive any personal gains from the charity; and to seek professional advice on matters which they are not competent to administer.

The Trustees are responsible for preparing the annual report and financial statements. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to ensure that financial statements comply with relevant legislation. The Trustees are also responsible for taking reasonable steps for the prevention and detection of fraud and any other irregularities.

Risks

The Trustees recognise three areas of risk to their operation.

Firstly, the charity is almost completely dependent upon grants from the local authority for its operation. If the rate per student were to be reduced, or the rates not raised in line with inflation, the charity would face an acute crisis. It is unlikely that a sufficient number of parents paying the full cost per child could be found, and even if the number were found, this would conflict with the objective to meet special and social needs in the local community.

Second, a number of local schools have recently opened pre-school classes within their school premises. The Pre-School no longer has a long waiting list of pupils. If the full compliment of morning and afternoon places were not to be filled, the viability of the Pre-School would be seriously affected.

Third, the Pre-School occupies the premises under an annual licence from Wealdstone Methodist Church. It would be possible, if the Church required the premises for other uses, for it to give three months notice to end the licence. In view of the links between the Church and the Pre-School, the Trustees feel that this eventuality is unlikely.

Reserves

Since inception the policy has been to build up an amount in reserve equal to six months operating expenses, and to include a figure for the costs of staff redundancy pay. Under the Church Licence the Pre-School is responsible for the removal of some external equipment for which the current estimated cost is £2,000. The current reserve target this year was £86,350 against £76,856 for last year. The Trustees regret to report that for the first time the target reserve has not been reached. Also for the first time a deficit of £1,301 for the year was recorded. Considering the difficulties outlined in the Managers Report, we are deeply grateful for the way in which all staff responded to the challenges.

Aelwyn Taylor (Chair of Trustees)

Trustees Report for the Year Ending 31st August 2021 Continued

Operations During the Year

The Trustees are pleased to present below the Manager's Report for the year.

Managers Report

The autumn term in 2020 began in the same way the summer term had ended, with the continuation of the pandemic and all its consequences. The Pre-School had planned its reopening with a revised Covid Risk Assessment and consultations with the families who were due to return. The doors opened on September 7th with 15 children on the register. This increased slightly by the end of term. There was still some anxiety among parents about sending children to pre-school and we did our best to reassure them that we were following all the government guidelines and that the children would be safe. Some parents opted to keep their children at home and luckily for us Harrow Council agreed to continue to fund all children on the register for the autumn term whether they attended or not. This gave us a secure base financially and allowed us to continue working with the children we had.

The autumn term also brought some bad news. I, Claire, was diagnosed with bowel cancer. This presented new challenges for everyone. The management committee, my deputy and I agreed on a plan. Julie, (Deputy Manager) would act as manager while I was off, and I would work from home completing any admin work and being there as a support for Julie. The rest of the team stepped up by doing extra hours to cover and 'as and when' staff were drafted in. Despite all the challenges, Julie and the team did an amazing job and managed to keep the pre-school running smoothly and even managed to increase the number of children while also introducing changes to the curriculum and being more creative in the way we work.

By the end of the term two staff tested positive with Covid, Julie and Sora, and both were quite ill. This happened just as the setting was closing for the Christmas break, but the children still managed to have their Christmas Party due to the hard work and commitment of the other staff.

Just as the staff recovered and returned to work, the setting had to close in the new year for a week as two of the children tested positive with Covid. Luckily again, the local government agreed to pay the funding based on the same numbers as the autumn term and regardless of whether the children attended or not. This was a great relief as the children's attendance at this stage was quite low with the lockdown restrictions in place

The summer term saw some new admissions and a return of some form of normality as restrictions were lifted. Parents were allowed to come into the setting to settle children but only one at a time. Other professionals began visiting the setting again to do assessments on the children. This was much more effective than the previous virtual consultations.

Trustees Report for the Year Ending 31st August 2021 Continued

Managers Report Continued

As the year comes to an end, we reflect on what a challenging year it has been. Apart from the pandemic, the setting has had its own challenges with an increase in the number of children with special educational needs (SEN) attending. As summer term began, the setting had nine children on the SEN register. Most of these children need adult support and one to one supervision which stretches the team's capabilities and resources. As a result of this the setting has decided to take on an apprentice. This is someone who has been covering as an 'as and when' employee for several months. Jack will start the apprenticeship in September and will attend college one day per week. He is well liked by the team especially the children and will be our first male member of staff. Jack's wages will be financed through the Government apprentice scheme as well as Inclusion Funding and Pre-School Funds.

We look forward to a more positive year next year and hope that restrictions will be a thing of the past.

Claire O'Driscoll
Manager

MONTROSE PRE-SCHOOL

ACCOUNTS TO 31st AUGUST 2021

STATEMENT OF FINANCIAL ACTIVITIES

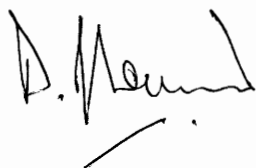
	2020/21			2019/20
	General Funds	Inclusion Funds	Total Funds	Total Funds
INCOMING RESOURCES	£	£	£	£
London Borough of Harrow	103,114	-	103,114	101,704
Inclusion Funding	-	10,149	10,149	3,500
Fees	-	-	-	2,580
Employment Allowance	4,468	-	4,468	3,072
Interest Received Deposit Fund	120	-	120	508
Money for Lunches	450	-	450	430
Money-raising Events	-	-	-	175
Total Incoming Resources	108,152	10,149	118,301	111,969
RESOURCES EXPENDED	£	£	£	£
Staff Costs				
Wages	87,617	8,949	96,566	80,922
National Insurance	6,136	-	6,136	5,294
Pension Contributions	2,661	-	2,661	2,223
Training	495	-	495	85
DBS Fees	260	-	260	-
Total Staff Costs	97,169	8,949	106,118	88,524
Administration Costs	£	£	£	£
Rent	5,700	-	5,700	5,700
Landline, Broadband & Mobile Phone	910	-	910	867
Printing & Stationery	797	-	797	459
Insurance	507	-	507	506
Computerised Payroll	734	-	734	595
Quickbooks	264	-	264	-
Registration and E.Y.A Membership	106	-	106	106
Costco	94	-	94	77
OFSTED Membership	50	-	50	50
Data Protection	35	-	35	35
Independent Examination	75	-	75	50
Committee Expenses	-	-	-	60
Sundries	238	-	238	98
Total Administration Costs	9,510	-	9,510	8,603
Activities	£	£	£	£
Cost of Lunches	464	-	464	400
PPE Equipment	63	-	63	111
Stores/Supplies/Toys/Educational	1,119	-	1,119	1,459
Inclusion Activity Costs	-	1,200	1,200	-
Play Area Repairs	-	-	-	1,776
Total Activity Costs	1,646	1,200	2,846	3,746
Depreciation of Play Area equipment	1,128	-	1,128	1,854
Total Resources Expended	109,453	10,149	119,602	100,873
Net (-Outgoing) Incoming Resources	-1,301	-	-1,301	11,096
Balances Brought Forward at 1st September 2020	81,473	-	81,473	72,231
Balances Carried Forward at 31st August 2021	80,172	-	80,172	83,327

MONTROSE PRE-SCHOOL

BALANCE SHEET AS AT 31st AUGUST 2021

		General Funds	2020/21 Restricted Funds	Total Funds	2019/20 Total Funds
		£	£	£	£
CURRENT ASSETS					
Fixed Assets					
Outdoor Equipment at Cost		8,418	-	8,418	8,418
Less Depreciation		5,785	-	5,785	-4,657
Net Fixed Assets	(Note 9)	2,633	-	2,633	3,761
Cash					
In Hand		326	-	326	6
Current Account : Barclays Bank		8,154	-	8,154	1,527
Affirmative Deposit Fund		70,109	-	70,109	83,398
Total Cash	(Note 10)	78,589	-	78,589	84,931
Debtors					
Sundry Debtors	(Note 11)	-	-	-	102
Total Current Assets		81,222	-	81,222	88,794
Less: Current Liabilities					
Job Retention Grant	(Note 12)	-	-	-	6,531
Inland Revenue		471	-	471	407
NEST		408	-	408	333
Independent Examiner	(Note 13)	75	-	75	50
Sundry Creditors		96	-	96	-
Total Current Liabilities	(Note 14)	1,050	-	1,050	7,321
Net Assets Equal to Funds		80,172	-	80,172	81,473

Signed:



Treasurer

12/11/21

MONTROSE PRE-SCHOOL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting Standard

The Financial Statements have been prepared in accordance with *Accounting and Reporting by Charities : Statement of Recommended Practice (SORP2015)*, the *Financial Reporting Standard FRS102*, and *Charities Reporting Regulations SI 321*.

2 Public Benefit Entity

Montrose Pre-School meets the definition of a public benefit entity under FRS102. Assets and Liabilities are recognised at historical cost.

3. Basis

These accounts have been prepared on the basis of historical cost. Accruals basis has been used.

4. Content

The financial information presented is relevant, reliable, and complete. The accounts are expressed in Pounds Sterling, rounded to the nearest pound.

5. Going Concern

Based on the monetary and human resources available at 31 August 2021, the trustees believe that the Pre-School is a going concern.

6. Income Recognition

Income is brought into the accounts when it is more likely than not that the economic benefit will be forthcoming. The value of volunteer help is not recognised. If items are donated, the value will be shown in the notes to the accounts if the value is considered material.

7. Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Pre-School to pay out resources.

8. VAT

The Pre-School is not VAT registered. All input VAT is charged with the expense to which it relates.

9. Fixed Assets

The Pre-School owns no land or buildings. Outdoor Equipment has been capitalised, and is depreciated at 33% per annum on the reducing balance as it is stored outside without cover. Other equipment assets have not been capitalised as no one item is worth more than £500. (2020-£500.)

10. Bank and Cash

The liquid funds of bank and deposit fund balances are shown at their realisable value.

Notes to the Accounts for the Year Ended 31st August 2021 Continued

11. Receivables

Debtors are stated at the amount owed to the Pre-School, or prepaid. 2020-21 £ Nil. (2019-20 £102).

12. Fee for Examination of the Accounts

An accrual of £75 has been made to cover the fee for reporting on the accounts. (2019-20 £50).

13. Job Retention Grant

This Grant was not treated as Income as it was repaid during the year 2020-2021..

14. Payables

Creditors are recognised at settlement amount after discount, or accrued. 2020-21 £96. (2019-20 £7,421).

15. Trustees

None of the Trustees or persons connected with them received any remuneration or other benefits from the Pre-School as a result of their office during the year.

16. Restricted Funds

From time to time monies are received for strictly specific use. The related receipts and payments are recorded in a separate column of the SOFA. £10,149 for Inclusion Funding was received during the year.. (2019-20 £3,500 for Inclusion Funding).

17. Staff

Five staff were employed for the full 38 weeks of the school year, three staff were employed on a part time basis, one for 22 weeks, one for 19 weeks and one for 17 weeks. (2019 - 2020 Four staff were employed for 12 weeks of the school year and five staff for 22 weeks; all five staff were furloughed in April for 4 weeks.)

18. Holidays

Staff who work the full week receive Bank Holidays and 20.6 days of paid leave. Staff who work less than the full working week receive Bank Holidays and an appropriate proportion of 20.6 days of paid leave. The remaining part of the year is unpaid leave.

19 Training

Staff are encouraged to undertake in work training, and are paid to attend approved courses.

20. Pensions

The Pre-School is a member of the National Employment Savings Trust (NEST). This is a defined contributions scheme. Eligible staff are automatically enrolled into the scheme; other staff may join voluntarily. Current rates of contribution are staff 5% and employer 3%.

Notes to the Accounts for the Year Ended 31st August 2021 Continued

21. Wages and Associated Costs

	2020-21	2019-20
	£	£
Gross Pay	96,566	80,922
Employers National Insurance Contributions	6,136	5,294
Employers Pension Contributions to NEST	2,661	2,223
	<u>105,363</u>	<u>88,439</u>
Average weekly contractual hours for staff	30.04 hours	28.46 hours

The average figures ignore the effect on actual working of Covid 19 restrictions.

22. Reserves Policy

It has always been the policy to create a reserve equal to six months running costs, first achieved in the year 2014-2015. The introduction of afternoon sessions from September 2015 doubled costs and hence the target reserve.

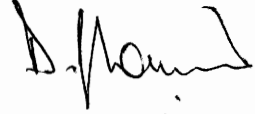
The current position is as follows:

	2020-21	2019-20
	£	£
Six months running expenses	59,800	51,414
Redundancy for staff	24,550	23,942
Delapidations	2,000	1,500
	<u>86,350</u>	<u>76,856</u>
Target Reserve	86,350	76,856
Reserve Funds	80,172	81,373
	<u>-6,178</u>	<u>4,517</u>
(-Shortfall)/Surplus		

23. Declaration

Treasurer

I confirm that these accounts have been prepared from the records of the Montrose pre-School and that they include all funds under the control of the Pre-School Trustees.


David Foinette (Treasurer)

12/11/21
Date

MONTROSE PRE SCHOOL

INDEPENDENT EXAMINERS UNQUALIFIED REPORT

Independent Examiner's Report to the Trustees of Montrose Pre School.

I report on the accounts of the Pre School for the year ended 31 August 2021 which are set out on the accompanying pages 6 to 10.

Respective responsibilities of trustees and examiner.

The preschool's trustees are responsible for the preparation of the accounts under section 130 of the Charities Act 2011. The preschool's trustees consider that an audit is not required for this year and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent Examiner's Report.

My examination was carried out in accordance with the General Directions given by the Act. An examination includes a review of the accounting records kept by the preschool 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

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 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- (2) to which, in my opinion, attention should have been drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date: 12 November 2021

John Pennells
7 Wills Way,
Romsey
Hampshire,
SO51 6HZ