

Charity Registration Number:1044243

HEAMOR PRE-SCHOOL PLAYGROUP
UNAUDITED TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST JULY 2023

HEAMoor PRE-SCHOOL PLAYGROUP

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HEAMMOOR PRE-SCHOOL PLAYGROUP

YEAR ENDED 31ST JULY 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity registered with the Charity Commission under number 1044243 on 17th February 1995 and is governed by its constitution which is implemented by the Trustees`. The Charity`s main objectives are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups.

The Charity is a body in membership of the Pre - School Learning Alliance. The Pre - School Learning Alliance is a national organisation registered as an educational charity providing support for the setting up and running of pre - school playgroups.

Working Names

Heamoor Pre - School and Out - of- School Clubs
Willows Pre - School and Out - of- School Clubs
Willows Pre - School Playgroup
Willows Educare

Registered Charity Number: 1044243

Registered Address: % Heamoor CP School, Bosvenna Way, Heamoor, Penzance,
Cornwall, TR18 3JZ

Trustees: Susan Oliver
Alice Brighton
Emma Withecombe
Chris Andrews
Jessica Jackson

Managers: Nursery Manager - Sara Mitchell
Office Manager – Tracy Cole

Bankers: Santander
Bridle Road,
Bootle,
Merseyside,
G1R 0AA

Solicitors: CVC
Unit N, Questmap Business Park
Long Rock Industrial Estate,
Penzance,
Cornwall,
TR20 8AS

Independent Examiner:

Mr N Hallam FCCA
Crane and Johnston
11 Alverton Terrace,
Penzance,
Cornwall
TR18 4JH

HEAMOOR PRE - SCHOOL PLAYGROUP

YEAR ENDED 31ST JULY 2023

TRUSTEES` ANNUAL REPORT

GOVERNANCE

The adopted governing document of the Heamoor Pre - School Group (known as Willows) is the constitution of the Pre - School Learning Alliance of which the pre - school is a member.

At least 60% of the Committee members, including co-opted members, shall at the time of election or co-option be parents or guardians of children in the groups run by the pre - school. In the event that this 60% figure cannot be achieved the pre - school may elect other members who are not parents or guardians to the Committee subject to each of those other members being approved by the local Branch Executive.

All parents and guardians of children of the group are invited before AGM to stand for election. Any resigning officers will attend the first meeting following the AGM to ensure the induction of new members. Training is available but not obligatory. There is no obligation by any other person or external body to appoint one or more Trustees`.

The responsibility of the Trustees` is to ensure that the pre - school complies with its aims and is properly managed. The responsibility for the day to day running of the group and decisions regarding everyday matters are undertaken by the Nursery Manager and Office Manager. Decisions regarding the specific delivery of the Early Years curriculum are the responsibility of the Supervisors and Nursery Manager.

As a member of The Pre - School Learning Alliance the group is required to consult the PLA if any changes are to be made to the aim of the group or if the existence of the group is to be terminated. It is the legal duty of the PLA to consult the Charity Commission.

The group is registered with OFSTED and receives funding from the government for some 2 year olds and all 3-4 year olds to attend sessions free of charge. To be eligible to receive this funding the group must meet minimum standards required under the Childcare Act 2006. The administration of the government funding is by the Family Services Department at Cornwall Council who also provide support and advice to ensure groups meet national standards.

The group is registered with both OFSTED and the Charity Commission; the Trustees` have a responsibility to keep the records they hold up to date notifying any changes in Governance/Trustees`.

The administration of accounts is completed by the Office Manager and overseen by the Treasurer. The Trustees approve invoices and sign them off each month. A trial balance and Account balances are available at all Committee meetings. The bank holds details for the Chair, Treasurer, Office Manager and Deputy Office Manager. The Office Manager and Deputy Office Manager have full access to online banking and the Office Manager holds a Debit Card for each Bank Account.

The Committee is consulted on all large expenditure that is not part of the general expenses required to run the group on a day-to-day basis. The Trustees assess the major risks to which the Charity is exposed and are satisfied that the systems are in place to mitigate exposure to those risks.

AIMS AND OBJECTIVES

The aim of the pre - school is to enhance the development of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- A) Offering appropriate play facilities and access to information which offer parents the opportunity to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever race, culture, religion, means or ability.
- B) Encouraging the study of the needs of all children and their families and promoting public interest in and recognition of their needs in the local area. In addition, the group usually offers work placements for students wishing to complete appropriate qualifications in early years and require practical experience. This is done on a voluntary basis by the students. The total number of volunteer hours in a year can be around 1500-2000 hours.

ACHIEVEMENTS AND PERFORMANCE

- A) Willows Pre - School is run in purpose-built accommodation on the site of Heamoor Community Primary School. It offers funded preschool sessions as well as daycare for 0–5-year-old children. In addition, it also provides a holiday and after school club for children up to the age of 12 years. It is open between the hours of 0800 and 17.30 from Monday - Friday except for public holidays and one week over the Christmas period.
- B) The group employs qualified staff members to meet the requirements of the Statutory Framework for the Early Years Foundation Stage but also has parent volunteer help for the Committee, for outings and fundraising activities for the group.

This academic year, the setting has been able to successfully continue after-school and holiday clubs. It has also been able to offer student work experience and college student placements.

Tinker tots the mother and toddler group continues to grow and is hugely popular within the wider community. Sessions run twice weekly during term time and due to demand also run once a week during school holidays. Willows provide one qualified staff member from the setting to run the group with the assistance of a few willing volunteers from the local community.

Fundraising was very successful with excellent staff and parent responses. A summer fayre took place on July 1st 2023. A staff member ran half a marathon raising funds for Willows Educare. Willows received two donations from two local masonic lodges.

Christmas mince pie and disco wine evening which has proved to be a very lucrative fundraising event in previous years is expected to take place in December and details of which are already being discussed at committee meetings.

Tracy and Sara have set in motion an application to Community Level up funding, the Community National Lottery to receive funding for some much-needed refurbishment.

Staffing continues to be the highest expenditure in terms of outgoings however it is the unanimous opinion of the committee that staff are well paid in accordance with their relevant qualifications and experience and this is reflected in the high quality of care received by the children and the continuing satisfaction of parents.

SUMMARY

After a challenging year due to the cost-of-living crisis staff and management have worked tirelessly to ensure the high-quality care received continues and Willows remain to be held in high regard within the wider community, with a healthy waiting list.

FINANCIAL REVIEW

Total receipts on unrestricted funds were £285,986, which included fees of £115,812 and Local Authority funding of £156,654.

Unrestricted expenditure was £300,804, giving rise to a deficit of £14,818 for the year.

The pre-school's unrestricted net current assets at 31st July 2023 were £33,591. Of these, £40,000 represented designated funds, as described below, leaving net current liabilities in general funds of £6,409. This is less than the optimal £75,000 described in the reserves policy, below, and the Trustees are aware of the need to take active steps to restore the charity's net income to a surplus in the very near future. The Trustees are satisfied that the charity continues to be able to meet its liabilities as they fall due and can therefore be regarded as a going concern.

RESERVES POLICY

It is the policy of the trustees to hold as unrestricted funds a balance which equates to a minimum of three months unrestricted expenditure, which will be equivalent to £75,000, together with such extra funds as might be necessary to cover emergency situations that may arise.

In addition to this are unrestricted designated funds of £25,000 to cover redundancy costs should they be necessary and £15,000 for major repairs.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and regulations.

The Trustees are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standard and Applicable Law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its incoming resources for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- 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 charity and enable them to ensure that the financial statements comply with applicable law, regulations, and trust deeds. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the charity Trustees:



Susan Oliver

19th January 2024

HEAMOR PRE-SCHOOL PLAYGROUP

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEAMOR PRE-SCHOOL PLAYGROUP

I report on the accounts of the Charity for the year ended 31st July 2023, which are set out on pages 7 to 15.

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(2) of the Charities Act 2011 (the 2011 Act) and an independent examination has been conducted. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with General Directions given by the Charity Commissioners. 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 the seeking of 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 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.

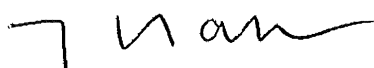
Independent examiner's statement

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 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 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.


Neil Hallam FCCA
Crane & Johnston
Chartered Certified Accountants
11 Alverton Terrace
PENZANCE
Cornwall
TR18 4JH

Dated: 30/1/24

HEAMOR PRE-SCHOOL PLAYGROUP

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST JULY 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Charitable Activities		282,759	-	282,759	263,329
Other Trading Activities		1,727	-	1,727	835
Voluntary Income - Donations		1,500	-	1,500	-
Total income		285,986	-	285,986	264,164
Expenditure on:					
Charitable activities:	3	300,804		300,804	278,490
Total expenditure		300,804	-	300,804	278,490
Net expenditure		(14,818)	-	(14,818)	(14,326)
Transfer between funds		8,775	(8,775)	-	-
Net movement in funds		(6,043)	(8,775)	(14,818)	(14,326)
Reconciliation of funds					
Balance Brought Forward		79,764	47,775	127,539	141,865
Balance Carry Forward		73,721	39,000	112,721	127,539

The Charity had no gains or losses other than those noted above. All income is derived from continuing activities.

HEAMOR PRE-SCHOOL PLAYGROUP


BALANCE SHEET


AS AT 31ST JULY 2023

	Notes	2023 £	2022 £
Fixed Assets	7	79,130	91,685
Current Assets			
Debtors	8	12,365	10,078
Cash at Bank and in Hand		26,910	30,451
		<u>39,275</u>	<u>40,529</u>
Creditors: amounts falling due within one year	9	(5,685)	(4,676)
Net current assets		33,590	35,853
Total assets less current liabilities		<u>112,721</u>	<u>127,539</u>
Income funds			
Unrestricted funds:			
General funds	11	33,721	39,764
Designated funds	12	40,000	40,000
Restricted funds	13	39,000	47,775
		<u>112,721</u>	<u>127,539</u>

The notes on the following pages form part of these financial statements.

The accounts were approved by the Board on 19.1.2024 and signed on their behalf by:


S Oliver
Chair


E Withecombe
Treasurer

HEAMMOOR PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Heamoor Pre-School Playgroup 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 notes.

Going concern

The financial statements have been prepared on a going concern basis. There are no material uncertainties related to events or conditions that may cast doubt on the ability of the Charity to continue as a going concern.

Income and endowments

Voluntary income, including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the Charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Donated services and facilities

In accordance with the Charities SORP (FRS 102), the time provided by general volunteers is not recognised.

Investment income

Investment income is recognised on a receivable basis

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Other income

Material incoming resources from tax claims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

HEAMOR PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure; it is probable settlement is required; and the amount can be measured reliably. All costs are allocated to the expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

Costs of generating funds are the costs associated with attracting voluntary income.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Individual fixed assets costing £100 or more are capitalised at cost

Furniture and equipment	20% per annum on a reducing balance basis
Computers and motor vehicles	25% per annum on a reducing balance basis
Leasehold buildings	4% per annum on a straight line basis

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

HEAMOOR PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds is a provision made for redundancy costs and represents transfers from unrestricted funds as agreed by the Trustees.

Restricted funds are subject to specific conditions by donors and grant making bodies as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

HEAMoor PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

2 Trustees

None of the trustees (or any persons connected with them) received any remuneration or were reimbursed expenses during the year.

3 Expenditure on Charitable Activities

Day care 2 - 14 years:	2023 £	2022 £
Salaries	194,516	179,228
Premises costs	21,562	20,444
Toys and equipment	612	92
Refreshments and consumables	9,689	8,003
Telephone and stationery	1,435	1,772
Sundries	4,803	3,234
Support costs (note 4)	62,305	60,326
Governance costs (note 5)	5,882	5,391
	<u>300,804</u>	<u>278,490</u>

HEAMOR PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

4	Analysis of Support Costs	Management & Finance Staff £	Property costs £	Other costs £	Total £
	Charitable activities	51,606	3,738	6,962	62,306
		<u>51,606</u>	<u>3,738</u>	<u>6,962</u>	<u>62,306</u>

5	Analysis of governance costs	2023 £	2022 £
	Salaries	3,896	3,501
	Independent examination & accounts	<u>1,986</u>	<u>1,890</u>
		<u>5,882</u>	<u>5,391</u>

6	Analysis of staff costs	2023 £	2022 £
	Wages and salaries	237,337	220,273
	HMRC job retention funding	-	(1,361)
	Employers National Insurance	11,019	9,558
	Employers pension costs	3,312	2,827
	Training costs	846	553
		<u>252,514</u>	<u>231,850</u>

There were no employees whose emoluments were £60,000 or more

The average number of full time employees, analysed by function, was	2023 Number	2022 Number
Activities to further the charity's objects	12	11
Management and administration	2	2
Average number of full time equivalent employees during the period	<u>14</u>	<u>13</u>

HEAMOR PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

7	Tangible fixed assets	Leasehold Buildings	Motor Vehicles	Computers & furniture & equipment	Total
		£	£	£	£
	Cost				
	At 1 August 2022	287,216	7,918	40,287	335,421
	Additions	-	-	-	-
	At 31 July 2023	287,216	7,918	40,287	335,421
	Depreciation				
	At 1 August 2022	200,237	6,039	37,461	243,737
	Charge for year	11,489	470	596	12,555
	At 31 July 2023	211,726	6,509	38,057	256,292
	Net book value				
	At 31 July 2023	75,490	1,409	2,230	79,130
	At 1 August 2022	86,979	1,879	2,826	91,684

Cornwall Council (previously Penwith District Council) hold a legal charge over the buildings which expires in 2029 (see note 15).
Cornwall Council leases the land to the charity at a peppercorn rent. The lease expires in 2027.

8	Debtors	2023 £	2022 £
	Operational Debtors	9,956	7,733
	Prepayments	1,889	1,612
	Sundry Debtors	520	733
		12,365	10,078
9	Creditors: amounts falling due within one year	2023 £	2022 £
	Operational Creditors	484	80
	Social security and other taxes	2,408	2,104
	Accruals	1,986	1,890
	Sundry Creditors	807	602
		5,685	4,676

HEAMOR PRE-SCHOOL PLAYGROUP

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2023

10 Pension Scheme

The Charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £3,312 (2022 £2,827)

11 Unrestricted funds of the Charity

	General Fund £	Designated Fund £	Total 2023 £	Total 2022 £
Balance at 1st August 2022	39,764	40,000	79,764	87,265
Movement in funds for the year	(6,043)	-	(6,043)	(7,501)
Balance at 31st July 2023	33,721	40,000	73,721	79,764

12 Designated funds:

	Balance as at 01/08/2022 £	Transferred in the year £	Balance at 31/07/2023 £
Redundancy fund	25,000	-	25,000
Minibus fund	5,000	-	5,000
Maintenance fund	10,000	-	10,000
	40,000	-	40,000

The designated funds are to meet unexpected contingencies should they arise.

13 Restricted fund:

	Balance as at 01/08/2022 £	Transferred in the year £	Balance at 31/07/2023 £
New Building Fund	47,775	(8,775)	39,000

The New Building Fund was for the construction of new premises and is written off in line with depreciation

14 Analysis of net assets between funds

	Net Current Assets £	Fixed Assets £	Total 2023 £	Total 2022 £
General Fund	(6,409)	40,130	33,721	39,764
Designated Funds	40,000	-	40,000	40,000
Restricted Fund	-	39,000	39,000	47,775
	33,591	79,130	112,721	127,539

15 Contingent Liability

Cornwall Council (previously Penwith District Council) requires a legal charge over the buildings which will expire in 2029. Should the charity dispose of the buildings or alter the use, the grants of £55,000 from Neighbourhood Renewal and £50,000 from Single Regeneration Budget may need to be repaid out of the proceeds, together with any increase in capital value attributed to the funding.