

Registration Number: 02919558

Registered Charity No: 1055656

Trustees Report and
Financial Statements
for the Year Ended 31 July 2021
for
Broadlands Pre-School Centre

Broadlands Pre-School Centre

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for the Year Ended 31 July 2021

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Broadlands Pre-School Centre
Legal and Administrative Information
for the Year Ended 31 July 2021

STATUS

Broadlands Pre-School Centre is a registered charity (Registration No. 1055656). It is also a registered company, limited by guarantee without share capital under the Companies Act (Registered No: 02919558)

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those articles, the members of the Management Committee are elected at the AGM for an unspecified period, subject to ratification at each.

TRUSTEES

Alexandra Alexander – resigned 20 January 2021
Lucy Barkley
Gina Collins
Clare Cullen-Jones
Charlotte Elliot
Alison Fletcher
Jamie Gaskarth (Chair)
Philip Marsh – resigned 8 October 2021
Hifsa O’Kelly – resigned 1 November 2020
Emma Stagg
Tracy Wilkins – appointed 20 January 2021

REGISTERED NUMBER: 02919558

REGISTERED CHARITY NO: 1055656

SECRETARY: Gina Collins

REGISTERED OFFICE: Burrows Field
Moorend Grove
Leckhampton
Cheltenham
Gloucestershire
GL53 0EX

MANAGER K L Pritchard

INDEPENDENT EXAMINER: Andrew R Cook
Chartered Accountant
Northfield House
Shurdington Road
Bentham
Gloucestershire
GL51 4UA

BANKERS: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Broadlands Pre-School Centre
Trustees Report
for the Year Ended 31 July 2021

The trustees present their annual report with the financial statements of the company for the year ended 31 July 2021.

OBJECTIVES AND ACTIVITIES

The objective of the company under review is to advance the education of children below the compulsory school age by the provision of a play centre for such children.

The Board of Trustees confirm that they have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance by the Charity Commission for England & Wales.

ACHIEVEMENTS AND PERFORMANCE

Broadlands preschool started the school year in September 2020 with 33 preschool children and 10 rising 3 children. This rose to 35 and 19 respectively by the Summer term in 2021, with the morning sessions being full. The setting remained open during both November and January/February lockdowns, and the staff should be commended for their commitment and dedication during this difficult period.

At the beginning of March our existing manager stepped down and we welcomed Kelly Pritchard as the new manager. She immediately highlighted a number of improvements that she wanted to make. Some of these have taken place already, including a revamp of the garden and internal decoration.

RESERVES AND FINANCIAL REVIEW

The financial performance for the 2020-2021 year started strong and remained strong throughout. This was due to the high numbers of children enrolled and income increased again from the previous year (106k compared to £89k). It should be noted that the limit on the number of children able to attend the setting means that we are unlikely to see any further large increases in income.

With the increased number of children came increased costs. Total staff costs (including supply staff) were £76k, increased from £50k. It should be noted there were higher than usual supply staff costs due to absences and difficulties filling some positions during the pandemic. Our total costs increased to £100k from £68k resulting in a surplus for the year of £6k.

The setting does currently have a cash surplus that has built up gradually over previous years. The reserves policy states that a reserve should be kept equivalent to six months running costs or the costs of closure, whichever is greater. Six months running costs are currently £50k, and are likely to increase due to salaries, rent, utilities and other costs increasing.

It remains the intention of the board to reduce the surplus to this level by making sensible and well-thought-out improvements to the setting. The board is working with the new Manager to highlight areas for investment, including the implementation of a new online platform for staff to share news, daily activities and photos with parents. The board has also been reviewing staff salaries and hourly pay rates and intends to increase these in order to remain competitive, and in light of the imminent increase to the living wage and cost of living.

TRUSTEES

Company and Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

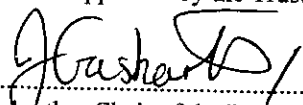
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees have overall responsibility for ensuring the charity has appropriate systems of controls, financial and otherwise. 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 enable them to ensure that the financial statements comply with the Companies Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

The trustees recommend Andrew R Cook, Chartered Accountant, remains in office to carry out an independent review of the accounting records and provide an independent opinion.

This report was approved by the Trustees on.....5/4/22..... and signed on their behalf by


.....
James Gaskarth – Chair of the Board of Trustees
James

Date:7-4-22.....

Independent Examiner's Report to the trustees of Broadlands Pre-School Centre
For the year ended 31 July 2021

I report to the charity trustees on my examination of the unaudited accounts of the company for the year ended 31 July 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Independent Examiners Statement

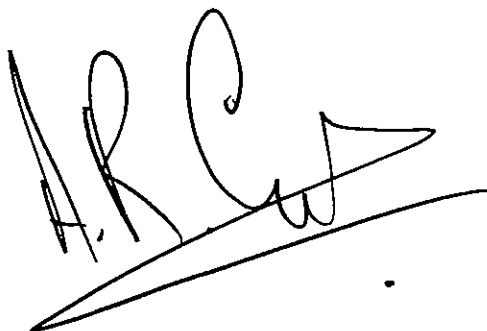
I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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 accounts to be reached.

Signed

Andrew R Cook ACA
Chartered Accountants
Shurdington Road
Bentham
Gloucestershire
GL51 4UA

A handwritten signature in black ink, appearing to read 'A.R. Cook', with a long horizontal line extending from the end of the signature.

Date: 05/04/2022

Broadlands Pre-School Centre
Statement of Financial Activities
For the Year Ended 31 July 2021

<u>Income and expenditure</u>	Notes	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Income from:			
Charitable activities	2	106,133	86,595
Other trading activities	3	326	2,365
Investments	4	4	60
Total		106,463	89,020
Expenditure on:			
Raising funds	5	26	120
Charitable activities	6	99,983	68,227
Total		100,009	68,347
Net income and net movement in funds		6,454	20,673
Reconciliation of funds:			
Total funds brought forward		91,376	70,703
Total funds carried forward		97,830	91,376

Continuing operations

None of the company's activities was discontinued during the above two financial years.

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

The notes on pages 7 to 11 form part of these accounts.

The notes form part of these financial statements

Broadlands Pre-School Centre
Balance Sheet
At 31 July 2021

	Notes		Unrestricted Funds 31.07.21	Unrestricted Funds 31.07.20
FIXED ASSETS		£	£	£
Tangible assets	8		11,155	6,030
CURRENT ASSETS				
Debtors	9	607		1,335
Cash at bank		87,845		86,547
		<hr/>		<hr/>
		88,452		87,882
CREDITORS				
Amounts falling due within one year	10	1,777		2,536
		<hr/>		<hr/>
Net current assets			86,675	85,346
			<hr/>	<hr/>
NET ASSETS			97,830	91,376
			<hr/>	<hr/>
FUNDS				
Unrestricted income funds			97,830	91,376
			<hr/>	<hr/>

For the year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

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

ON BEHALF OF THE BOARD:

GK Colls

Gina Collins

Approved by the Board on 05/04/22

Registered in England & Wales

Company no: 029195

The notes form part of these financial statements

Broadlands Pre-School Centre
Notes to the Financial Statements
for the Year Ended 31 July 2021

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102) and Companies Act 2006.

Broadlands Pre-School Centre meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling which is the functional currency of the charity.

Support costs (Note 7) comparatives have been changed to better reflect the expenditure in each category. Total comparative support costs remain unchanged.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. Comparatives for obligations under operating leases (Note 12) have been updated to comply with Charities SORP(FRS102).

Income

Turnover represents the amount received in respect of fees, donations, grants and fund raising events gross of expenses during the year.

Income from investments is included in the year in which it is receivable.

Expenditure

Resources expended are recognised in the year in which they are incurred.

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

Staff costs are in accordance with H M Revenue and Customs legislation currently in force.

Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year. The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employees' service lives on the basis of a constant percentage of earnings using the government auto enrolment scheme.

Leasing

Rentals payable under operating leases are charged against income on a straight- line basis over the lease term. The title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of the equipment is normally 8 years.

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 recognized at transaction value and subsequently measured at their settlement value.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings – 5 years straight line

The notes form part of these financial statements

Broadlands Pre-School Centre
Notes to the Financial Statements
for the Year Ended 31 July 2021

Accounting policies (continued)

Taxation

The company is a registered charity and is exempt from taxation in accordance with the provisions of section 505(1) of the Income and Corporation Taxes Act 1988. The charity is not registered for VAT.

Going concern

The trustees have reviewed the ongoing future of the charity and consider that there are plans in place to continue the charitable company's trustees' operation. There are no material uncertainties that may cast significant doubt on the charitable company's trustees' ability to continue as a going concern.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2. Charitable activities

	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Local government childcare grants	85,593	68,715
Furlough grants	745	1,993
Fees receivable	19,795	15,887
Trips and activities	-	-
	<hr/>	<hr/>
	106,133	86,595
	<hr/>	<hr/>

3. Other trading activities

	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Other fundraising activities	326	2,365
	<hr/>	<hr/>

4. Investment income

	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Deposit account interest	4	60
	<hr/>	<hr/>

The notes form part of these financial statements

Broadlands Pre-School Centre
Notes to the Financial Statements
for the Year Ended 31 July 2021

5. Raising funds

	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Costs of fundraising	26	120

6. Charitable activities

	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Materials	2,913	983
Activity costs	672	540
Support costs – Note 7	96,398	66,704
	<u>99,983</u>	<u>68,227</u>

7. Support costs

	Unrestricted Funds 31.07.21 £	Unrestricted Funds 31.07.20 £
Staff Costs	69,466	49,071
Supply staff	6,219	1,084
Rent & Rates	1,020	1,252
Insurance	1,019	959
Telephone	643	344
Printing, postage & stationery	940	310
Repairs & renewals	1,371	832
Light & heat	1,213	1,124
Subscriptions & licences	385	255
General expenses	1,546	885
Cleaning and clothing	4,618	3,730
Training	160	276
Depreciation	4,370	3,161
IT costs	804	1,686
Professional fees	1,523	679
Accountancy	1,020	996
Bank charges	81	60
	<u>96,398</u>	<u>66,704</u>

The notes form part of these financial statements

Broadlands Pre-School Centre
Notes to the Financial Statements
for the Year Ended 31 July 2021

8. Employees

Number of employees

The average monthly headcount was 10 staff (2020 – 7 staff), all were employed as Pre-School supervisors and staff.

Employment costs

	2021	2020
	£	£
Wages and salaries	68,806	49,706
Pension costs	660	449
	<hr/>	<hr/>
	69,466	50,155
	<hr/>	<hr/>

No employee earned more than £60,000 in the year. (2020 - NIL)

None of the trustees received any remuneration in the year (2020 - NIL).

The charity paid £218 for trustees' indemnity insurance (2020 - £218)

The trustees are considered to be the key personnel of the charity.

9. Tangible fixed assets

	Fixtures and fittings	Totals
	£	£
COST		
At 1 August 2020	65,447	65,447
Additions	9,495	9,495
	<hr/>	<hr/>
At 31 July 2021	74,942	74,942
	<hr/>	<hr/>
DEPRECIATION		
At 1 August 2020	59,417	59,417
Charge for year	4,370	4,370
	<hr/>	<hr/>
At 31 July 2021	63,787	63,787
	<hr/>	<hr/>
NET BOOK VALUE		
At 31 July 2021	11,155	11,155
	<hr/>	<hr/>
At 31 July 2020	6,030	6,030
	<hr/>	<hr/>

The notes form part of these financial statements

Broadlands Pre-School Centre
Notes to the Financial Statements
for the Year Ended 31 July 2021

10. Debtors

	31.07.21	31.07.20
	£	£
Prepayments and accrued income	607	1,335
	<u>607</u>	<u>1,335</u>

11. Creditors: Amounts falling due within one year

	31.07.21	31.07.20
	£	£
Other creditors	448	1,104
Accrued expenses	1,329	1,432
	<u>1,777</u>	<u>2,536</u>

12. Obligations under operating leases

At 31 July 2021 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2021	2020
	£	£
Operating leases which expire:		
Within 1 year	1,562	1,000
Within 2 – 5 years	3,938	250
Over 5 years	-	-
	<u>5,500</u>	<u>1,250</u>

13. Capital commitments

There were no capital commitments at 31 July 2020 (31 July 2019 - NIL).

14. Company status

The company is registered under the Companies Act 2006 as a company limited by guarantee. The company claims exemption under Section 60 from using "limited" in its name under the conditions existing in Section 62. The members of the company are the trustees named on page 1. Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the company's debts and liabilities contracted before he or she ceases to be a member and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

15. Going concern

The trustees have identified no material uncertainties that would affect the company's ability to continue as a going concern. The trustees are planning for the future to ensure the company is ready to react to a changing environment.

The notes form part of these financial statements