

**Charity Registration No. 1100785**

**Company Registration No. 04737220 (England and Wales)**

**KITTENS PRESCHOOL**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

# KITTENS PRESCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	James Kirkby Shirley Speakman Sharon Watts Julie Bolton	(Appointed 3 March 2020)
<b>Treasurer</b>	James Kirkby	
<b>Chair</b>	Shirley Speakman	
<b>Charity number</b>	1100785	
<b>Company number</b>	04737220	
<b>Principal address</b>	Veronica Street Blackburn Road Darwen Lancashire BB3 0AA	
<b>Registered office</b>	Veronica Street Blackburn Road Darwen Lancashire BB3 0AA	
<b>Independent examiner</b>	David Wood Wilson BA FCA Hindle Jepson & Jennings Ltd 10 Borough Road Darwen Lancashire BB3 1PL	
<b>Bankers</b>	Lloyds Bank plc Church Street Blackburn Lancashire BB2 1JQ	

---

# KITTENS PRESCHOOL

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 14

---

# KITTENS PRESCHOOL

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 JULY 2020

---

The trustees present their report and financial statements for the year ended 31 July 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the Companies Act 2006 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 2015)"

#### Objectives and activities

The charity's objects 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 and by :

- 1) offering appropriate play facilities and training courses, 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 regardless of race, culture, religion or means
- 2) 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
- 3) instigating and adhering to and furthering the aim of the preschool learning alliance.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### Achievements and performance

The charity's income has increased during the year and the costs have also decreased and as a result the funds of the charity have increased by £13,609. As at the balance sheet date the charity had total funds of £137,610 (2019 : £124,001).

#### Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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.

#### Structure, governance and management

The charity is a company limited by guarantee, incorporated as Kittens PreSchool. The company is registered as a charity governed by its memorandum and articles of association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

James Kirkby

Shirley Speakman

Sharon Watts

Pauline McLoughlin

Shirley Dixon

Julie Bolton

(Resigned 11 October 2019)

(Appointed 17 November 2019 and resigned 13 December 2019)

(Appointed 3 March 2020)

# KITTENS PRESCHOOL

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

---

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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



**James Kirkby**  
Trustee

Dated: 15 March 2021

# KITTENS PRESCHOOL

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KITTENS PRESCHOOL

---

I report to the trustees on my examination of the financial statements of Kittens Preschool (the charity) for the year ended 31 July 2020.

### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (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**

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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



David Wood Wilson BA FCA

Hindle Jepson & Jennings Ltd  
10 Borough Road  
Darwen  
Lancashire  
BB3 1PL

Dated: 15 March 2021

# KITTENS PRESCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	-	-	-	1,423	-	1,423
Charitable activities	4	158,938	-	158,938	152,157	-	152,157
Other trading activities	5	253	-	253	258	-	258
Other income	6	10,000	-	10,000	-	-	-
<b>Total income</b>		<b>169,191</b>	<b>-</b>	<b>169,191</b>	<b>153,838</b>	<b>-</b>	<b>153,838</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	7	149,086	6,496	155,582	161,992	6,496	168,488
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		20,105	(6,496)	13,609	(8,154)	(6,496)	(14,650)
Fund balances at 1 August 2019		65,644	58,357	124,001	73,798	64,853	138,651
<b>Fund balances at 31 July 2020</b>		<b>85,749</b>	<b>51,861</b>	<b>137,610</b>	<b>65,644</b>	<b>58,357</b>	<b>124,001</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# KITTENS PRESCHOOL

## BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		69,072		77,372
<b>Current assets</b>					
Debtors	12	2,673		2,450	
Cash at bank and in hand		67,722		46,681	
		70,395		49,131	
<b>Creditors: amounts falling due within one year</b>	13	(1,857)		(2,502)	
Net current assets			68,538		46,629
<b>Total assets less current liabilities</b>			137,610		124,001
<b>Income funds</b>					
Restricted funds	14		51,861		58,357
Unrestricted funds			85,749		65,644
			137,610		124,001

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 15 March 2021

Shirley Speakman  
Trustee



Company Registration No. 04737220



# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

---

### 1 Accounting policies

#### Charity information

Kittens Preschool is a private company limited by guarantee incorporated in England and Wales. The registered office is Veronica Street, Blackburn Road, Darwen, Lancashire, BB3 0AA.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 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). 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 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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.

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

#### 1.4 Income

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.

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from trading activities is recognised on receipt.

Income from fund raising activities is recognised on receipt.

#### 1.5 Expenditure

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 1 Accounting policies

(Continued)

Resources expended are allocated to the particular activity where the cost relates directly to that activity (in accordance with the SORP). Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resource.

Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of 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:

Leasehold land and buildings	Straight line over 25 years
Fixtures and play equipment	Straight Line over 4 years
Computers and office equipment	Straight line over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

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

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 3 Donations and legacies

	2020	2019
	£	£
Donations and gifts	-	1,423
	<u>-</u>	<u>1,423</u>
<b>Donations and gifts</b>		
Donations	-	1,423
	<u>-</u>	<u>1,423</u>
	<u>-</u>	<u>1,423</u>

### 4 Charitable activities

	Charitable activities 2020 £	Charitable activities 2019 £
Preschool fees	157,876	150,953
Other sundry income	1,062	1,204
	<u>158,938</u>	<u>152,157</u>
	<u>158,938</u>	<u>152,157</u>

### 5 Other trading activities

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Fundraising events	253	258
	<u>253</u>	<u>258</u>

### 6 Other income

	Unrestricted funds general 2020 £	Total 2019 £
Other income	10,000	-
	<u>10,000</u>	<u>-</u>

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 7 Charitable activities

	Cost of Generating Funds 2020 £	Cost of Generating Funds 2019 £
Staff costs	121,972	119,669
Depreciation and impairment	8,301	8,301
Other costs	1,209	1,689
Food and consumables	1,091	1,696
Toys, art and activity materials	3,917	5,390
Cleaning and waste disposal	1,531	1,811
Repairs and maintenance	1,595	12,814
Printing, postage and stationery	932	862
Advertising	75	76
Telephone and internet charges	939	939
Leasing of office equipment	1,087	1,027
General expenses	1,005	933
Rent payable	2,000	2,000
Rates and water	1,391	1,984
Computer expenses	1,279	1,521
Light and heat	2,425	2,599
	<u>150,749</u>	<u>163,311</u>
Share of governance costs (see note 8)	4,833	5,177
	<u>155,582</u>	<u>168,488</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	149,086	161,992
Restricted funds	6,496	6,496
	<u>155,582</u>	<u>168,488</u>
<b>For the year ended 31 July 2019</b>		
Unrestricted funds - general	161,992	
Restricted funds	6,496	
	<u>168,488</u>	

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Accountancy	-	1,363	1,363	-	1,363	1,363
Insurance	-	1,946	1,946	-	1,899	1,899
Bank charges	-	116	116	-	112	112
Subscriptions	-	249	249	-	327	327
Courses and staff training	-	1,159	1,159	-	1,476	1,476
	-	4,833	4,833	-	5,177	5,177
Analysed between Charitable activities	-	4,833	4,833	-	5,177	5,177

### 9 Trustees

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

### 10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	7	7
<b>Employment costs</b>	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	117,456	115,244
Other pension costs	4,516	4,425
	121,972	119,669

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

### 11 Tangible fixed assets

	Leasehold land and buildings £	Fixtures and play equipment £	Computers and office equipment £	Total £
<b>Cost</b>				
At 1 August 2019	199,951	59,804	11,089	270,844
At 31 July 2020	199,951	59,804	11,089	270,844
<b>Depreciation and impairment</b>				
At 1 August 2019	123,516	58,869	11,086	193,471
Depreciation charged in the year	7,997	304	-	8,301
At 31 July 2020	131,513	59,173	11,086	201,772
<b>Carrying amount</b>				
At 31 July 2020	68,438	631	3	69,072
At 31 July 2019	76,435	934	3	77,372

### 12 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other debtors	878	-
Prepayments and accrued income	1,795	2,450
	2,673	2,450

### 13 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	-	948
Trade creditors	-	196
Accruals and deferred income	1,857	1,358
	1,857	2,502

# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2020

#### 14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 August 2018 £	Resources expended £	Balance at 1 August 2019 £	Resources expended £	Balance at 31 July 2020 £
Restricted fund	64,853	(6,496)	58,357	(6,496)	51,861

#### 15 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 July 2020 are represented by:						
Tangible assets	17,211	51,861	69,072	19,015	58,357	77,372
Current assets/ (liabilities)	68,538	-	68,538	46,629	-	46,629
	85,749	51,861	137,610	65,644	58,357	124,001



# KITTENS PRESCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2020**

---

**16 Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Within one year	2,000	2,000
Between two and five years	8,000	8,000
In over five years	5,500	7,500
	<u>15,500</u>	<u>17,500</u>

**17 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none).