

**Brenchley Pre-School Limited
(A Company Limited by Guarantee)**

Company Number 5022458 (England and Wales)

Charity Number 1103545

**Report of the Trustees and Unaudited Financial Statements
for the Year Ended 31 August 2021**

Brenchley Pre-School Limited
Charity Number 1103545

**Index to the Financial Statements
for the Year Ended 31 August 2021**

Legal and Administrative Information	1
Report of the Trustees	3
Independent Examiners Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10

Brenchley Pre-School Limited
Charity Number 1103545

Legal and Administrative Information
for the Year Ended 31 August 2021

Constitution: Brenchley Pre-School Limited is a Company Limited by Guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity Number: 1103545. Company Number: 5022458.

Trustees: These are appointed in accordance with the Articles of Association of the company and such trustees are directors of the company for the purposes of the Companies Act 2006.

The Trustees & Directors during the year under review were:

Mrs V Relle	Chairman	Appointed 15 October 2013
Mrs C Edler		Appointed 1 August 2021
Mrs S Scovell		Appointed 18 November 2013
Mrs S Cox		Resigned 31 July 2021

Secretary: Mrs V Relle

Registered Office: Brenchley Pre-School Limited
Brenchley Road
Brenchley
Tonbridge
Kent TN12 7NY

Bankers: Santander UK plc
Bridle Road
Bootle
Merseyside L30 4GB

Brenchley Pre-School Limited
Charity Number 1103545

Legal and Administrative Information
for the Year Ended 31 August 2021

Accountants:

McCabe Ford Williams
Statutory Auditor &
Chartered Accountants
Bank Chambers
61 High Street
Cranbrook
Kent TN17 3EG

Solicitors:

Warners Solicitors
16 South Park
Sevenoaks
Kent TN13 1AN

Brenchley Pre-School Limited
Charity Number 1103545

Report of the Trustees
for the Year Ended 31 August 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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).

Incorporation

The Charity was incorporated on 22 January 2004.

Governing Document

The pre-school is governed by the Pre-School Learning Alliance Memorandum and Articles of Association for Pre-Schools 2012 (Companies Acts 2006).

Charitable Objectives

The Memorandum and Articles of Association sets out the charitable objectives for which Brenchley Pre-School Limited is established. The charity's objectives are the education and care of pre-school age children.

Policies to Achieve the Objectives

Brenchley Pre-School is run by a Committee elected at the annual general meeting. Its objectives are the education and care of pre-school age children between the ages of 2 and 4. The Nursery Class for 2-3 year olds and the Lions Class for 3-4 year olds.

Eleven staff were employed during the year: Ten qualified practitioners and a bookkeeper.

Parents, staff and Committee Members organise fundraising events to augment fee income and KCC funding.

Committee Member Selection Method

The Committee Members are elected at the annual general meeting and are parents of children at the pre-school or people with local involvement.

Report of the Trustees
for the Year Ended 31 August 2021

Committee Members

The following members have acted on the Committee during the year ended 31 August 2021:

Company Directors:

Victoria Relle	Trustee and Chairman	Appointed 15 October 2013
Clare Edler	Trustee and Treasurer	Appointed 1 August 2021
Sarah Cox	Trustee and Treasurer	Resigned 31 July 2021
Sian Scovell	Trustee	Appointed 17 January 2019

Other Committee Members are:

Kelly Harper (Trustee)	Kylie Daniels	Emily McNulty
Katie Snell (Trustee)	Fiona McAndrew	Megan Hicks
Hayley Jeneke	Emma Stanbridge	Karen Bowles
Alex McCaskill	Celia Scholtz	

The Committee is split into the Management Committee consisting of Chair, Treasurer and Manager (all Directors/Trustees). All other Committee Members belong to the Fundraising (PTA) Committee.

Review of Financial Activities and achievements during the year:

The financial activities of the Pre-School are set out in the attached statement of financial activities. The Pre-School has an operating surplus for the year of £29,178 (2020: a surplus of £9,308).

Reserves Policy:

The charity has a reserves policy whereby sufficient funds are retained to meet any redundancy obligations if the Pre-School has to close. Should the funds be insufficient to cover the redundancies the sale of equipment could be used to offset this amount. The Trustees are committed to returning the reserves back to a healthy surplus. At 31 August 2021, accumulated reserves totalled £50,132 (2020: £20,954).

The improvement in the financial position has primarily been driven by increase in the rates for private fees and the introduction of Breakfast and Twilight (after school) club, in September 2019.

Report of the Trustees
for the Year Ended 31 August 2021

Review of Major Risks:

The Committee consider that there are no major financial risks aside from the redundancy obligations referred to above. The Pre-School does not own the property from which it operates but does own its equipment which could be sold to meet its liabilities in the event of closure.

The Pre-School is required to comply with the health & safety regulations. It has a health & safety policy, carries out risk assessments and has an officer specifically appointed to monitor compliance.

The Pre-School complies with the Ofsted requirement to have enhanced Data Baring Service (DBS) and Ofsted checks for staff and trustees.

Public Benefit

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have regard to the public benefit guidance published by the Charity Commission.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Brenchley Pre-School Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Brenchley Pre-School Limited
Charity Number 1103545

Report of the Trustees
for the Year Ended 31 August 2021

Independent Examiners

The independent examiners, McCabe Ford Williams, will be proposed for re-appointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21 October 2021 and signed on its behalf by:

Mrs V Relle – Director

Independent Examiner's Report To The Trustees Of Brenchley Pre-School Limited

I report on the accounts of the Company for the Year Ended 31 August 2021, which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required under section 144(2) of the Charities Act 2011 ("the 2011 Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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;
- to 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 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 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 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 statements 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 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the 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) 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.

October 2021

DNA Boobbyer FCA
McCabe Ford Williams
Statutory Auditors and Chartered Accountants

Bank Chambers
61 High Street
CRANBROOK
Kent TN17 3EG

Statement of Financial Activities
for the Year Ended 31 August 2021

		Year Ended 31 August 2021		Year Ended 31 August 2020	
	Note	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
Income and Endowments from					
Donations and legacies		-	-	605	605
Charitable activities					
Pre-School Provision	2	199,813	199,813	149,327	149,327
Other trading income					
Fundraising	3	2,612	2,612	6,049	6,049
Sale of uniforms	4	553	553	587	587
TWB Council Covid Grant		6,000	6,000	-	-
Investment Income		-	-	15	15
Total		208,979	208,979	156,584	156,584
Expenditure on					
Raising funds					
Fundraising costs	2	78	78	33	33
Purchase of uniforms	4	1,620	1,620	467	467
Charitable activities					
Pre-School Provision	5	176,919	176,919	145,434	145,434
Governance costs	6	1,185	1,185	1,340	1,340
Total		179,801	179,801	147,275	147,275
Net Income/(Expenditure)		29,178	29,178	9,308	9,308
Reconciliation of Funds & (Losses)					
Total funds brought forward at 1 September 2020		20,954	20,954	11,646	11,646
Total funds carried forward at 31 August 2021		50,132	50,132	20,954	20,954

All income and expenditure has arisen from continuing activities.

The notes form part of the financial statements

Balance Sheet
for the Year Ended 31 August 2021

		31 August 2021	31 August 2020
	Note		
Fixed Assets:			
Tangible assets	8	<u>916</u>	<u>1,319</u>
Total Fixed Assets		916	1,319
Current Assets:			
Stock		1,160	1,546
Debtors	9	2,287	6,901
Cash at bank and in hand		<u>61,300</u>	<u>13,242</u>
Total Current Assets		64,748	21,689
Creditors: Amounts falling due within one year	10	<u>15,531</u>	<u>2,053</u>
Net Current Assets		49,216	19,636
Total Assets Less Current Liabilities:		<u>50,132</u>	<u>20,954</u>
Funds:			
Unrestricted Income Funds		50,132	20,954
Total Charity Funds		<u>50,132</u>	<u>20,954</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company of the company as at the end of each financial year end of its surplus or deficit for each 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.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 21 October 2021 and were signed on its behalf by:

.....
 Mrs V Relle
 Trustee

1. Accounting Policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Covid Grant Income

The company has furloughed staff during the Covid-19 pandemic and made claims for government furlough grants. The grants are recognised on an accruals basis, matched in the period against the staff costs that they relate to, and recorded as grant income in the accounts.

The company has received a discretionary Covid grant from Tunbridge Wells Borough Council during the year.

Expenditure

Liabilities are recognised as expenditure 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 cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets

Assets held on incorporation have been valued at their estimated depreciated market value at that time. All additions are valued at historical cost. The charity capitalises items of equipment which are expected to be of continuing use and which cost more than £200. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Furniture and Equipment	- 5 years on a straight-line basis
Leasehold Improvements	- over term of lease (5 years)

Fund restriction

All of the funds are unrestricted. Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

1.(cont) Accounting Policies (continued)

Going concern

The charity recorded a surplus in both 2020 and 2021 after recording a deficit in 2019. The surplus has arisen from an increase in private fees and increased pre-school numbers from extending the provision to wrap-around care and opening up for 2 year olds to have full day care. This has generated additional income and allowed for additional staff numbers to be employed and has resulted in an increase in associated costs. Therefore, the accounts have been prepared on a going concern basis.

Notes to the Financial Statements
for the Year Ended 31 August 2021

2. Charitable Activities - Pre-School Provision

	31.8.21	31.8.20
Pre-School Fees	92,104	55,708
Early Years Grants from Kent County Council	98,803	85,008
FF2 Grants from Kent County Council	6,534	8,612
Other Grants from Kent County Council	2,373	-
	<u>199,813</u>	<u>149,327</u>

Registrations are included in Pre-School Fees.

3. Income from Fundraising/Fundraising Costs

	Year ended 31 August 2021			Year ended 31 August 2020		
	Income	Expenditure	Net Income	Income	Expenditure	Net Income
Christmas Cards, Letters & Fair	1,398	33	1,365	1,569	33	1,536
Gift Aid	-	-	-	1,158	-	1,158
Sponsored Wellie Throw	-	-	-	602	-	602
Quiz Night	-	-	-	500	-	500
May Fair	-	-	-	-	-	-
Waitrose Tokens	333	-	333	-	-	-
Easter Craft Pack	105	34	71	-	-	-
Leavers Book & Photos	130	-	130	-	-	-
CDs & DVDs	99	11	88	-	-	-
Easter Egg Hunt	-	-	-	-	-	-
Barn Dance	-	-	-	-	-	-
Sponsored Tub Fill	-	-	-	1,098	-	1,098
Brenchley Village Day	-	-	-	38	-	38
TW Lotto	547	-	547	496	-	496
Disco	-	-	-	184	-	184
Paypal Giving Fund	-	-	-	404	-	404
Cake Sale	-	-	-	-	-	-
Sale of Ice Cream	-	-	-	-	-	-
Other	-	-	-	-	-	-
	<u>2,612</u>	<u>78</u>	<u>2,534</u>	<u>6,049</u>	<u>33</u>	<u>6,016</u>

4. Uniforms

	31.8.21	31.8.20
Uniform Sales	553	587
	<u>553</u>	<u>587</u>
Uniform costs	1,620	467
	<u>1,620</u>	<u>467</u>

Notes to the Financial Statements
for the Year Ended 31 August 2021

5. Charitable Expenditure

	31.8.21	31.8.20
Salaries	137,493	123,564
Employer's National Insurance	4,298	4,668
Staff Pensions	2,530	2,215
Furlough Grant Claims	-	(12,278)
Other Staff Costs	502	-
Staff Training	280	155
Pre-School Rent	10,925	9,104
Rates	2,734	2,239
Educational Aids & Equipment	4,182	2,802
Fruit & Other	1,258	943
Repairs and Renewals	385	372
Postage, Telephone & Photocopying	9,887	8,544
Stationery	-	-
Insurance/PLA	1,275	1,257
Depreciation	1,169	1,848
Loss on disposal of fixed assets	-	-
	<u>176,919</u>	<u>145,434</u>

The average monthly number of employees during the year was as follows:

	31.8.21	31.8.20
	Nos.	Nos.
Qualified Pre-School Staff	10	9
Lunch Supervisor	-	-
Administrator	1	1
Cleaner	-	-
	<u>11</u>	<u>10</u>

The charity employed 11 staff during the year. No employees were paid more than £60,000 during the year.

6. Other costs

	31.8.21	31.8.20
Legal & professional fees	352	527
Independent Examination	820	800
Companies House	13	13
Bank Charges & Interest	-	-
	<u>1,185</u>	<u>1,340</u>

Notes to the Financial Statements
for the Year Ended 31 August 2021

7. Income and Expenditure

The income and deficit are attributable to the charitable activities of the company after charging:

	31.8.21	31.8.20
Depreciation - owned assets	1,169	2,155
Loss on disposal of assets	-	-

8. Tangible Fixed Assets

	Totals	Furniture & Equipment	Property Improvements
Cost or valuation:			
At 1 September 2020	72,306	20,305	52,001
Additions	766	766	-
Disposals	-	-	-
At 31 August 2021	73,071	21,070	52,001
Depreciation:			
At 1 September 2020	70,987	18,986	52,001
Charge for year	1,169	1,169	-
Eliminated on disposal	-	-	-
At 31 August 2021	72,156	20,155	52,001
Net Book Value:			
At 31 August 2021	916	916	-
At 31 August 2020	1,319	1,319	-

9. Debtors: Amounts falling due within one year

	31.8.21	31.8.20
Prepayments	1,816	1,789
Trade debtors - for fees/grants	471	-
Furlough Grant Claims	-	3,453
Other debtors	-	1,658
	2,287	6,901

Notes to the Financial Statements
for the Year Ended 31 August 2021

10. Creditors: Amounts falling due within one year

	31.8.21	31.8.20
Accruals	820	800
Rent due	-	-
Grants received in advance	13,893	-
Fees received in advance	-	-
PAYE & Pensions	819	1,253
	<u>15,531</u>	<u>2,053</u>

11. Employee Costs

	31.8.21	31.8.20
Salaries and wages	137,493	123,564
National insurance	9,031	7,965
National insurance - Employment Allowance	(4,733)	(3,297)
Pensions	2,530	2,215
Furlough Grant Claims	-	(12,278)
	<u>144,321</u>	<u>118,169</u>

There were ten members of staff employed during the year.

12. Trustees Remuneration

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the year to any Committee Members or to any person or persons known to be connected to them aside from as noted below.

Following the adoption of the Pre-School Learning Allowance 2012 Memorandum & Articles of Association, which now allows members of staff to become Trustees/Directors, Mrs S Scovell was appointed as a Trustee and Director on 18 November 2013. As highlighted in note 5, Mrs Scovell was paid remuneration for her role in the Pre-school but received no remuneration in her capacity as Trustee/Director.

Committee Members have been reimbursed for expenses incurred in pursuance of the Charity's activities.

13. Limited Liability

The company is Limited by Guarantee. The company has no share capital and the liability of the members is limited. In the event of the company being wound up the liability for each member shall not exceed £1.

14. Ultimate Controlling Party

The company is controlled by its Trustees. There is no ultimate controlling party.