

**Charnock Richard Pre-School  
Limited by Guarantee  
31 August 2020  
Legal and Administrative Information**

The Directors / Trustees	Mr Steven Hughes Mrs Beverley Hughes	Chair Vice Chair
Secretary	Mrs Suzanne Williams	
Registered Charity Number	1105516	
Company Number	04939225	
Registered Office / Principle Address	Parish Rooms Charter Lane Charnock Richard Chorley PR7 5NA	
Independent Examiner	FPS Chartered Certified Accountants Levine House 233 Wigan Road Ashton in Makerfield Wigan WN4 9SL	
Bankers	RBS 56 Market Street Chorley PR7 2SD	

**Charnock Richard Pre-School  
Company Limited by Guarantee  
31 August 2020  
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**Charnock Richard Pre-School  
Company Limited by Guarantee  
Trustees' Annual Report (Incorporating the Director's Report)  
For the Year Ended 31 August 2020**

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

Reference and administrative details are provided on a separate information page at the front of these financial statements.

**Structure, governance and management**

The charity is a company limited by guarantee. It was incorporated on 21 October 2003 and registered as a charity on 17 August 2004.

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. In the event of the company being wound up, members of the Management Committee are required to contribute £1 to the assets of the charitable company.

The management committee, who are also the directors for the purpose of company law, and who served during the year were:

Paul Leadbetter        (resigned 24.10.20)  
Beverley Hughes  
Suzanne Williams

None of the management committee has any beneficial interest in the company.

Under the Articles, the members of the management committee are elected at the Annual General Meeting to serve a period of one year, subject to ratification at each Annual General Meeting.

The management committee meet regularly throughout the year to review the strategy, operations and performance of the charity. The management committee are fully responsible for the decision making process operated by the charity.

Current members of the management committee are familiar with the practical work of the charity and their responsibilities and update training is provided when considered necessary. Additionally, new members of the management committee will be provided with appropriate training and induction.

During the financial year the day to day financial management of the charity rested with Mrs B Hughes.

The management committee have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

#### **Objective and Activities**

The aims of the Pre-School are to enhance the development and education of children, primarily under statutory school age, by providing professional early years' education and encouraging parents to undertake, and provide for, the needs of their children through community groups and by:

- a) offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that opportunities are offered for all the children whatever their race, culture, means or ability;
- b) 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;
- c) to raise funds. Pre-School operates not for profit and must retain compliant with section 4 of the Charities Act 2006, in that we have due regard to public benefit, as such the income of the Pre-School is applied solely towards the promotion of these objectives.

The Pre-School vision is "To be the best we can be" and in so doing provide a fun, happy and safe learning experience for all, where individuality is respected and valued in everyone.

#### **Achievements and Performance**

Thanks to effective management and dedicated staff Pre-School is thriving and for the first time, since I have been Chair, the perennial worry over numbers of children starting has not happened, with the number of preschool children on roll and uptake of 30 funded hours being good.

The trial of holding breakfast club at the school, as mentioned in the report last year, proved to be unsuccessful with Breakfast Club returning to Pre-School during the year. This has proved to be the correct decision as the number of children attending breakfast club has increased and the sessions for school children before school are also proving popular, so much so that the registered number of children, with Ofsted, has been increased from 25 to 35.

During the year the Teaching and Learning manager made the decision to leave as an opportunity arose which she couldn't refuse. Staff, as always, took this as an opportunity both personally and for the setting. Through effective team-working, most staff members have taken on wider roles and additional responsibilities, this is working well and is appreciated. Targeted training and Continuing Professional Development have been used, to support additional responsibilities, and is something I consider to be extremely important as we should never stop learning.

The Early Years Consultant makes regular visits and has provided positive feedback; these visits are used to further improve Pre-School for the benefit of staff and the children.

The outdoor area has been improved, with the addition of a new wooden play tower to promote children's physical development and a wooden picnic table and chairs. The outdoor play provision receives many positive comments from members of the general public. Being outdoors is something Pre-School promotes and regular visits take place to the Garden Centre, Church, School Woodland Garden and Orchard Gardens, to which Pre-School made a donation of several bird boxes.

Pre-School has had another successful year, not only operationally but also financially where Pre-School has generated, for the first time in many years, a surplus which will be used to further the charitable cause. Without the dedicated professional team, working together, this would not be possible.

#### **Financial Review**

As shown in the statement of financial activities on page 4, the net surplus for the year amounted to £924. 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 that will ensure that if there is any significant drop in funding, the charity will be able to continue with its current activities whilst consideration is given to ways in which additional funds may be raised.

It is the policy of the charity that unrestricted funds that have not been designated for a specific use should be maintained at a level equivalent to three months' expenditure. The management committee 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 management committee, having regard to ongoing liquidity requirements of the charity, have kept available funds in the bank current account.

#### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The trustees' annual report was approved on 1/12/21 and signed on behalf of the board of trustees by:



**Mr S Hughes**  
Chair



**Charnock Richard Pre-School  
Company Limited by Guarantee  
Independent Examiner's Report to the Trustees of Charnock Richard Pre-School  
Year ended 31 August 2020**

I report to the charity trustees on my examination of the accounts of the Company for year ended 31 August 2020 which are set out on pages 4 to 12.

**Responsibilities and basis of report**

As the charity's trustees of the company (who are also the directors of the company for the purpose 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 examiner's 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.



Date:

1.2.21

Amanda Kershaw FCCA  
FPS Chartered Certified Accountants  
Levine House  
233 Wigan Road  
Ashton-in-Makerfield  
Wigan  
WN4 9SL

**Charnock Richard Pre-School  
Company Limited by Guarantee**

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**Statement of Financial Activities (including Income and Expenditure Account)  
For the Year Ended 31 August 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME AND ENDOWMENTS</b>					
Donations and legacies	4a	100	-	100	1,450
Income from charitable activities	4b	109,665	-	109,665	96,903
Other trading activities	5	31,795	-	31,795	42,757
Other income	6	1,008	-	1,008	1,594
<b>Total income</b>		<b>142,568</b>	<b>-</b>	<b>142,568</b>	<b>142,704</b>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of voluntary income	7	125,225	-	125,225	114,449
Expenditure on charitable activities:					
Community activities	8	14,379	-	14,379	15,930
Other expenditure	9	2,040	-	2,040	1,950
<b>Total expenditure</b>		<b>141,644</b>	<b>-</b>	<b>141,644</b>	<b>132,329</b>
<b>Net income/(expenditure) and net movement in funds</b>		<b>924</b>		<b>924</b>	<b>10,375</b>
<b>Total funds brought forward</b>		<b>42,947</b>	<b>-</b>	<b>42,947</b>	<b>32,572</b>
<b>Total funds carried forward</b>		<b>43,871</b>	<b>-</b>	<b>43,871</b>	<b>42,947</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

**Charnock Richard Pre-School  
Company Limited by Guarantee  
Statement of Financial Position  
As At 31 August 2020**

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	Note	2020	2019
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	12	2,230	2,788
<b>CURRENT ASSETS</b>			
Debtors	13	2,151	2,558
Cash at bank and in hand		<u>62,777</u>	<u>39,295</u>
		64,928	41,853
<b>Creditors: amounts falling due within one year</b>	14	<u>(23,287)</u>	<u>(1,694)</u>
<b>Net current assets</b>		<u>41,641</u>	<u>40,159</u>
<b>Net Assets</b>		<u>43,871</u>	<u>42,947</u>
<b>Funds of the Charity</b>			
Unrestricted funds	17	43,871	42,947
Restricted funds	16		
<b>Total charity funds</b>		<u>43,871</u>	<u>42,947</u>

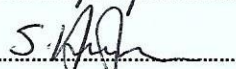
For the financial year ended 31 August 2020 the company was entitled to exemption from audit under Section 477 Companies Act 2006 relating to small companies.

**Directors' responsibilities**

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 1/2/21 and are signed on behalf of the board by:

  
Mr S Hughes



**1 General information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office Parish Rooms, Charter Lane, Charnock Richard, Chorley PR7 5NA.

**2 Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

**3 Accounting Policies**

**3.1 Basis of Preparation**

The accounts have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling which is the functional currency of the entity.

**3.2 Going concern**

There are no material uncertainties about the charity's ability to continue.

**3.3 Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes. Designated funds are restricted funds earmarked by the trustees for particular future projects or commitment. Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes, restricted income funds or endowment funds.

**3.4 Incoming Resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement established.

Income from donated goods at the fair values of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value.

Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.



### **3.5 Resources Expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

### **3.6 Depreciation**

Depreciation is calculated so to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office Equipment	20% per annum reducing balance basis
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### **3.7 Pensions**

The pension costs charged in the accounts represent the contributions payable by the charity during the year.

### **3.8 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts etc.

### **3.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **3.1 Creditors and Provisions**

Creditors and provision are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### **3.11 Financial Instruments**

The trust 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Charnock Richard Pre-School  
Company Limited by Guarantee  
Notes to the Accounts  
For the Year Ended 31 August 2020**

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**4a Donations and Legacies**

	2020	2019
£	£	

Donations

	100	1450

**4b Income from charitable activities**

	2020	2019
£	£	

Local government grants

109665	96903
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Other grants

0	0
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109665	96903
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**5 Other Trading Activities**

	2020	2019
£	£	

Fees

30992	41036
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Fundraising

803	1721
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Fundraising

31795	42757
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**6 Other incoming resources**

	2020	2019
£	£	

Miscellaneous income

1008	1594
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**Charnock Richard Pre-Schol  
Company Limited by Guarantee  
Notes to the Accounts  
For the Year Ended 31 August 2020**

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**7 Costs of voluntary income**

	<b>Total 2020</b>	<b>Total 2019</b>
£	£	
Staff costs	113885	102102
Rent	10300	10815
Insurance	566	558
Dance	474	974
	<u>125225</u>	<u>114449</u>

**8 Community activities**

	<b>2020</b>	<b>2019</b>
£	£	
Pension costs	1150	784
Training	1203	517
Repairs and maintenance	409	658
Refreshments	3269	4014
Fees and subscriptions	147	401
Play materials and resources	5324	5417
Postage and stationery	861	1192
Telephone	361	165
Advertising	166	179
Hire charges	110	593
Depreciation	558	697
Sundry expenses	821	1313
	<u>14379</u>	<u>15930</u>

**9 Other expenditure**

	<b>2020</b>	<b>2019</b>
£	£	
Independent Examiner's fees	<u>2040</u>	<u>1950</u>



**Charnock Richard Pre-School  
Company Limited by Guarantee  
Notes to the Accounts  
For the Year Ended 31 August 2020**

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**10 Employees**

**2020      2019**

**Number of employees**

The average monthly number of employees during the year was:

Administration	1	1
Nursery workers	9	8

**Employment costs**

**2020      2019**  
£              £

Wages and salaries	113885	102102
Pension costs	1150	784
	<u>115035</u>	<u>102886</u>

There were no employees whose remuneration was £60000 or more.  
Mrs B Hughes received remuneration of £11621 (2019 £10568).

**11 Taxation**

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

**12 Tangible Fixed Assets**

**Plant      Total**  
**& Eqpt**  
**£              £**

**Cost**

At 1 September 2019	4012	4012
Additions	0	0
<b>At 31 August 2020</b>	<u>4012</u>	<u>4012</u>

**Depreciation**

At 1 September 2019	1224	1224
Charge for the year	558	558

<b>At 31 August 2020</b>	<u>1782</u>	<u>1782</u>
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**Net book value**

<b>At 31 August 2020</b>	<u>2230</u>	<u>2230</u>
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<b>At 31 August 2019</b>	<u>2788</u>	<u>2788</u>
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**Charnock Richard Pre-School  
Company Limited by Guarantee  
Notes to the Accounts  
For the Year Ended 31 August 2020**

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<b>13 Debtors</b>	<b>2020</b>	<b>2019</b>
	£	£
Trade debtors	2151	2558

<b>14 Creditors due within one year</b>	<b>2020</b>	<b>2019</b>
	£	£
Accruals and deferred income	22765	1225
Paye / Nic	522	469
	23287	1694

**15 Share capital**

The charity has no share capital being a company limited by guarantee. Each member guarantees to contribute an amount not exceeding £1 in the event of a winding up situation.

**16 Restricted Funds**

The charity had no restricted funds in the year.

**Charnock Richard Pre-School  
Company Limited by Guarantee  
Notes to the Accounts  
For the Year Ended 31 August 2020**

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**17 Analysis of movements in unrestricted funds**

£

**General fund**

Balance 1 September 2019	42947
Incoming resources	142568
Resources expenses	-141644
	<hr/>
Balance 31 August 2020	<u>43871</u>

**18 Analysis of net assets between funds**

	<b>Unrestric- ted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 August 2020 are represented by:			
Tangible fixed assets	2230	0	2230
Current assets	64928	0	64928
Creditors: amounts falling due within one year	-23287	0	-23287
	<hr/>		
	<u>43871</u>	<u>0</u>	<u>43871</u>