

**Charnock Richard Pre-School
Limited by Guarantee
31 August 2023
Legal and Administrative Information**

The Directors / Trustees	Steven Hughes Adele Calderbank	Chair Vice Chair
Secretary	Zoe Cross	
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 2023
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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 2023**

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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 2023.

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:

Steven Hughes
Adele Calderbank

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 understand, 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

At the beginning of the academic year the intake had improved from the previous year impart down to the advertising commitment the preschool has had and also in a large part due to word of mouth within the local community and the good reputation the preschool has gained through the years.

The preschool has maintained a good staff to child ratio with no change in the numbers of staff, which has meant the management team have been able to implement extra training and role changes within the staffing roster which was a main aim of the management and committee team.

The preschool had an understandable financial loss due to higher staffing hours needed for those children needing additional support throughout the year as well as an increase to the cost structure across the whole of the preschool, with no extra funding from government departments for early years both the management and committee of the preschool had to put in place a cost saving framework for the preschool to work to which would keep the high standard of learning and development of the children but within the framework which I think the preschool has achieved.

Moving forward even though there has been a financial loss this year it was lower than the previous year and looking into the next year we expect the preschool to negate these losses and be at a break even basis with the plan that has been put in place by the management team.

The preschool is committed to fundraising throughout the year to enable resources to be purchased which will benefit the development of the children when required, families have been extremely supportive of this and have been welcomed into preschool with great gusto for celebrative fundraising events which have taken place over the year.

Financial Review

As shown in the statement of financial activities on page 4, the net deficit for the year amounted to £12189. 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. The charity currently aims to maintain funds at a level of three months' expenditure. At year end the level was around one months expenses due to required staffing level costs. The trustees hope to revert reserves to a higher level in the current accounting year, and confirm that funds have increased in the first six months.

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 onand 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 2023**

I report to the charity trustees on my examination of the accounts of the Company for year ended 31 August 2023 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:

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

Charnock Richard Pre-School

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Company Limited by Guarantee**Statement of Financial Activities (including Income and Expenditure Account)****For the Year Ended 31 August 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS					
Donations and legacies	4a	-	-	-	-
Income from charitable activities	4b	73,223	-	73,223	92,368
Other trading activities	5	36,411	-	36,411	7,946
Other income	6	-	-	-	96
Total income		109,634	-	109,634	100,410
Expenditure					
Expenditure on raising funds:					
Costs of voluntary income	7	108,360	-	108,360	109,879
Expenditure on charitable activities:					
Community activities	8	11,193	-	11,193	11,663
Other expenditure	9	2,270	-	2,270	2,182
Total expenditure		121,823	-	121,823	123,724
Net income/(expenditure) and net movement in funds		(12,189)		(12,189)	(23,314)
Total funds brought forward		22,047	-	22,047	45,361
Total funds carried forward		9,858	-	9,858	22,047

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 2023**

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	Note	2023	2022
		£	£
FIXED ASSETS			
Tangible assets	12	2,829	3,536
CURRENT ASSETS			
Debtors	13	494	-
Cash at bank and in hand		8,607	20,350
		<u>9,101</u>	<u>20,350</u>
Creditors: amounts falling due within one year	14	<u>(2,072)</u>	<u>(1,839)</u>
Net current assets		<u>7,029</u>	<u>18,511</u>
Net Assets		<u>9,858</u>	<u>22,047</u>
Funds of the Charity			
Unrestricted funds	17	9,858	22,047
Restricted funds	16		-
		<u>9,858</u>	<u>22,047</u>
Total charity funds		<u>9,858</u>	<u>22,047</u>

For the financial year ended 31 August 2022 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 onand are signed on behalf of the board by:

.....
Mr S Hughes

**Charnock Richard Pre-School
Company Limited by Guarantee
Notes to the Accounts
For the Year Ended 31 August 2023**

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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 2023**

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4: Donations and Legacies

	2023	2022
	£	£

Donations

	0	0
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4b Income from charitable activities

	2023	2022
	£	£

Local government grants

73223	92368
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Other grants

0	0
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73223	92368
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5 Other Trading Activities

	2023	2022
	£	£

Fees

34935	7946
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Fundraising

1476	0
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Fundraising

36411	7946
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6 Other incoming resources

	2023	2022
	£	£

Miscellaneous income

0	96
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**Charnock Richard Pre-Schol
Company Limited by Guarantee
Notes to the Accounts
For the Year Ended 31 August 2023**

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7 Costs of voluntary income

	Total 2023 £	Total 2022 £
Staff costs	100330	100242
Rent	7093	8867
Insurance	542	526
Dance	395	244
	<hr/>	<hr/>
	108360	109879

8 Community activities

	2023 £	2022 £
Pension costs	1167	1017
Training	1275	962
Repairs and maintenance	0	0
Refreshments	1813	2224
Fees and subscriptions	1599	1206
Play materials and resources	2016	2967
Postage and stationery	626	904
Telephone	316	305
Advertising	203	70
Hire charges	205	200
Depreciation	707	884
Sundry expenses	1266	924
	<hr/>	<hr/>
	11193	11663

9 Other expenditure

	2023 £	2022 £
Independent Examiner's fees	2270	2182

**Charnock Richard Pre-School
Company Limited by Guarantee
Notes to the Accounts
For the Year Ended 31 August 2023**

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10 Employees

2023 2022

Number of employees

The average monthly number of employees during the year was:

Administration	1	1
Nursery workers	7	8

Employment costs

2023 2022
£ £

Wages and salaries	10330	100242
Pension costs	1167	1017
	<u>11497</u>	<u>101259</u>

There were no employees whose remuneration was £60000 or more.

11 Taxation

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

12 Tangible Fixed Assets

Plant Total
& Equpt
£ £

Cost

At 1 September 2022	7306	7306
Additions	0	0
At 31 August 2023	<u>7306</u>	<u>7306</u>

Depreciation

At 1 September 2022	3770	3770
Charge for the year	707	707

At 31 August 2023	<u>4477</u>	<u>4477</u>
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Net book value

At 31 August 2023	<u>2829</u>	<u>2829</u>
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At 31 August 2022	<u>3536</u>	<u>3536</u>
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**Charnock Richard Pre-School
Company Limited by Guarantee
Notes to the Accounts
For the Year Ended 31 August 2023**

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13 Debtors

	2023	2022
£	£	
	494	0

Trade debtors

14 Creditors due within one year

	2023	2022
£	£	
Accruals and deferred income	1434	1254
Paye / Nic	638	585
	<u>2072</u>	<u>1839</u>

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 2023**

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17 Analysis of movements in unrestricted funds

£

General fund

Balance 1 September 2022	22047
Incoming resources	109634
Resources expenses	-121823
	<hr/>
Balance 31 August 2023	<u>9858</u>

18 Analysis of net assets between funds

	Unrestric- ted Funds	Restricted Funds	Total
	£	£	£
Fund balances at 31 August 2023 are represented by:			
Tangible fixed assets	2829	0	2829
Current assets	9101	0	9101
Creditors: amounts falling due within one year	-2072	0	-2072
	<hr/>		
	<u>9858</u>	<u>0</u>	<u>9858</u>