

Company Registration Number: 05155784
Charity Registration Number: 1106307

HEATHCOT PRE-SCHOOL LIMITED

(A Company Limited by Guarantee)

**Trustees Annual Report
and Financial Statements
Year Ended 31 August 2021**

HEATHCOT PRE-SCHOOL LIMITED

Contents

	Page
Members of the Board and professional advisers	2
Trustees Annual Report	3-5
Independent Examination	6
Statement of Financial Activities (incorporating the income and expenditure account)	7
Balance Sheet	8
Notes to the financial statements	9-12

HEATHCOT PRE-SCHOOL LIMITED

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISORS

Registered Charity Name	Heathcot Pre-School Limited
Charity Number	1106307
Company Number	05155784
Registered Office	78 Windsor Road Coppice Oldham OL8 1RP
Directors and Trustees	Javid Iqbal Sher Baz Yasmin Kousar Toor
Secretary	Farhat Nazir
Independent Examiner	Community Accounting Lancashire C.I.C. Foxfields 9 Norley Close Chadderton Oldham OL1 2RA
Bankers	Lloyds TSB 55-57 Yorkshire Street Oldham OL1 3SL

HEATHCOT PRE-SCHOOL LIMITED

TRUSTEES ANNUAL REPORT

The trustees and directors for the purposes of company law, present their annual report and the unaudited financial statements of the charity for the year ended 31 August 2021.

Structure, Governance and Management

Governing Document

Heathcot Pre-school Limited is a charitable company limited by guarantee, incorporated on 07/06/2005 and registered as a charity on 14/10/2004.

Recruitment and Training of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the requirements of the Memorandum and Articles of Association the board members are appointed for a period of 5 years after which they may be reappointed.

All board members give their time voluntarily. Because of the nature of the charity's work the suitability of all board members is determined through an enhanced criminal records bureau check.

All trustees are familiar with the work of the charity and have been given information about their responsibilities as trustees through the charity commission trustee leaflet.

Future trustees will be provided with the induction training either from the Chair or the manager.

Public Benefit

Our main activity is 'advancement of education' by delivering learning through play activities. We are registered with Ofsted to provide care and learning for children from 2 years to 5 years old children.

Risk Management

The Board of Trustees has put in place a risk management process which identifies key events or incidents that could affect the charity's ability to achieve its aims. This process results in a record of the most significant risks, both internal and external. For each, the possible impact or consequence of the risk and the required action to mitigate the risk are stated. The Trustees seek reasonable assurance that these risks have been adequately managed and is satisfied that appropriate procedures and controls are in place to manage the risks.

As a charity providing care for children the Trustees acknowledge that the organisation is exposed to certain risks as part of carrying out these activities, for example injury to children whilst in the organisation's care. The Trustees have put in place systems to seek to identify and assess the key risks that the charity faces and have put in place controls to seek to manage these risks.

Key risks that remain are: potential changes to government policy on early year provision, which risk exposing the charity to significant pension liabilities.

Risks are covered through a comprehensive set of policies and procedures that are shared with staff and users of the provision. These are reviewed annually to ensure they continue to meet the needs of the charity.

Objectives, Aims and Activities

Charitable Objectives

The Charitable Objectives of Heathcot Pre-School Limited, as set out in the Memorandum of Association of the Company are to provide and assist in the provision of childcare and education services for the benefit of the community in particular to enhance the development and education of children from 2 years to 5 years appropriate play education and care facilities.

HEATHCOT PRE-SCHOOL LIMITED

TRUSTEES ANNUAL REPORT

Review of Achievements and Performance for the Year

Operational Performance

We review our aims, objectives and activities each year. We look at what we have achieved and the outcome of our work in the previous 12 months. We look at the strengths and areas for improvement in our provisions.

Financial Review

The charity's financial statement shows a decrease in funds which reflects the Government funding received for three year olds, and the impact in the financial year from Covid-19.

Reserves Policy

The management committee has established a reserves policy. The aim of the reserves policy is to hold funds to sustain activities in the event of future income variation or increases in operational costs.

The policy reflects the need to respond to changes to the major risks and to be able to meet the commitment of providing early year education to children.

The committee retains sufficient funds to meet statutory redundancy requirements and sufficient funds to maintain 3 months expenditure.

Aside from reserves most of the charity's funds are to be spent in the short term.

We have money on the side for potential and expected income drop and currently we are in council building, the rest of the reserved fund is to buy own building in the future.

Impact of Coronavirus (COVID-19)

The charity accessed the Governments HMRC Job Retention Scheme in order to retain the current staff during the period of closure due to Covid-19.

Due to the uncertainty and the daily change to the current pandemic situation this has impacted on the daily running of the charity.

The charity will use its reserve fund to manage the negative financial impact of the Covid-19 as from September 2021 there is to be a reduction of income.

We are constantly reviewing and carrying out a robust risk assessment to ensure staff, parents and children are in a safe environment.

Plans for the Future

The Pre-school will continue to work with its parents, families, pre-school practitioners, local authorities and the Department for Education to provide high quality care and education for children, to improve the sustainability of groups and to promote the involvement of parents in all aspects of their children's education.

HEATHCOT PRE-SCHOOL LIMITED

TRUSTEES ANNUAL REPORT

Directors Responsibilities in relation to the Financial Statements

The Directors are responsible for preparing the Directors Annual Report and the Financial Statements in accordance with applicable law and regulations.

The trustees and directors for the purposes of company law, present their annual report and the unaudited financial statements of the charity for the year ended 31 August 2021.

The Board have adopted the provision of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended practice applicable in the UK and Republic of Ireland (effective 1 January 2015, and including update bulletins on 2 February 2016 and 5 October 2018) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

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

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.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and which enable them to ensure that the financial statements comply with 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The report of the members of the board were approved by the Board on the 27th of April 2022 and signed on their behalf;



Javid Iqbal
Director

HEATHCOT PRE-SCHOOL LIMITED

**REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL STATEMENTS OF
HEATHCOT PRE-SCHOOL LIMITED**

YEAR ENDED 31 AUGUST 2021

I report on the accounts for the year ended 31 August 2021 set out on pages 7 to 12.

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 in accordance with the requirements of the Companies Act 2006 (the 2006 Act). The trustees consider that an audit is not required for this year under s144 (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 s145 of the 2011 Act
- Follow the procedure laid down in the General Directions given by the Charity Commissioners (under s145(5)(b) of the 2011 Act, and
- To state whether particular matters have come to my attention.

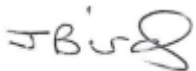
Basis of Independent Examiners Opinion

My examination was carried out in accordance with General Directions given by the Charity commission. 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 of disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an opinion as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiners 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 s386 of the Companies Act 2006; and
 - To prepare accounts which accord with the accounting records and to comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities 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.



4th May 2022

Miss Jacqueline Bird F.M.A.A.T.
Community Accounting Lancashire C.I.C.
Foxfields
9 Norley Close
Chadderton
Oldham
OL1 2RA

HEATHCOT PRE-SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2021

		Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
	Notes				
Income from:					
Raising Funds		-	-	-	-
Charitable activities	2	108,053	-	108,053	165,465
Other income	3	<u>16,691</u>	<u>-</u>	<u>16,691</u>	<u>1,605</u>
Total		<u>124,744</u>	<u>-</u>	<u>124,744</u>	<u>167,070</u>
Expenditure on:					
Charitable activities	4	158,812	-	158,812	160,821
Other expenditure		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total		<u>158,812</u>	<u>-</u>	<u>158,812</u>	<u>160,821</u>
Net income/(expenditure)		<u>(34,068)</u>	<u>-</u>	<u>(34,068)</u>	<u>6,249</u>
Reconciliation of funds:					
Total funds brought forward		<u>256,099</u>	<u>-</u>	<u>256,099</u>	<u>249,850</u>
Total funds carried forward	7	<u>222,031</u>	<u>-</u>	<u>222,031</u>	<u>256,099</u>

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.

The notes on pages 9 to 12 form part of these financial statements.

Note 10 on page 12 shows comparative information for the year ended 31 August 2020.

HEATHCOT PRE-SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	<i>Notes</i>	2021 £	£	2020 £	£
Current Assets					
Cash at Bank and in Hand		222,811		257,823	
Prepayments		-		-	
Total Current Assets		<u>222,811</u>		<u>257,823</u>	
Liabilities					
Creditors:					
Amounts falling due within one year	6	(780)		(1,724)	
Net Current Assets or Liabilities		<u>222,031</u>		<u>256,099</u>	
Total Net Assets or Liabilities					
The Funds of the Charity					
Unrestricted Funds		222,031		256,099	
Restricted Funds		-		-	
Total Funds	7	<u>222,031</u>		<u>256,099</u>	

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

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts 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 accounts.

The accounts are prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

The accounts were approved by the Board of Directors on the 27th of April 2022 and signed on its behalf by:



Javid Iqbal
Director

HEATHCOT PRE-SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and 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 (FRS102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016 and also Update Bulletin 2 published on 5 October 2018) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Incoming resources

All income, including grants, are recognised once the charity has entitlement to the income. It is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Restricted funds are to be used for specified purposes as laid down by the donor.
Expenditure which meets these criteria's is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes.

Resources expended

All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated or apportioned to applicable expenditure headings.

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 settlement will be required, and the amount for the obligation can be measured reliably.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

HEATHCOT PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2021

2. Income from Charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Nursery Education Grant				
OMBC 3&4 Free Entitlement	98,933	-	98,933	149,964
Nursery Fees	9,120	-	9,120	15,501
	<u>108,053</u>	<u>-</u>	<u>108,053</u>	<u>165,465</u>

3. Other Income

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
HMRC Job Retention Scheme Grant	12,497	-	12,497	-
Refunds	1,094	-	1,094	590
Other Income (Sundries)	3,100	-	3,100	1,015
	<u>16,691</u>	<u>-</u>	<u>16,691</u>	<u>1,605</u>

During the period the charity benefitted from a total of £12,497 of Government Grants from the HMRC Job Retention Grant Scheme. In accordance with accounting policy, this credit is included in 'Other Income' within the 'Statement of Financial Activities' in the period for which they compensate.

4 Expenditure on Charitable activities

	Unrestricted Support & Governance Costs £	Unrestricted Direct Costs £	2021 Total Funds £	2020 Total Funds £
Salaries	-	128,302	128,302	125,963
Tax & NI	-	2,061	2,061	7,279
Payroll & Accountancy Fees	2,570	-	2,570	1,651
Pension	-	5,440	5,440	6,238
Companies House Fee	13	-	13	13
Membership & Service Contracts	-	2,430	2,430	1,718
Cleaning	3,461	-	3,461	4,692
Equipment & Toys	-	262	262	1,117
Office Equipment & IT	-	5,500	5,500	-
Resources	-	1,436	1,436	3,717
Training	-	1,177	1,177	692
Insurance	3,013	-	3,013	2,986
Refunds	-	38	38	647
Snacks	-	462	462	726
DBS Checks	-	65	65	-
Printing & Stationery	1,335	-	1,335	1,698
Telephone & Internet	759	-	759	755
Sundry Expenses	-	488	488	929
	<u>11,151</u>	<u>147,661</u>	<u>158,812</u>	<u>160,821</u>

Total resources expended are stated after charging:

	2021 £	2020 £
Independent Examination Fees	780	780

HEATHCOT PRE-SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

5. Staff Costs

The movement in the year is after charging:

	2021	2020
	£	£
Net Wages and Salaries	128,302	125,963

Average number of full-time equivalent employees in the year:

Manager	1	1
Assistant Manager	1	1
Pre School Practitioners	5	5
Pre School Assistants	3	3
Trainee Administration Assistant	1	1

No Trustee received any remuneration during the year.

No employee received emoluments of £60,000 or above (2020: none).

6. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Accruals:		
Pension Payments	-	944
Accounts and Independent Examination	<u>780</u>	<u>780</u>
	<u><u>780</u></u>	<u><u>1,724</u></u>

7. Funds

	Balance as at 1 September 2020	Incoming Resources	Resources Expended	Balance as at 31 August 2021
		£	£	£
Unrestricted Funds	256,099	124,744	(158,812)	222,031
Restricted Funds:	-	-	-	-
Total Funds	<u><u>256,099</u></u>	<u><u>124,744</u></u>	<u><u>(158,812)</u></u>	<u><u>222,031</u></u>

8. Company Status

The charity is limited by guarantee and has no share capital. There are 3 members and the liability of each member in the event of winding up is limited to £1.

9. Related Parties

There were no related party transactions during the year.

HEATHCOT PRE-SCHOOL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2021

10. Comparative Information (previous years)

		Unrestricted Funds 2020 (previous year) £	Restricted Funds 2020 (previous year) £	Total Funds 2020 (previous year) £
	<i>Notes</i>			
Income from:				
Raising Funds		-	-	-
Charitable activities	2	165,465	-	165,465
Other income	3	<u>1,605</u>	<u>-</u>	<u>1,605</u>
Total		<u>167,070</u>	<u>-</u>	<u>167,070</u>
Expenditure on:				
Charitable activities	4	160,821	-	160,821
Other expenditure		<u>-</u>	<u>-</u>	<u>-</u>
Total		<u>160,821</u>	<u>-</u>	<u>160,821</u>
Net income/(expenditure)		6,249	-	6,249
Reconciliation of funds:				
Total funds brought forward		<u>249,850</u>	<u>-</u>	<u>249,850</u>
Total funds carried forward	7	<u>256,099</u>	<u>-</u>	<u>256,099</u>