

Company registered number	5309480
Charity registered number	1107923

HEYSIDE PRE-SCHOOL  
(A company limited by guarantee)

Report and Accounts

31 March 2022

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**Report of the Trustees & Board of Directors for the Year to 31 March 2022**

**Reference and administrative information.**

Company Limited by Guarantee:	5309480
Registered Charity:	1107923
Registered Office	St Marks Church Perth Street Heyside Royton Oldham Lancashire OL2 6LY

**The directors and trustees for the year were:**

Peter Kershaw (Resigned 19/11/21)  
Darryll Elwood  
Jade Bowden  
Hannah Buckley  
Pamela Darlington (Appointed 19/11/21)  
Zoe Perry (Appointed 19/11/21)  
Martin Rigby (Appointed 19/11/21, Resigned 6/6/22)

**Company Secretary**

Pamela Darlington (Appointed 19/11/21)  
Peter Kershaw (Resigned 19/11/21)

**Bankers**

Yorkshire Bank  
2-4 Market Square  
Royton  
Oldham  
OL2 5QD

**Structure governance and management**

The charity is governed by its Constitution & Memorandum of Articles of Association.

The charity is a company limited by guarantee

The trustees are elected by its members.

Heyside Pre-school is a member of the Pre-school Learning Alliance, with close links to Oldham Council Early Years Team.

There are two types of membership. Family membership for the parent or guardians of all children who attend Heyside Pre-school and Affiliate Membership for individuals, organisations or other bodies interested in supporting the aims of Heyside Pre-school.

Committee members are voted by the members at the Annual General Meeting, usually held in November each year. We currently have 11 committee members consisting of 5 trustees who are responsible for the management of the pre-school and 6 general committee members who support the trustees with fund raising.

### **Objectives and activities**

Our Setting Aims to:

- To provide high quality care & education for children from 2 years old to 4:11 months old. (Children may be able to attend from 22 months depending on ratios and the child's needs).
- To work in partnership with parents to help children to learn and develop
- To add to the life & well-being of our local community

To offer children & their parents a service that promotes equality & values diversity.

We Aim to Ensure that each child:

- Is in a safe & stimulating environment
- Is given generous care & attention, this is ensured because of our ratio of qualified staff to children, as well as volunteer parent helpers
- Has the chance to join with other children & adults to live, play, work, learn & have fun together
- Is helped to take forward their learning & development by being helped to build on what they already know & can do.
- Has a personal key person who makes sure each child makes satisfying progress to develop to their fullest potential.
- Is in a setting that sees parents/carers as partners in helping each child to learn & develop
- Is in a setting in which parents help to share the service it offers

The Pre-school is heavily reliant on the help of volunteers.

Firstly, the Board of trustees is formed to support the pre-school staff in their day to day duties. They may also wish to gain experience or to gain qualifications. In any of these scenarios, their efforts and support are greatly appreciated

### **Achievements and performance**

Providing high quality affordable childcare and education for all children from age 2 – 4:11 years old.

Our ratios, as per Ofsted requirements, are;

- 1 member of Early Years qualified staff to every 4 children aged 2 years.
- 1 member of Early Years qualified staff to every 8 children aged 3 & 4 years.

At the present time we have 7 members of paid staff;

- 1 with Early Years Teacher status, 4 with a Level 3 Early Years qualification,
- 1 working towards Level 3 Early Years qualification and 1 with a Level 2 Early Years qualification.

Heyside Pre-school has been service to around 38 families this academic year.

### **Financial Review**

The Pre-school has extremely limited restricted funds that fluctuate termly/annually and therefore essentially all cash balances can be considered to be part of reserves. In the event of reserves falling significantly below the target level, the Pre-school will aim to restore the reserves as soon as possible by increasing fundraising, increasing earned income, or reducing expenditure.

The principal source of funds for the charity is income linked to childcare places offered by the pre-school.

We receive government funding for up to 15 hours per week for 38 weeks of the year for children the term after they are 3 years old.

Children of some working parents can claim an additional 15 hours free government entitlement per week (up to 30 hours per week).

Two-year-old funding is available to some families, depending on circumstances and whether they meet the criteria. Unfortunately, we do not have many children attending that are eligible to access this funding due mainly to the area we are situated in.

Any hours attended by the children above their free entitlement is paid for by the parent/carers.

However, the hourly amount received for Free Entitlement children, from the local authority, is lower than the amount charged to fee paying children and no top up charges are allowed to be charged to make up the difference. We are finding that now, and over the past few years, we seem to have more Free Entitlement Children attending than fee paying children which has a big impact on the settings finances.

Funding is also available to apply for to support children with Additional Education Needs in the form of an EHC plan (Educational Healthcare Plan) or to enable the setting to provide additional support to meet a child's individual needs, the amount of funding varies depending on each child's needs and also as to whether we have children with Additional Educational Needs attending the pre-school.

Funds held by Heyside Pre-school fall into three categories:

**Unrestricted Funds** – These are needed to cover staff costs and those of administration and support without which the Pre-school could not operate.

Income levels vary during the year, but expenditure levels remain relatively constant throughout. Income is at its lowest during the Autumn term rising during the Spring to its highest level in the Summer term – this is due to the availability of the free entitlement funding.

The trustees consider it necessary that unrestricted funds should be sufficient to cover one month's administration and support costs. This level will ensure

we have adequate resources to cover our outgoings whilst income is at its lowest level during the Autumn term.

The Trustees will monitor and review this unrestricted fund reserve level with reference to income forecasts and changes in funding on an annual basis to ensure that it continues to meet the needs of the Pre-school.

**Restricted Funds** – Restricted funds normally arise from donations, grants, EYPP (Early Years Pupil Premium), DAF (Disability Living Allowance) or SEND inclusion funding and must be used for specific purposes or resources.

**Designated Funds** – *Designated funds are amounts specifically excluded from being used to meet the day-to-day running costs of the Pre-school. Sums raised through fundraising activities fall into this category.*

The committee organise fundraising events to raise much needed funds to enable equipment/resources to be purchased to enhance the children's education & learning as well as parties/Christmas gifts etc. for the children. The main annual fundraising events are; Christmas Coffee Morning, Nativity Concert, Sponsored Walk, Easter Bingo.

#### **Financial statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to;

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The financial statements comply with current statutory requirements and the requirements of the governing documents.

**By order of the board of directors**



**Darryll Elwood**

**Approved by the Board on 21st November 2022**

## **Independent Examiners Report to the Trustees of Heyside Pre-School**

I report on the accounts of the charity for the period ended 31 March 2022.

### **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 for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of the Association of Accounting Technicians.

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 Charities Act 2011);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to our attention.

### **Basis of independent examiners' report**

My examination was carried out in accordance with the 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 or disclosures in the accounts, and the seeking of 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 statement below.

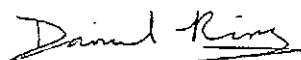
### **Independent examiners' statement**

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:

- a. to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- b. to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Companies Act 2006, and the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or

(2) to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.



**Daniel King (AAT)**

6 The Linney  
Cowpe Road  
Lancashire  
BB4 7EX

**Statement of Financial Activities (including Income & Expenditure Account) for the year ending 31 March 2022**

	Notes	Unrestricted Funds	2022 Restricted Funds	Total Funds	2021 Total Funds
<b>Incoming Resources:</b>					
<b>Incoming Resources from generated funds</b>					
Charitable activities	2	87,563	-	87,563	86,239
Other trading activities	3	18,170	-	18,170	22,813
Other income		1,930	-	1,930	1,040
<b>Total incoming resources</b>		<b>107,663</b>	<b>-</b>	<b>107,663</b>	<b>110,092</b>
 <b>Resources Expended:</b>					
<b>Raising funds (events and parties)</b>					
Charitable activities	4	298	-	298	463
Governance costs	5	110,442	-	110,442	101,797
		350	-	350	330
<b>Total Resources Expended</b>		<b>111,090</b>	<b>-</b>	<b>111,090</b>	<b>102,590</b>
 <b>Net incoming resources (outgoing) resources</b>					
		(3,427)	-	(3,427)	7,502
 <b>Transfer between funds</b>					
		-	-	-	-
 <b>Surplus for year</b>					
		(3,427)	-	(3,427)	7,502
 <b>Total funds brought forward</b>					
	9	17,841	2,319	20,160	12,658
 <b>Total funds carried forward</b>					
	9	14,414	2,319	16,733	20,160



**HEYSIDE PRE-SCHOOL (a company limited by guarantee & a registered charity)**

**Balance Sheet**

**as at 31 March 2022**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Current assets</b>			
Cash at bank and in hand		<u>19,172</u>	<u>22,169</u>
		19,172	22,169
<b>Creditors: amounts falling due within one year</b>	8	(2,439)	(2,009)
<b>Net current assets/ (liabilities)</b>		<u>16,733</u>	<u>20,160</u>
<b>Net assets</b>		<u>16,733</u>	<u>20,160</u>
<b>Unrestricted Funds</b>	9	14,414	17,841
<b>Restricted funds</b>	9	2,319	2,319
<b>Total funds</b>		<u>16,733</u>	<u>20,160</u>

The directors are satisfied that the company is entitled to exemption under Section 477 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small company regime.

**P Darlington**  
**Secretary**



**Approved by the board on 21st November 2022**

## Notes to the Accounts for the year ending 31 March 2022

### 1 Accounting policies

The financial statements have been prepared under the historical cost basis of accounting and comply with the Statement of Recommended Practice "Accounting and reporting by charities" issued in March 2005 ("SORP 2005").

#### *Funds*

Unrestricted funds are those available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds which are to be used for a particular purpose.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### *Incoming Resources*

Grant income where received in advance of performance, is carried forward into the following year within the funds note.

#### *Income from trading activities*

Income from trading activities arises from amounts received from use of the company's buildings and other facilities.

#### *Resources expended*

#### *Pensions*

The company operated a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

### 2 Charitable activities

	Unrestricted Funds	Restricted Funds	2022 £ Total Funds	2021 £ Total Funds
Nursery Education Grant	80,901	-	80,901	80,579
Additional Needs Funding	6,662	-	6,662	5,660
	<u>87,563</u>	<u>-</u>	<u>87,563</u>	<u>86,239</u>

### 3 Trading activities income

			2022 £	2021 £
Fees	15,823	-	15,823	11,959
Fees (Vouchers)	-	-	-	425
Restricted funding	-	-	-	-
Charity funding	-	-	-	70
Huddersfield Uni funding	1,054	-	1,054	903
Fundraising/Raffles/Nativity	-	-	-	-
Sponsored Walk	1,293	-	1,293	-
Furlough	-	-	-	9,456
	<u>18,170</u>	<u>-</u>	<u>18,170</u>	<u>22,813</u>

**4 Resources expended on charitable activities**

			2022 £	2021 £
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Staff costs	89,383	-	89,383	86,029
Rent	10,124	-	10,124	7,425
Telephone and internet	939	-	939	984
Equipment, books etc.	3,792	-	3,792	2,711
Printing, stationery & postage	1,876	-	1,876	1,173
Cleaning and maintenance	461	-	461	743
Insurance, PLA, Reg. fee	861	-	861	-
Travel	23	-	23	16
Craft materials, paper, paint	571	-	571	726
Ofsted fee	220	-	220	220
Refreshments	408	-	408	280
Other expenditure	1,784	-	1,784	1,490
	<u>110,442</u>	<u>-</u>	<u>110,442</u>	<u>101,797</u>

**5 Governance costs**

		2022 £	2021 £
Accountancy fees	350	-	330
	<u>350</u>	<u>-</u>	<u>330</u>

**6 Employees**

	2022 £	2021 £
Staff costs include the following:		
Wages and salaries	87,432	84,514
Social security costs	700	332
Pension costs	1,251	1,183
	<u>89,383</u>	<u>86,029</u>

**7 Corporation Tax**

There is no liability to corporation tax due to the charitable status of the company.

**8 Creditors: amounts falling due within one year**

	2022 £	2021 £
Accruals and deferred income:		
Independent examination fees	350	330
Holiday pay accrual	2,089	1,679
	<u>2,439</u>	<u>2,009</u>

HEYSIDE PRE-SCHOOL (a company limited by guarantee & a registered charity)

9	Movement in Funds					31 <sup>st</sup>
		1 April 2021	Incoming Resources	Outgoing Resources	Transfers	March 2022
	Unrestricted Funds	17,841	107,663	111,090	-	14,414
	Restricted Funds	2,319	-	-	-	2,319
	<b>Total Funds</b>	<b>20,160</b>	<b>107,663</b>	<b>111,090</b>	<b>-</b>	<b>16,733</b>