

Cullingworth Pre-School

Charity number 1114082

A company limited by guarantee number 05686132

Annual Report and Financial Statements for the year ended 31 August 2023



WYCAS

COMMUNITY ACCOUNTING
WEST YORKSHIRE

Cullingworth Pre-School

Annual Report and Financial Statements for the year ended 31 August 2023

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Prepared by West Yorkshire Community Accountancy Service CIO

Cullingworth Pre-School

Trustees' report for the year ended 31 August 2023

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Amy Higgins	Chair	
Joanna Major	Treasurer	
Tracy Braisby	Secretary	Resigned 26 April 2023
Daniel Higgins		
Barbara Knowles	Manager	
Beatrice Halstead		
Karen Hutton		
Roxanne Hardy		Appointed 1 September 2022
Hayley Heaton		Appointed 16 June 2023
Lydia Reveley		Appointed 27 April 2023
Paul Leonard		Appointed 27 April 2023
Helen Darby		Appointed 27 April 2023
Charity number	1114082	Registered in England and Wales
Company number	05686132	Registered in England and Wales
Registered and principal address	Bankers	
12 Lodge Street	The Co-operative Bank	Cambridge and Counties Bank
Cullingworth	PO Box 250	Charnwood Court
Bradford	Skelmersdale	58 New Walk
BD13 5HB	WN8 6WT	Leicester
		LE1 6TE

Independent examiner

Rhys North ACA

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a company limited by guarantee and was formed on 24 January 2006. It is governed by a memorandum and articles of association as amended 19 July 2019. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

Method of recruitment and appointment of trustees

The trustees of the charity are also the directors for the purposes of company law and are appointed by the members at the AGM.

Training for specific roles is given as and when required by retiring or existing trustees. Copies of the governing Memorandum and Articles of Association are available at the Preschool.

Cullingworth Pre-School

Trustees' report (continued) for the year ended 31 August 2023

Objectives and activities

The charity's objects

The aims of the Pre-school are to enhance the development and education of children between 2 and 5 years of age and support children to reach their full potential by:

- (a) offering appropriate play, education and care facilities, family learning and extended hours groups, working together with the parents to become involved in their child's learning, ensuring that we offer opportunities for all children whatever their race, culture, religion, means or ability;
- (b) ensuring that staff are well qualified and are given opportunities to keep their skills and knowledge updated; and
- (c) instigating and adhering to and furthering the aims and objects of the Pre-School Learning Alliance.

Public benefit statement

In setting our objectives and planning our activities our trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the advancement of education.

Achievements and performance

The principal activities of the Preschool remain to provide a comprehensive early years education to local 2, 3 and 4 year olds. We also provide a 'wraparound' child care service consisting of breakfast, lunch and after school club to children attending the local primary school. We have again been at full capacity.

This year has also seen the introduction of Scarecrows Holiday Club, offering school holiday care to children aged between 3 and 11.

Financial review

The net income for the year was £1,951, all of which was unrestricted in nature.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £200,529.

The Preschool has an agreed reserves policy for it to hold sufficient capital in reserve to run the Preschool for one month, assuming no income was generated. This reserve also holds sufficient funds to cover statutory redundancy payments in the event that the Preschool had to close for any reason. Based on budgeted 2023/2024 expenditure this would equate to £76,588.

The trustees recognise that actual reserves at 31 August 2023 exceed the target level of reserves. The trustees have plans for an extension to the building to be built in summer 2024, the spend on which will be in the region of £100,000. The extension will provide an additional room for our two year olds.

Cullingworth Pre-School

Trustees' report (continued) for the year ended 31 August 2023

Statement of trustees' responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the trustees to prepare financial accounts 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 the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS102)), and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved by the board of trustees on 30/05/2024

Joanna Major (Trustee)

Cullingworth Pre-School

Independent examiner's report to the trustees of Cullingworth Pre-School

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 August 2023, which are set out on pages 6 to 10.

Responsibilities and basis of report

As the charity's trustees of the charitable company (and also its directors for the purposes 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 charitable company are not required to be audited 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 ('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 in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

Signed: 

Name: Rhys North ACA

19/06/2024

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Cullingworth Pre-School
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 August 2023

	2023	2022
	Total	Total
	funds	funds
Notes	£	£
Income from:		
Fees received	210,289	213,482
Donations and fundraising	2,934	2,848
Uniform sales	309	769
Other income	2,513	242
Bank interest	3,965	956
Total income	220,010	218,297
Expenditure on:		
Wages, NIC and pension	(2) 167,940	175,456
Payroll charges	-	495
Consumable resources	4,097	4,399
Snacks	3,610	1,935
Uniforms	991	1,678
Rent	11,000	10,087
Utilities and water	5,036	3,224
Printing, postage and stationery	846	1,098
Telephone	236	212
Internet and software charges	2,642	1,231
Independent examination	1,680	1,200
Professional fees and charges	468	2,101
Insurance	234	684
Equipment hire	392	127
Repairs and renewals	2,752	6,359
Cleaning and waste disposal	5,933	1,068
General expenses	1,294	896
Subscriptions and licences	609	636
Training costs	464	494
Depreciation	5,992	6,777
Fundraising costs	481	1,104
Staff gifts	1,275	1,500
Bank charges	87	-
Total expenditure	218,059	222,761
Net income / (expenditure)	1,951	(4,464)
Fund balances brought forward	247,185	251,649
Fund balances carried forward	249,136	247,185

All incoming resources and resources expended derive from continuing activities.

Cullingworth Pre-School
Balance sheet
as at 31 August 2023

	Notes	2023 Total £	2022 Total £
Fixed assets			
Tangible assets	(3)	48,607	52,232
Total fixed assets		<u>48,607</u>	<u>52,232</u>
Current assets			
Debtors and prepayments	(4)	5,836	864
Cash at bank and in hand	(5)	197,945	198,489
Total current assets		<u>203,781</u>	<u>199,353</u>
Current liabilities: amounts falling due within one year			
Creditors and accruals	(6)	3,252	4,400
Total current liabilities		<u>3,252</u>	<u>4,400</u>
Net current assets / (liabilities)		<u>200,529</u>	<u>194,953</u>
Net assets		<u>249,136</u>	<u>247,185</u>
Funds			
Unrestricted funds		249,136	247,185
Total funds		<u>249,136</u>	<u>247,185</u>

For the year ending 31 August 2023 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who are also the directors for the purposes of company law) acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with FRS 102 (effective January 2019).

The financial statements were approved by the board of trustees on 30/05/2024

Joanna Major (Trustee)

Cullingworth Pre-School

Notes to the accounts

for the year ended 31 August 2023

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, if it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their expected useful economic lives as follows:

Village Hall fit-out costs: over 25 years

Fixtures and fittings: 33% on reducing balance basis

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Fund accounting

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

Leases

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

Cullingworth Pre-School
Notes to the accounts continued
for the year ended 31 August 2023

2 Staff costs and numbers

	2023	2022
	£	£
Gross salaries	163,407	170,031
Social security costs	7,613	7,644
Employment allowance	(5,564)	(4,372)
Pensions	2,484	2,153
	<u>167,940</u>	<u>175,456</u>

The average number of employees during the year was 15.2, being an average of 9.8 full time equivalent (2022: 13.8, 10.2 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2023	2022
	£	£
Costs of the scheme to the charity for the year	2,484	2,153
Amount of any contributions outstanding at the year end	784	593

3 Tangible assets

	Fixtures, Fittings & £	Village Hall fit out costs £	Total £
<u>Cost</u>			
At 1 September 2022	56,093	50,699	106,792
Additions	<u>2,367</u>	<u>-</u>	<u>2,367</u>
At 31 August 2023	<u>58,460</u>	<u>50,699</u>	<u>109,159</u>
<u>Depreciation</u>			
At 1 September 2022	46,448	8,112	54,560
Charge for year	<u>3,964</u>	<u>2,028</u>	<u>5,992</u>
At 31 August 2023	<u>50,412</u>	<u>10,140</u>	<u>60,552</u>
<u>Net book value</u>			
At 31 August 2023	<u>8,048</u>	<u>40,559</u>	<u>48,607</u>
At 31 August 2022	<u>9,645</u>	<u>42,587</u>	<u>52,232</u>

4 Debtors and prepayments

	2023	2022
	£	£
Debtors	2,155	297
Prepayments	1,130	567
Other debtors	<u>2,551</u>	<u>-</u>
	<u>5,836</u>	<u>864</u>

5 Cash at bank and in hand

	2023	2022
	£	£
Cash at bank	197,555	198,175
Cash in hand	<u>390</u>	<u>314</u>
	<u>197,945</u>	<u>198,489</u>

Cullingworth Pre-School
Notes to the accounts continued
for the year ended 31 August 2023

6 Creditors and accruals	2023	2022
	£	£
Accruals	2,468	1,503
Taxation and social security	-	2,304
Other creditors	784	593
	<u>3,252</u>	<u>4,400</u>

7 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

Details of remuneration and benefits	2023	2022
	£	£
Barbara Knowles Employment costs as Pre-School manager	27,451	27,760
Joanna Major Employment costs as Admin Manager	9,217	7,351
	<u>36,668</u>	<u>35,111</u>

Legal authority for the payment

The legal authority for the payment is via a provision within the charity's governing document.

Remuneration and benefits received by key management personnel

The key management personnel of the charity include the trustees and Pre-School Manager. The total employee benefits received by the key management personnel were £27,451 (previous year: £27,760).

Other transactions with trustees or related parties	2023	2022
	£	£
Name of trustee or related party	Relationship to charity	Description of transaction
Joanna Major	Trustee	Bookkeeping services
Sue Wood	Close relative of Megan Harvey, trustee	Employment costs
Eve Knowles	Close relative of Barbara Knowles, trustee	Employment costs
Scarecrows Holiday Club Ltd	Company owned by Barbara Knowles, trustee	Purchase of assets of Scarecrow Holiday Club Ltd
		<u>18,494</u>
		<u>24,754</u>

8 Operating leases

Expected future minimum lease payments over the remaining life of the lease, analysed into the period in which the commitment falls due:	2023	2022
	£	£
Within one year	11,000	11,000
In the second to fifth years inclusive	44,000	44,000
Over five years from the balance sheet date	29,333	40,333
	<u>84,333</u>	<u>95,333</u>