

Charity Registration No. 1114491

Company Registration No. 05751567 (England and Wales)

LITTLE OWL PRE SCHOOL LIMITED

**ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

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LITTLE OWL PRE SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs V Corcoran R Bushnell	(Appointed 21 January 2020)
Charity number	1114491	
Company number	05751567	
Principal address	The Baptist Church Main Street Woodhouse Eaves Loughborough Leics LE12 8RZ	
Independent examiner	Newby Castleman LLP 6 Forest Road Loughborough Leicestershire LE11 3NP	

LITTLE OWL PRE SCHOOL LIMITED

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LITTLE OWL PRE SCHOOL LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The aim of the pre school is to enhance the development and education of children, primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups by:

- Offering appropriate play facilities together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children, regardless of race, culture, religion or means.
- Encouraging the study of the needs of such children and their immediate families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aim of the pre school.

For furtherance of this aim the pre school may:

- Provide accommodation and equipment and engage staff.
- Raise money to pay for pre school activities.
- Make such payments as shall be necessary.
- Fix and collect fees in respect of children attending groups run by the pre school.
- Control the admission of children to the groups run by the pre school and, if appropriate, require parents or guardians to withdraw them.
- Take such other action to benefit the pre school.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Financial review

Little Owl closed on 20th March 2020 due to the Coronavirus pandemic and the resulting national lockdown. When we reopened in June, children returned slowly and staffing was minimal.

Fortunately we were still funded by the Local Authority according to our attendance figures before lockdown. This meant that our income was not massively reduced during this time as the majority of our children access funded places. However, for those parents who do pay for their child's place, we were unable to charge parents for places not accessed due to either us being closed or their reluctance for their child to attend.

Our attendance figures were definitely lower following the pandemic even during the Autumn term but once again the Government stepped in to ensure the deficit was made up in order for us to remain sustainable.

Another plus was that the staff were not furloughed so were able to complete administrative work and online training from home – hours that they would normally be paid for. We also saved money by not having to purchase snacks and resources during our closure and in addition less were needed even once we reopened due to the lower numbers of children.

All in all an interesting year but we remain positive that we are still able to continue opening our doors to the local community.

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 at least equivalent to between three and six month's expenditure. The Trustees 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.

LITTLE OWL PRE SCHOOL LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees has assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a company limited by guarantee.

New trustees are appointed by the existing trustees in accordance with the needs of the charity. The existing trustees will assess the ability of the new trustees and will carry out the necessary checks before appointment commences.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The overall management and control of the pre school shall vest in the trustees, who may delegate management responsibilities to a management committee which shall be responsible for the day to day management of the pre school.

The board of trustees shall at all time consist of at least two directors, a Chair, a Treasurer and a Secretary.

The trustees shall hold at least three meetings each year unless they decide by simple majority to hold fewer or further meetings. Trustees shall each have one vote and in the event a tie, the chair shall have the casting vote.

These accounts have been prepared in accordance with the special provision relating to small companies within Part 15 of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.

Mrs V Corcoran

Trustee

Dated: 28 June 2021

LITTLE OWL PRE SCHOOL LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LITTLE OWL PRE SCHOOL LIMITED

I report on the accounts of the Charity for the year ended 31 December 2020, which are set out on pages 4 to 9.

Respective responsibilities of Trustees and examiner

The Trustees, who are also the directors of Little Owl Pre School Limited for the purposes of company law, are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(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:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's 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 seeking 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 next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, 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; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mrs Annalise Lovett FCCA
Newby Castleman LLP
6 Forest Road
Loughborough
Leicestershire
LE11 3NP

Dated: 29 June 2021

LITTLE OWL PRE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Total 2019 £
<u>Income from:</u>			
Donations and legacies	3	-	100
Charitable activities	4	47,369	44,247
Other trading activities	5	-	1,805
		<hr/>	<hr/>
Total income		47,369	46,152
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	6	39,103	44,741
		<hr/>	<hr/>
Total resources expended		39,103	44,741
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		8,266	1,411
		<hr/>	<hr/>
Fund balances at 1 January 2020		14,512	13,101
		<hr/>	<hr/>
Fund balances at 31 December 2020		22,778	14,512
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LITTLE OWL PRE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Cash at bank and in hand		28,532		27,556	
Liabilities					
Creditors: amounts falling due within one year	8	(5,754)		(13,044)	
Net current assets			22,778		14,512
Net assets			22,778		14,512
Total funds of charity					
Unrestricted funds			22,778		14,512
			22,778		14,512

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 28 June 2021

Mrs V Corcoran
Trustee

R Bushnell
Trustee

Company Registration No. 05751567

LITTLE OWL PRE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Little Owl Pre School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is .

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006 and "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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

LITTLE OWL PRE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds £	Total 2019 £
Donations and gifts	-	100
For the year ended 31 December 2019	100	100

4 Charitable activities

	2020 £	2019 £
LEA funding	41,984	32,965
Fees	5,385	11,282
	47,369	44,247
Analysis by fund		
Unrestricted funds	47,369	
For the year ended 31 December 2019		
Unrestricted funds	44,247	44,247

5 Other trading activities

	2020 £	2019 £
Fundraising events	-	1,805

LITTLE OWL PRE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	2020 £	2019 £
Staff costs	30,321	35,244
Children's activities	85	537
Food and drink	749	810
Rent	5,114	5,149
Insurance	552	545
Payroll and auto enrolment fees	1,008	1,008
Independent examination fees	840	720
Cleaning	216	310
Printing, postage and stationery	-	185
Sundry expenses	65	36
Training	153	123
DBS Checks	-	74
	<u>39,103</u>	<u>44,741</u>
	<u>39,103</u>	<u>44,741</u>
Analysis by fund		
Unrestricted funds	39,103	
	<u>39,103</u>	
For the year ended 31 December 2019		
Unrestricted funds		44,741
		<u>44,741</u>

LITTLE OWL PRE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Employees

The average monthly number employees during the year was:

	2020 Number	2019 Number
Day to day running of pre school	5	5

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	30,067	34,958
Pension costs	254	286
	<u>30,321</u>	<u>35,244</u>

There were no employees whose annual remuneration was £60,000 or more.

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of expenses during the year.

8 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		256	340
Deferred income	9	4,466	11,521
Other creditors		-	211
Accruals		1,032	972
		<u>5,754</u>	<u>13,044</u>

9 Deferred income

	2020 £	2019 £
Arising from LEA funding	<u>4,466</u>	<u>11,521</u>