

COMPANY NUMBER
REGISTERED CHARITY NUMBER

6047640
1119231

WELFORD PRE-SCHOOL
REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2020

WELFORD PRE-SCHOOL
COMPANY NUMBER - 6047640
REGISTERED CHARITY NUMBER - 1119231

FINANCIAL STATEMENTS - 31 AUGUST 2020

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WELFORD PRE-SCHOOL
COMPANY NUMBER - 6047640
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

REGISTERED OFFICE

The Mobile Unit
Welford Sibbertoft & Sulby Endowed School
West Street
Welford
Northants
NN6 6HU

STRUCTURE AND GOVERNANCE

The company was incorporated on 10 January 2007 as a charitable company limited by guarantee, under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. There is no share capital. On 1 June 2007, following the receipt of consent from the Pre-school Learning Alliance and Charity Commission, the assets of Welford Pre School, an un-incorporated association, were transferred into the new company.

The company is managed by a voluntary committee made up of parents. The members of the committee are trustees of the charity and directors of the company. The committee is responsible for:

- employing a qualified Manager and staff to carry out the day-to-day running of the Pre-school;
- managing the pre-school's finances and arranging fundraising events;
- setting appropriate policies and ensuring they are adhered to;
- making sure that the pre-school works in partnership with parents.

Trustees / directors are appointed or reappointed annually at the AGM.

Welford Pre-school is a body in membership of the Pre-school Learning Alliance and all parents are regarded as members who have full participatory rights.

OBJECTIVES

The Trustees regularly review and update the Pre-School's business plan. This sets out a number of objectives for the Pre-School, which can be summarised as follows:

- To maintain and improve our facilities to provide the best learning & development environment for children who attend.
- To ensure all childcare staff receive continual professional training and, where possible, are supported in furthering their qualifications.
- To ensure the on-going development and smooth running of the business through regular strategic planning and review, and to provide greater financial stability through increasing levels of reserves.

PRINCIPAL ACTIVITIES AND ANY SIGNIFICANT CHANGES

Since 1 June 2007, when it assumed the business and assets of Welford Pre School, the principal activity of the company has been the provision of pre-school education to children aged over 2 and under 5 years of age. Before this the company did not trade.

In September 2008 the business expanded with the opening of a breakfast club and after-school club for children aged between 4 and 14 years.

The pre-school is a friendly, long-established setting that has served the local rural community since 1984. It is situated in separate purpose built premises within the grounds of Welford, Sibbertoft and Sulby Endowed School (WSES). This proximity enables the children to develop familiarity with the school environment from an early age and eases the transition into school.

Whilst we have close links with WSES we are a separate educational charity.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

ACHIEVEMENTS AND PERFORMANCE

The year has been a difficult one for the Pre-School and its staff and committee members as it dealt with the impact of Covid-19 and the associated challenges that presented.

The Pre-School was completely closed from mid-March until early June, when we were able to reopen to care for a small number of children, mainly those with parents who are key workers. The Pre-School reopened to all children from the start of the 2020/21 school year and early attendance levels have been good.

The Pre-School manager and staff have all done an amazing job in devising and implementing measures to ensure that children could return as safely as possible. They have also worked closely with WSSSES to coordinate procedures across the two settings (e.g. drop off and collection times).

Despite the challenges we have faced, the Pre-School has still been able to achieve a strong financial result for the year. More details are given in the financial review below.

FINANCIAL REVIEW

The Pre-School has had a good financial year, with total income only down by 10% on last year despite losing the best part of a term's worth of income due to Covid-19. Total costs are slightly lower than last year.

For the period the Pre-School was closed or operating at reduced capacity, the committee made the decision to utilise some of our cash reserves to continue to pay our staff at the level they were receiving prior to this. We felt it was right to support the staff in this way given how hard they have worked to make the Pre-School as successful and popular as it has been in recent years.

We estimate that the impact of Covid-19 has cost the Pre-School £10,000 - £15,000 in lost profits but we are fortunate to have had both healthy cash reserves and a strong start to the year to help counter this.

During the year £1,387 of restricted funds were expended with £898 of Early Years Pupil Premium received, resulting in a net outflow of restricted funds of £489.

The charity had net incoming resources of £4,652 for the year ended 31 August 2020 and net current assets of £87,980 at this date.

RESERVES POLICY

In line with the guidance issued by the Charity Commission, the trustees have reviewed the charity's needs for cash reserves. We believe that the minimum level of reserves should be the equivalent of three months of operating costs, calculated and reviewed annually and that the reserves should be built up to this level in stages, consistent with the charity's overall financial position and its need to maintain and develop its charitable activities. The income of the charity fluctuates annually, with the demand for pre-school services showing a correlation with the local birth rate. We require cash reserves to be at a level that gives us sufficient cashflow to operate a sustainable service and plan for the long term.

The reserves level at 31 August 2020 (defined as net current assets) was £87,980 which represents approximately 13 months of operating costs.

WELFORD PRE-SCHOOL
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

DIRECTORS

The directors who have served during the year were as follows:

Niamh Bland	Chair
Hannah Bedard	Secretary (from 23 October 2019)
Louise Sparrow	Secretary (to 23 October 2019)
Rachel Law	OFSTED nominated person
Jonathan Smurthwaite	Treasurer
Lucy Hunt	
Helen Bradshaw	
Kerrilee Johnson	
Alexandra Haigh	
Ruth Leddington	
Lucy Jeffery	Appointed 4 December 2019
George Jeffery	Appointed 7 January 2020
Sarah Lane	Appointed 22 January 2020
Antasia Smith	Resigned 21 November 2019

As required by the Memorandum and Articles of Association all directors retire from the committee at the Annual General Meeting (AGM) but are then eligible for re-election if they choose to stand.

PUBLIC BENEFIT STATEMENT

The charity trustees have complied with their duty under Section 17(5) of the Charities Act 2011 to have due regard to the guidance on public benefit, published by the Commission, in exercising their powers or duties.

The pre-school provides a safe and caring environment for children aged between 2 and 14. We welcome children from all backgrounds and recognise that each child is different, with his/her own interests, abilities and developing view of the world. We respect the many different forms of family life that children may experience as well as their social and cultural backgrounds.

Pre-school could not function properly without the support that we receive from the committee, staff, parents, carers and members of the community. Parents are encouraged to be active members of our pre-school. We also provide a range of support, information and advice for parents. We maintain regular contact with parents throughout the year, through regular newsletters, informal contact and formal reports. We are registered and inspected by Ofsted. Copies of inspection reports are available on request or can be downloaded from www.ofsted.gov.uk

The setting is managed by an experienced and qualified manager who leads a team of pre-school and playwork staff. Due to our commitment to safeguarding children, we follow a carefully structured recruitment and selection procedure. Our staff are experienced and trained to meet children's individual emotional and developmental needs and provide inclusive play and learning opportunities for all children attending. We provide a broad range of challenging and stimulating play activities, both indoors and outdoors.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

The report of the trustees has been prepared taking advantage of the small companies exception of section 415A of the Companies Act 2006.

ON BEHALF OF THE BOARD OF TRUSTEES


JONATHAN SMURTHWAITE - TRUSTEE

22 October 2020

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

I report on the accounts of the Trust for the year ended 31st August 2020.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 114(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act
- To follow the procedures laid down in the general Directions given by the commission under section 145(S)(b) of the 2011 Act
- To state whether particular matters have come to my attention

Basis of the independent examiner's report

My examination was carried out in the 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 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:

1. Which gives me reasonable cause to believe in any material respect the requirements:
 - To keep accounting records in accordance with section 130 of the 2011 Act and
 - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

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



Anna Young

Association of Chartered Certified Accountants

23a High Street, Welford, Northants, NN6 6HT

20th November 2020

WELFORD PRE-SCHOOL
COMPANY NUMBER - 6047640
REGISTERED CHARITY NUMBER - 1119231
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	81,236	709	81,945	92,378
Fundraising income		1,982	-	1,982	1,589
Interest receivable		478	-	478	434
Total incoming resources		83,696	709	84,405	94,401
RESOURCES EXPENDED					
Costs of generating funds					
Costs of service provision and other costs	3	78,405	1,198	79,603	81,326
Governance costs	4	150	-	150	150
Total resources expended		78,555	1,198	79,753	81,476
NET INCOMING / (OUTGOING) RESOURCES		5,141	(489)	4,652	12,925
RECONCILIATION OF FUNDS					
Total funds brought forward		82,214	1,114	83,328	70,403
TOTAL FUNDS CARRIED FORWARD		87,355	625	87,980	83,328

WELFORD PRE-SCHOOL
COMPANY NUMBER - 6047640
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BALANCE SHEET - 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	8	-	-
CURRENT ASSETS			
Debtors	9	3,044	3,096
Cash at bank and in hand		<u>87,326</u>	<u>84,516</u>
		90,370	87,612
CREDITORS			
Amounts falling due within one year	10	<u>2,390</u>	<u>4,284</u>
NET CURRENT ASSETS		<u>87,980</u>	<u>83,328</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>87,980</u>	<u>83,328</u>
NET ASSETS		<u>87,980</u>	<u>83,328</u>
FUNDS			
Unrestricted funds	12	87,355	82,214
Restricted funds	12	<u>625</u>	<u>1,114</u>
TOTAL FUNDS		<u>87,980</u>	<u>83,328</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 August 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved and authorised for issue by the Board of Trustees on 22/10/20 and were signed on its behalf by:



JONATHAN SMURTHWAITE - TRUSTEE



NIAMH BLAND - TRUSTEE

WELFORD PRE-SCHOOL

COMPANY NUMBER - 6047640

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NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same accounts.

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

(b) Depreciation

The company owns the modular classroom unit, but leases the land upon which it is sited. Depreciation is provided at a rate calculated to write off the cost of the building over the length of the lease term, which is shorter than the anticipated life of the building.

Computer equipment is fully written off in the year of purchase.

(c) Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

(d) Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that category.

(e) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further details on restricted funds are contained in the notes to the financial statements.

(f) Grants

Grants in respect of capital expenditure are credited to a restricted fund account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

WELFORD PRE-SCHOOL
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 NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 AUGUST 2020
 (CONTINUED)

2 ACTIVITIES FOR GENERATING FUNDS

	2020	2019
	£	£
Fees and Early Years funding	81,945	92,316
Other income	-	62
	<u>81,945</u>	<u>92,378</u>

3 COSTS OF SERVICE PROVISION AND OTHER COSTS

	2020	2019
	£	£
Salaries, wages and pension costs	69,845	66,900
Training and other staff costs	1,296	942
Utilities and premises costs	2,457	3,876
Insurance	1,592	1,580
Equipment	319	2,373
Milk & food costs	2,159	3,357
Craft and cleaning materials	919	1,154
Other costs	1,016	1,144
	<u>79,603</u>	<u>81,326</u>

4 GOVERNANCE COSTS

	2020	2019
	£	£
Accountancy	<u>150</u>	<u>150</u>

5 NET INCOMING / (OUTGOING) RESOURCES

	2020	2019
	£	£
Net resources are stated after charging:		
Examiner's remuneration - Examination	<u>150</u>	<u>150</u>

6 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

WELFORD PRE-SCHOOL
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 NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 AUGUST 2020
 (CONTINUED)

7 STAFF COSTS

	2020	2019
	£	£
Wages and salaries	64,216	61,095
Social security costs	3,647	4,398
Pension costs	1,982	1,407
	<u>69,845</u>	<u>66,900</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Childcare staff	6	6
Cleaners	1	1
	<u>7</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

8 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Computer equipment £	Total £
Cost			
At 1 September 2019	63,685	503	64,188
Additions	-	-	-
At 31 August 2020	<u>63,685</u>	<u>503</u>	<u>64,188</u>
Depreciation:			
At 1 September 2019	63,685	503	64,188
Charge for the year	-	-	-
At 31 August 2020	<u>63,685</u>	<u>503</u>	<u>64,188</u>
Net book value:			
At 1 September 2019	-	-	-
At 31 August 2020	<u>-</u>	<u>-</u>	<u>-</u>

9 DEBTORS - ALL RECEIVABLE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	749	1,120
Other debtors	349	35
Prepayments	1,946	1,941
	<u>3,044</u>	<u>3,096</u>

10 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	-	-
Other tax and social security	659	1,579
Accruals	1,731	2,705
Advance receipts	-	-
	<u>2,390</u>	<u>4,284</u>

11 SHARE CAPITAL

The company is limited by guarantee, and therefore there are no shares in issue. In the event of the Pre-school being wound up every member undertakes to contribute a sum not exceeding £1 to its assets for payment of any outstanding debts and liabilities. If upon the winding-up or dissolution of the Pre-school, there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Pre-school, but shall be transferred either to some other institution having objects similar to the objects of the Pre-school, or to some institution the objects of which are the promotion of charity or anything incidental or conducive thereto, such institution or institutions to be determined by the members of the Pre-school at or before the time of dissolution.

12 MOVEMENT IN FUNDS

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
General fund	82,214	5,141	87,355
Restricted funds			
DEEL Communication Grant	156	(156)	-
Staff Training Grant	958	(872)	86
Early Years Pupil Premium	-	539	539
TOTAL FUNDS	83,328	4,652	87,980

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	83,696	(78,555)	5,141
Restricted funds			
DEEL Communication Grant	-	(156)	(156)
Staff Training Grant	-	(872)	(872)
Early Years Pupil Premium	898	(359)	539
TOTAL FUNDS	84,594	(79,942)	4,652

WELFORD PRE-SCHOOL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOMING RESOURCES				
Activities for generating funds				
"Early Years Grant" funding	53,327.22	-	53,327.22	43,417.67
Early Years "Pupil Premium" Funding	-	897.99	897.99	1,060.35
Fees: Pre-school sessions	5,753.80	(189.20)	5,564.60	11,865.09
Lunch club	866.10	-	866.10	2,253.60
Breakfast club	7,724.75	-	7,724.75	13,144.52
After-school club	13,525.60	-	13,525.60	20,575.30
T-shirts, sweatshirts and bags	38.50	-	38.50	-
Donations	-	-	-	62.00
	<u>81,235.97</u>	<u>708.79</u>	<u>81,944.76</u>	<u>92,378.53</u>
Fundraising income				
Christmas fair, bazaar and raffle	310.00	-	310.00	446.44
Photos	-	-	-	39.31
Bingo	520.96	-	520.96	922.08
Disco	567.57	-	567.57	-
Street Market	584.00	-	584.00	-
Other	-	-	-	180.49
	<u>1,982.53</u>	<u>-</u>	<u>1,982.53</u>	<u>1,588.32</u>
Interest receivable	<u>477.78</u>	<u>-</u>	<u>477.78</u>	<u>433.87</u>
Total incoming resources	<u>83,696.28</u>	<u>708.79</u>	<u>84,405.07</u>	<u>94,400.72</u>
RESOURCES EXPENDED				
Costs of service provision and other costs				
Salaries and wages	69,845.30		69,845.30	66,899.93
Training	60.50	1,006.54	1,067.04	493.40
Other staff costs	129.38	100.00	229.38	448.27
Utilities	1,745.08		1,745.08	1,877.84
Sundry premises costs	702.04	9.99	712.03	1,998.56
Equipment	267.02	51.90	318.92	2,373.01
Insurance	1,591.80		1,591.80	1,580.35
Food costs	2,159.26		2,159.26	3,356.88
Craft & cleaning materials	888.85	29.73	918.58	1,153.87
Membership subscriptions	-		-	50.00
Licence fees	-		-	20.00
Computer costs	145.13		145.13	118.80
Postage and stationery	136.00		136.00	124.69
Sundry costs	734.38		734.38	830.47
	<u>78,404.74</u>	<u>1,198.16</u>	<u>79,602.90</u>	<u>81,326.07</u>
Governance costs				
Professional fees	<u>150.00</u>	<u>-</u>	<u>150.00</u>	<u>150.00</u>
Total resources expended	<u>78,554.74</u>	<u>1,198.16</u>	<u>79,752.90</u>	<u>81,476.07</u>
NET INCOMING / (OUTGOING) RESOURCES	<u>5,141.54</u>	<u>(489.37)</u>	<u>4,652.17</u>	<u>12,924.65</u>