

REGISTERED COMPANY NUMBER: 06420566 (England and Wales)
REGISTERED CHARITY NUMBER: 1123684

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
SHERNHALL PRE-SCHOOL

Robert A. Price F. C. C. A.
39 Etchingham Park Road
Finchley
London
N3 2DU

SHERNHALL PRE-SCHOOL

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 13
Detailed Statement of Financial Activities	14 to 15

SHERNHALL PRE-SCHOOL
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06420566 (England and Wales)

Registered Charity number

1123684

Registered office

St Georges Church Hall
136 Shernhall Street
Walthamstow
E17 9HU

Trustees

Ms M J Gonzalez Caceres
Ms P Dewberry
Ms D Corsial
O Markaj
Ms J Djan-Ologun (appointed 6.5.22)

Senior Staff Member(s)

Liljana Markaj, Play Leader
Kay Sullivan, Deputy Play Leader

Independent Examiner

Robert A Price FCCA
Robert A. Price F. C. C. A.
39 Etchingham Park Road
Finchley
London
N3 2DU

SHERNHALL PRE-SCHOOL

REPORT OF THE TRUSTEES - continued **FOR THE YEAR ENDED 31 MARCH 2023**

Aims and organisation

Sernhall Pre-school is a voluntary, community pre-school and a registered charitable company. It offers flexible, affordable, quality childcare and education to children and families from a diverse social and cultural mix. It is a professionally run, friendly and inclusive setting that aims to help pre-school children learn and explore their world through play and fun activities.

The Pre-school aims to:

- Promote learning through play linked to the Early Years Foundation Stage
- Provide opportunities for parents to be involved in the group
- Ensure all children have the opportunity to develop whatever their race, culture, religion, means or ability
- Reflect and value the different cultures that make up our community
- Create an environment which promotes and safeguards the welfare of children ensuring a safe and happy atmosphere for all the children to thrive
- Ensure parents feel welcome and involved in the care and education of their child.
- Ensure that all children, staff, parents and trustees have fun learning and playing together

Sernhall Pre-school is committed to the principles and practice of equal opportunities.

Activities

The principal activity of the charity is the provision of good quality, flexible and affordable childcare for children aged between 2 and 5. The pre-school complies with the requirements for the Early Years Register set out in the statutory framework for the Early Years Foundation Stage September 2023. The pre-school is open 5 days a week, term time only, from 8.30am to 3.30pm. The pre-school provides a range of childcare options including sessional, full day care and lunch club. The pre-school is based on Sernhall Street in the heart of Walthamstow in the London Borough of Waltham Forest (LBWF). It rents premises from Our Lady and St George's Church, although it is not affiliated to the church. Sernhall Pre-school provides care for the local community and some children who live in postcode areas of high deprivation as identified by the IDACI data (Income Deprivation Affecting Children Index). Many of these children have additional support needs (autism, etc). In addition, we have up to 20 places per session available for '2 year-olds', most of whom have been issued a funding code for 15 hours of FEEE from the LBWF. This funding is designed to support disadvantaged children. Offering these children access to early education helps to reduce the likelihood of more expensive interventions as they develop and to try and limit delays in sensory, motor, communication and personal development compared to that of their peers.

- Sernhall Pre-school offers 30 hours childcare provision for qualifying families. Most of the children attending are funded by LBWF.
- Sernhall Pre-school staff have continued delivering music sessions for children. The programme is open to all the children that attend preschool and is the legacy from the successful 'Waltham Forest Sound Foundations'. There is an emphasis on personal and social development, building confidence in participating in a group situation and as an individual. Music sessions contain a variety of activity e.g., songs and rhymes, encouraging competency in speaking and listening skills, beat and rhythm, structured and free dance, playing instruments (egg shakers, rhythm sticks, etc.) and aspects of numeracy and encouraging accurate counting, grouping and sequencing.
- The pre-school has continued to develop and train staff in all areas related to Early Years provision to ensure we maintain a team of well-trained highly skilled staff.

SHERNHALL PRE-SCHOOL

REPORT OF THE TRUSTEES - continued FOR THE YEAR ENDED 31 MARCH 2023

- Shernhall Pre-school has continued to see an increase in the number of children with Special and Educational Needs attending our setting. Our Special Education Needs Co-ordinator (Kay Sullivan) and the staff team have worked extremely hard to ensure that these children (and their families) access the services they are entitled to and that support is in place by the time the child starts reception. This task has become increasingly challenging and time consuming in the current climate of cuts to local authority services and budgets.

The pre-school has a very experienced and committed staff team. Staff with 'Key Person' responsibilities are trained to Level 3 NVQ qualification, and the Play Leader and Deputy Play Leader have achieved Level 5 NVQ qualifications. The pre-school has a Family Liaison Officer in post which has helped the links between families and the pre-school. Level 2 assistants are currently working to achieve Level 3 qualification which will be completed by the end of the academic year.

We benefit the public by offering free FEEE funded childcare sessions. If we do not fill up the spaces with FEEE funded places, we then offer additional sessions and spaces to younger children for whom we charge a fee. The trustees try to keep the fee as low as possible to ensure our childcare is affordable whilst covering our costs for running this service. Additionally we offer a stay and play session so younger children/siblings and parents/carers can also experience pre-school and all the benefits of the early years setting.

The public benefit of pre-school education has long been recognised. The opportunity to interact with other children develops social skills and confidence while the play and other activities that take place prepare children for academic learning. Research has found that good quality pre-schools boost children's cognitive, language and social development and that children who attend one continue to benefit throughout their school life.

Ofsted

We were inspected by Ofsted in February 2023. We were happy to have maintained our 'Good' rating.

The Charity's policy on Reserves

The Trustees aim to hold reserves at least equivalent to 6 months operating expenditure which is approximately £160,000, this is to enable us to meet our ongoing commitments for that period should we suffer a gap in funding. The total reserves as at 31st March 2023 are £268,182 of which we have designated £160,000 for the long-term development of the charity. The trustees will keep the level of reserves under review and will ensure surpluses are expended in developing the Pre-School's charitable activities.

The trustees also keep its level of risk under annual review and is satisfied that all steps are taken to mitigate these.

Approved by order of the board of trustees on 3rd Nov 23 and signed on its behalf by:



Maria J Gonzalez Caceres- Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
SHERNHALL PRE-SCHOOL

Independent examiner's report to the trustees of Shernhall Pre-School ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the 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 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 2011 ('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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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.

Robert A. Price FCCA

Robert A Price FCCA
The Association of Chartered Certified Accountants

Robert A. Price F. C. C. A.
39 Etchingham Park Road
Finchley
London
N3 2DU

Date:17/11/2023.....

SHERNHALL PRE-SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		222,140	58,154	280,294	290,799
Other trading activities	2	809	-	809	64
Investment income	3	<u>1,503</u>	<u>-</u>	<u>1,503</u>	<u>1,489</u>
Total		<u>224,452</u>	<u>58,154</u>	<u>282,606</u>	<u>292,352</u>
EXPENDITURE ON					
Raising funds		-	-	-	347
Charitable activities					
Staff costs		179,928	58,154	238,082	254,216
Activity		5,392	-	5,392	6,803
Running costs		36,241	-	36,241	35,831
Building and maintenance costs		<u>6,845</u>	<u>-</u>	<u>6,845</u>	<u>8,008</u>
Total		<u>228,406</u>	<u>58,154</u>	<u>286,560</u>	<u>305,205</u>
NET INCOME/(EXPENDITURE)		(3,954)	-	(3,954)	(12,853)
RECONCILIATION OF FUNDS					
Total funds brought forward		272,136	-	272,136	284,989
TOTAL FUNDS CARRIED FORWARD		<u>268,182</u>	<u>-</u>	<u>268,182</u>	<u>272,136</u>

The notes form part of these financial statements

SHERNHALL PRE-SCHOOL

BALANCE SHEET
31 MARCH 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	8	11,361	-	11,361	15,148
CURRENT ASSETS					
Debtors	9	8,068	-	8,068	6,888
Cash at bank		<u>257,916</u>	<u>-</u>	<u>257,916</u>	<u>257,111</u>
		265,984	-	265,984	263,999
CREDITORS					
Amounts falling due within one year	10	(9,163)	-	(9,163)	(7,011)
NET CURRENT ASSETS		<u>256,821</u>	<u>-</u>	<u>256,821</u>	<u>256,988</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		268,182	-	268,182	272,136
NET ASSETS		<u>268,182</u>	<u>-</u>	<u>268,182</u>	<u>272,136</u>
FUNDS	11				
Unrestricted funds				<u>268,182</u>	<u>272,136</u>
TOTAL FUNDS				<u>268,182</u>	<u>272,136</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

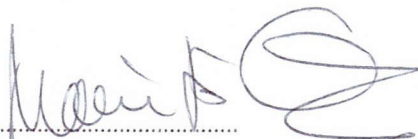
The notes form part of these financial statements

SHERNHALL PRE-SCHOOL

BALANCE SHEET - continued
31 MARCH 2023

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 3rd November 23 and were signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'MJ Gonzalez', followed by a large, stylized circular flourish.

.....
M J Gonzalez Caceres - Trustee

The notes form part of these financial statements

SHERNHALL PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

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 explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

SHERNHALL PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

2. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	<u>809</u>	<u>64</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>1,503</u>	<u>1,489</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	3,787	5,049
Hire of plant and machinery	<u>936</u>	<u>1,014</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

6. STAFF COSTS

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

	2023	2022
Administration	1	1
Teaching	<u>10</u>	<u>12</u>
	<u>11</u>	<u>13</u>

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

SHERNHALL PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	260,212	30,587	290,799
Other trading activities	64	-	64
Investment income	<u>1,489</u>	<u>-</u>	<u>1,489</u>
Total	<u>261,765</u>	<u>30,587</u>	<u>292,352</u>
 EXPENDITURE ON			
Raising funds	347	-	347
Charitable activities			
Staff costs	223,629	30,587	254,216
Activity	6,803	-	6,803
Running costs	35,831	-	35,831
Building and maintenance costs	<u>8,008</u>	<u>-</u>	<u>8,008</u>
Total	<u>274,618</u>	<u>30,587</u>	<u>305,205</u>
 NET INCOME/(EXPENDITURE)	(12,853)	-	(12,853)
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>284,989</u>	<u>-</u>	<u>284,989</u>
 TOTAL FUNDS CARRIED FORWARD	<u>272,136</u>	<u>-</u>	<u>272,136</u>

8. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2022 and 31 March 2023	<u>90,208</u>	<u>32,378</u>	<u>22,093</u>	<u>144,679</u>
 DEPRECIATION				
At 1 April 2022	85,750	26,294	17,487	129,531
Charge for year	<u>1,115</u>	<u>1,521</u>	<u>1,151</u>	<u>3,787</u>
At 31 March 2023	<u>86,865</u>	<u>27,815</u>	<u>18,638</u>	<u>133,318</u>
 NET BOOK VALUE				
At 31 March 2023	<u>3,343</u>	<u>4,563</u>	<u>3,455</u>	<u>11,361</u>
At 31 March 2022	<u>4,458</u>	<u>6,084</u>	<u>4,606</u>	<u>15,148</u>

SHERNHALL PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	5,752	3,389
Prepayments and accrued income	<u>2,316</u>	<u>3,499</u>
	<u>8,068</u>	<u>6,888</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	14	-
Social security and other taxes	3,721	3,438
Pension	926	883
Accruals and deferred income	3,002	1,190
Accrued expenses	<u>1,500</u>	<u>1,500</u>
	<u>9,163</u>	<u>7,011</u>

11. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	272,136	(3,954)	268,182
	<u>272,136</u>	<u>(3,954)</u>	<u>268,182</u>
TOTAL FUNDS	<u>272,136</u>	<u>(3,954)</u>	<u>268,182</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	224,452	(228,406)	(3,954)
Restricted funds			
Grant other	58,154	(58,154)	-
	<u>282,606</u>	<u>(286,560)</u>	<u>(3,954)</u>
TOTAL FUNDS	<u>282,606</u>	<u>(286,560)</u>	<u>(3,954)</u>

SHERNHALL PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	284,989	(12,853)	272,136
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>284,989</u>	<u>(12,853)</u>	<u>272,136</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	261,765	(274,618)	(12,853)
Restricted funds			
Grant other	30,587	(30,587)	-
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>292,352</u>	<u>(305,205)</u>	<u>(12,853)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.21 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	284,989	(16,807)	268,182
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>284,989</u>	<u>(16,807)</u>	<u>268,182</u>

SHERNHALL PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	486,217	(503,024)	(16,807)
Restricted funds			
Grant other	88,741	(88,741)	-
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>574,958</u>	<u>(591,765)</u>	<u>(16,807)</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.