

Company registration number: 06701980

Charity registration number: 1127048

# Kea Pre School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

# Kea Pre School Limited

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# Kea Pre School Limited

## Trustees Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2022.

### **Objectives and activities**

#### ***Objects and aims***

The objects of the charity are to enhance the development and education of children under the statutory school age by encouraging parents to understand and provide for the needs of their children through community groups, and to provide the necessary facilities for quality day care, recreation and education of children during the school day, out of school hours and during the holidays.

The aims of the charity are to provide childcare at a modest price to allow parents to continue in their work. Childcare should be of the utmost importance and we aim to deliver this.

#### ***Public benefit***

Kea Pre School Ltd provides nursery activities for young children.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Achievements and performance**

Kea Pre School is situated in the curtilage of Kea CP School in the Parish of Kea in Cornwall. The Charity manages the pre school for children aged two to five years and also provides breakfast facilities and after school facilities for the pre school children and for the primary children from the adjoining primary school.

The aim is to provide high quality care and education for our children at the most economic and affordable price. The area is not recognised as being economically deprived, but there are many parents in the locality whose circumstances are difficult at this time, and we strive to provide our service at the lowest possible price commensurate with excellent quality and imaginative objectives. Our aim is to serve the children, their families and the wider community by providing the best service that we can for the benefit of all concerned.

# Kea Pre School Limited

## Trustees Report

The day to day management of the pre school is in the hands of the pre school Manager, Tracey Kemp, the Office Manager, Jo Polkinghorne, and three senior nominated staff.

The pre school is currently rated overall "Good" by Ofsted, with a number of "Outstanding" markings.

Staff members are all well qualified and training is continually kept up to date with regular training events and courses. The staff always strive to ensure that all children are dealt with individually and their personal development is stressed at all times.

Contact and interaction with parents is extremely important for all concerned.

Safeguarding of children, information and personal circumstances is a high priority. During this year new high security gates and code access was installed to boost the site security arrangements.

The pre school has a building for the main activities, and there is separate annex for use by our two year old children. There is a spacious outside area with a good selection of stimulating play equipment. Outdoor learning is an integral part of our pre school day with regular Forest School sessions that take place on our outdoor classroom and on the grounds of Kea CP School.

There are currently 49 pre school children enrolled, with space for 30 on site each day. We also have 78 children on roll for breakfast club and afterschool club wraparound care.

We provide the only pre school facilities in the parish of Kea and are appreciated by the local community and Parish Council, with whom we enjoy excellent relationships.

### **Financial review**

The attached financial statements show the finances for the nursery for the period ended 31 December 2022. The accounts show net outgoing resources of £7,343. We have endeavoured to keep control of our running costs and maintain affordable fees in order to maintain reserves for the purchase of potential equipment in the future.

### ***Policy on reserves***

The charity's reserves policy is to build up sufficient reserves to cover all liabilities as and when they fall due. The minimum level of reserves required for this will be continually reviewed by the board of Trustees. We have maintained a reserve of finance to ensure we comply with Charity Commission recommendations, and currently hold unrestricted, free reserves of £59,758 which are considered adequate.

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is limited by guarantee and governed by the Memorandum and Articles of Association. The company was incorporated on 18 September 2008 and commenced trade on 1 January 2009 upon the transfer of activities and funds from Kea Pre School (charity registration number 1029216). The company was registered as a charity on 4 December 2008.

# Kea Pre School Limited

## Trustees Report

### ***Organisational structure***

The running of the pre school is overseen by the board of trustees. There are three trustees. We have endeavoured to apply succession management unsuccessfully, it is an ongoing situation. The day to day running of the pre school is the responsibility of the manager, but strategic decisions are dealt with by the board of trustees.

### ***Arrangements for setting key management personnel remuneration***

Pre school manager remuneration is set at the current average for a similar position. Administrator remuneration is set at current average for similar position.

### **Statement of trustees' responsibilities**

The trustees (who are also the directors of Kea Pre School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. 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 accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

## Kea Pre School Limited

### Trustees Report

The annual report was approved by the trustees of the charity on 10/11/23 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Stuart Anthony Pearson', written over a dotted line.

Stuart Anthony Pearson  
Trustee



# **Kea Pre School Limited**

## **Trustees Report**

### **Reference and Administrative Details**

**Charity Registration Number** 1127048

**Company Registration Number** 06701980

**Registered Office**

The charity is incorporated in England .

Kea  
Truro  
Cornwall  
TR3 6AY

**Accountants**

Francis Clark LLP  
Lowin House  
Tregolls Road  
Truro  
TR1 2NA

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

**Trustees:**

Janine Vicky Allen  
David Charles Gibson Clewlow  
Stuart Anthony Pearson

## Kea Pre School Limited

### Independent Examiner's Report to the trustees of Kea Pre School Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

#### 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').

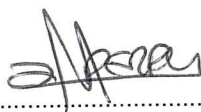
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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

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 Kea Pre School Limited 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.



.....  
Darren Perry ACA DChA

Francis Clark LLP  
Lowin House  
Tregolls Road  
Truro  
Cornwall  
TR1 2NA

Date: 11/11/23 .....



## Kea Pre School Limited

### Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies		1,131	1,000	2,131	172
Investment income		6	-	6	46
Charitable activities		<u>222,050</u>	<u>-</u>	<u>222,050</u>	<u>190,025</u>
Total income		<u>223,187</u>	<u>1,000</u>	<u>224,187</u>	<u>190,243</u>
<b>Expenditure on:</b>					
Charitable activities	6	<u>(231,382)</u>	<u>(148)</u>	<u>(231,530)</u>	<u>(175,151)</u>
Total expenditure		<u>(231,382)</u>	<u>(148)</u>	<u>(231,530)</u>	<u>(175,151)</u>
Net (expenditure)/income		<u>(8,195)</u>	<u>852</u>	<u>(7,343)</u>	<u>15,092</u>
Net movement in funds		(8,195)	852	(7,343)	15,092
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>108,133</u>	<u>-</u>	<u>108,133</u>	<u>93,041</u>
Total funds carried forward	15	<u><u>99,938</u></u>	<u><u>852</u></u>	<u><u>100,790</u></u>	<u><u>108,133</u></u>

All of the charity's activities derive from continuing operations during the above two periods. All transactions in the comparative period related to unrestricted funds.

The funds breakdown for 2021 is shown in note 15.

# Kea Pre School Limited

(Registration number: 06701980)  
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	10	40,180	40,273
<b>Current assets</b>			
Debtors	11	7,990	2,283
Cash at bank and in hand	12	59,486	72,217
		67,476	74,500
<b>Creditors: Amounts falling due within one year</b>	13	(6,866)	(2,573)
<b>Net current assets</b>		60,610	71,927
<b>Total assets less current liabilities</b>		100,790	112,200
<b>Creditors: Amounts falling due after more than one year</b>	14	-	(4,067)
<b>Net assets</b>		100,790	108,133
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		852	-
<b>Unrestricted income funds</b>			
Unrestricted funds		99,938	108,133
<b>Total funds</b>	15	100,790	108,133

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

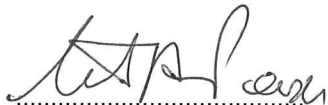
These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

## Kea Pre School Limited

(Registration number: 06701980)

Balance Sheet as at 31 December 2022

The financial statements on pages 7 to 18 were approved by the trustees, and authorised for issue on 10/1/23 and signed on their behalf by:



Stuart Anthony Pearson  
Trustee

The notes on pages 10 to 18 form an integral part of these financial statements.

# Kea Pre School Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 1 Charity status

The charity is limited by guarantee, incorporated in England , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Kea  
Truro  
Cornwall  
TR3 6AY

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### Basis of preparation

Kea Pre School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### Income and endowments

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

# **Kea Pre School Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2022**

### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

### ***Investment income***

Income from investments is included in the year in which it is receivable.

### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### ***Government grants***

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

### ***Taxation***

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### ***Tangible fixed assets***

Individual fixed assets costing £250 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.



# Kea Pre School Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land & Buildings	10% Straight line
Furniture & Equipment	25% Reducing balance

### Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

General funds are unrestricted funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### Financial instruments

#### Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.



## Kea Pre School Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### **3 Income from donations and legacies**

	<b>Unrestricted Funds £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Donations	381	-	381	172
Grants, including capital grants	750	1,000	1,750	-
	<u>1,131</u>	<u>1,000</u>	<u>2,131</u>	<u>172</u>

## Kea Pre School Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 4 Income from charitable activities

	Unrestricted Funds £	Total 2022 £	Total 2021 £
School fees	127,798	127,798	172,340
NEG/EYP funding	93,422	93,422	-
Misc income	830	830	17,685
	<u>222,050</u>	<u>222,050</u>	<u>190,025</u>

#### 5 Investment income

	Unrestricted Funds £	Total 2022 £	Total 2021 £
Interest receivable	<u>6</u>	<u>6</u>	<u>46</u>

#### 6 Expenditure on charitable activities

	Unrestricted Funds £	Total 2022 £	Total 2021 £
Depreciation, amortisation and other similar costs	14,761	14,761	14,074
Staff costs	165,696	165,696	126,170
Nursery activities	29,659	29,659	23,684
Support costs	21,414	21,414	11,223
	<u>231,530</u>	<u>231,530</u>	<u>175,151</u>

#### 7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

David Clewlow was reimbursed £331 (2021: £nil) for the purchase of equipment on behalf of the pre school. No other trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Kea Pre School Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 8 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages & Salaries	154,412	122,349
Staff NIC (Employers)	9,280	2,427
Staff pensions	2,004	1,394
	<u>165,696</u>	<u>126,170</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Average number of employees	<u>13</u>	<u>13</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity, comprising the trustees, pre school manager and office manager were £42,349.

#### 9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Kea Pre School Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	139,391	1,278	140,669
Additions	-	14,668	14,668
At 31 December 2022	<u>139,391</u>	<u>15,946</u>	<u>155,337</u>
<b>Depreciation</b>			
At 1 January 2022	99,522	874	100,396
Charge for the year	<u>13,939</u>	<u>822</u>	<u>14,761</u>
At 31 December 2022	<u>113,461</u>	<u>1,696</u>	<u>115,157</u>
<b>Net book value</b>			
At 31 December 2022	<u>25,930</u>	<u>14,250</u>	<u>40,180</u>
At 31 December 2021	<u>39,869</u>	<u>404</u>	<u>40,273</u>

#### 11 Debtors

	2022 £	2021 £
Trade debtors	7,760	1,982
Prepayments	<u>230</u>	<u>301</u>
	<u>7,990</u>	<u>2,283</u>

#### 12 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	156	99
Cash at bank	<u>59,330</u>	<u>72,118</u>
	<u>59,486</u>	<u>72,217</u>

## Kea Pre School Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,326	1,368
Other taxation and social security	1,995	-
Other creditors	845	255
Accruals	2,700	950
	<u>6,866</u>	<u>2,573</u>

#### 14 Creditors: amounts falling due after one year

	2022 £	2021 £
Other creditors	-	4,067
	<u>-</u>	<u>4,067</u>

#### 15 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>				
<b>General</b>				
General	108,133	223,187	(231,382)	99,938
<b>Restricted funds</b>				
Tesco Community Grant	-	1,000	(148)	852
<b>Total funds</b>	<u>108,133</u>	<u>224,187</u>	<u>(231,530)</u>	<u>100,790</u>
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
<b>General</b>				
General	<u>93,041</u>	<u>190,243</u>	<u>(175,151)</u>	<u>108,133</u>

## Kea Pre School Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 16 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Tangible fixed assets	40,180	-	40,180
Current assets	66,624	852	67,476
Current liabilities	(6,866)	-	(6,866)
Total net assets	<u>99,938</u>	<u>852</u>	<u>100,790</u>

	Unrestricted funds General £	Total funds at 31 December 2021 £
Tangible fixed assets	40,273	40,273
Current assets	74,500	74,500
Current liabilities	(6,640)	(6,640)
Total net assets	<u>108,133</u>	<u>108,133</u>

#### 17 Related party transactions

There were no related party transactions in the year.