

**Charity Registration No. 1127983**

**Company Registration No. 06772134 (England and Wales)**

**YAXLEY AND MELLIS PRE-SCHOOL**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

YAXLEY AND MELLIS PRE-SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Committee</b>	Mrs S Partridge Mrs L Clifford Mrs Amy Young Mrs Charlotte Bloomfield	(Appointed 22 October 2020) (Appointed 22 October 2020)
<b>Secretary</b>	Mrs Fiona Charnley	
<b>Charity number</b>	1127983	
<b>Company number</b>	06772134	
<b>Principal address</b>	Yaxley Road Mellis Eye Suffolk IP23 8DY	
<b>Independent examiner</b>	Waveney Accountants Limited T/as Newman & Co Chartered Accountants 4b Church Street Diss Norfolk IP22 4DD	

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## YAXLEY AND MELLIS PRE-SCHOOL

### COMMITTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

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The committee present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's deed of trust, 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**

We are regulated by Ofsted, governed by the Early Years Framework and are members of the Preschool Learning Alliance. The Preschool was inspected by Ofsted after the year end in May 2019 and we were very pleased to be awarded 'Good' under the grading criteria.

The preschool's purpose is to provide education in compliance with the Statutory Framework for Early Years Foundation Stage for children aged 24 to 60 months. Our aim is to constantly monitor our service and ensure we strive to provide the best possible early years education we can.

We are positioned between the Yaxley and Mellis villages, set inside the grounds of Mellis Church of England Voluntary Controlled Primary school. The preschool maintains close links with the Primary school. This ensures an excellent and seamless transition to the Primary education system. Parental feedback and initial teaching assessments praises the ease at which our children have settled in to school life.

Our long term objective is promoting inclusion and working in partnership with each child's parents or carers. Families of all attending children are strongly encouraged to participate in aspects of the preschool through parent interactions days, fundraising and school trips.

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

#### **Significant activities**

Government imposed COVID 19 regulations have dictated some of the operational processes of the preschool for the last year. We have remained open but had to change some of the structure of provision to be able to adhere to guidelines. We had to put half the staff on furlough and the remaining staff on flexi-furlough in order to open safely. The out of hours has continued to operate 5 days a week, other than when the setting has been closed in line with Government COVID 19 regulations around isolation.

#### **Public benefit**

In all decision making the trustees have had due regard to the guidance published by the Charity Commission in relation to public benefit.

#### **Achievements and performance**

Fundraising was difficult due to the Covid 19 pandemic.

#### **Financial review**

The preschool is principally funded by the Government. A before and after school club has generated additional income to ensure that the setting is able to operate sustainably.

It is the policy of the that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and four month's expenditure. The committee 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. This level of reserves has been maintained throughout the year.

The preschool has no investments.

## YAXLEY AND MELLIS PRE-SCHOOL

### COMMITTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

##### **Governing document**

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

The committee, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs S Partridge

Mrs S J Yaxley (Resigned 22 October 2020)

Mrs J Moore (Resigned 22 October 2020)

Mrs L Clifford

Mrs M Schmidt (Resigned 22 October 2020)

Mrs Amy Young (Appointed 22 October 2020)

Mrs Charlotte Bloomfield (Appointed 22 October 2020)

Mrs Fiona Charnley (Appointed 22 October 2020 and resigned 11 January 2021)

##### **Recruitment and appointment of new trustees**

The committee are all volunteers who give up their time to take on roles. The minimum members to maintain the preschool as per Ofsted guidelines is 5. At close of 2020 we have 6 committee members made up of 5 Directors and 1 parent members.

##### **Decision making**

All aspects of the preschool are discussed with the committee and decisions are all voted on to ensure the best outcome for the preschool. We hold regular Directors only meetings to discuss all aspects of the preschool, including strategy, staff wages, staffing levels and policies. The Chair person also has a series of 1:1 meetings with staff to ensure good information dissemination and support team working strategies.

##### **Induction and training of new trustees**

The committee have no formal training or induction and roles are taken and learnt as the year progresses. We adhere to the Preschools 'suitable person' policy. We have in place the minimum of Chairperson, Secretary, Treasurer and Ofsted nominated person as well as one volunteer in order to continue as a preschool.

The committee's report was approved by the Board of Committee.

##### **Mrs Amy Young**

Trustee

Dated: 29 October 2021

I report to the committee on my examination of the financial statements of Yaxley And Mellis Pre-school (the ) for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the committee of the (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the 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 the 's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Wayne Goddard FCCA ACA CTA

T/as Newman & Co  
Chartered Accountants  
4b Church Street  
Diss  
Norfolk  
IP22 4DD

Dated: 29 October 2021

YAXLEY AND MELLIS PRE-SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total 2019 £</b>
	<b>Notes</b>						
<b><u>Income from:</u></b>							
Charitable activities	<b>2</b>	106,327	-	106,327	115,302	-	115,302
Other trading activities	<b>3</b>	240	-	240	1,344	-	1,344
<b>Total income</b>		<u>106,567</u>	<u>-</u>	<u>106,567</u>	<u>116,646</u>	<u>-</u>	<u>116,646</u>
<b><u>Expenditure on:</u></b>							
Charitable activities	<b>4</b>	<u>112,542</u>	<u>-</u>	<u>112,542</u>	<u>111,155</u>	<u>-</u>	<u>111,155</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(5,975)	-	(5,975)	5,491	-	5,491
Fund balances at 1 January 2020		<u>43,099</u>	<u>276,847</u>	<u>319,946</u>	<u>37,608</u>	<u>276,847</u>	<u>314,455</u>
<b>Fund balances at 31 December 2020</b>		<u><u>37,124</u></u>	<u><u>276,847</u></u>	<u><u>313,971</u></u>	<u><u>43,099</u></u>	<u><u>276,847</u></u>	<u><u>319,946</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

YAXLEY AND MELLIS PRE-SCHOOL

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	8		280,709		286,867
<b>Current assets</b>					
Debtors	9	537		-	
Cash at bank and in hand		32,725		33,294	
		<u>33,262</u>		<u>33,294</u>	
<b>Creditors: amounts falling due within one year</b>	10	-		(215)	
Net current assets			33,262		33,079
<b>Total assets less current liabilities</b>			<u>313,971</u>		<u>319,946</u>
<b>Income funds</b>					
Restricted funds			276,847		276,847
Unrestricted funds - general			37,124		43,099
			<u>313,971</u>		<u>319,946</u>

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.

The Directors/Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Committee on 29 October 2021

Mrs Amy Young  
Trustee

Company Registration No. 06772134



## **1 Accounting policies**

### **Charity information**

Yaxley And Mellis Pre-school 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 deed of trust, 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 is a Public Benefit Entity as defined by FRS 102.

The has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### **1.2 Going concern**

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

### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the committee in furtherance of their charitable objectives.

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 financial statements.

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

### **1.4 Income**

Income is recognised when the 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 has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

### **1.5 Expenditure**

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

**1 Accounting policies**

**(Continued)**

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Fixtures, fittings and equipment	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Impairment of fixed assets**

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.9 Financial instruments**

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

YAXLEY AND MELLIS PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

**1 Accounting policies**

**(Continued)**

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

**2 Charitable activities**

	<b>Pre-school Income 2020 £</b>	<b>Pre-school Income 2019 £</b>
Fees	33,097	49,809
Clubs & activities	1,416	3,151
Funding	71,814	62,342
	<u>106,327</u>	<u>115,302</u>

**3 Other trading activities**

	<b>Unrestricted funds general 2020 £</b>	<b>Unrestricted funds general 2019 £</b>
Fundraising events	240	1,344
	<u>240</u>	<u>1,344</u>

4

Charitable activities

	<b>Pre-school Expenditure 2020 £</b>	<b>Pre-school Expenditure 2019 £</b>
Depreciation and impairment	6,158	6,555
Wages	93,080	85,121
Pensions	2,693	1,191
Clubs & activities	314	1,127
	<u>102,245</u>	<u>93,994</u>
Share of support costs (see note 5)	10,297	17,161
	<u>112,542</u>	<u>111,155</u>

YAXLEY AND MELLIS PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

**5 Support costs**

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Advertising	-	-	-	210	-	210
Sundry expenses	392	-	392	634	-	634
General running & maintenance	7,354	-	7,354	6,398	-	6,398
Equipment & materials	2,192	-	2,192	5,372	-	5,372
Training & courses	359	-	359	4,547	-	4,547
	<u>10,297</u>	<u>-</u>	<u>10,297</u>	<u>17,161</u>	<u>-</u>	<u>17,161</u>
Analysed between Charitable activities	<u>10,297</u>	<u>-</u>	<u>10,297</u>	<u>17,161</u>	<u>-</u>	<u>17,161</u>

**6 Committee**

None of the committee (or any persons connected with them) received any remuneration or benefits from the during the year.

**7 Employees**

The average monthly number of employees during the year was:

2020 Number	2019 Number
<u>8</u>	<u>7</u>

**8 Tangible fixed assets**

	Freehold land and buildings	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2020	291,598	19,677	311,275
At 31 December 2020	291,598	19,677	311,275
<b>Depreciation and impairment</b>			
At 1 January 2020	5,832	18,576	24,408
Depreciation charged in the year	5,832	326	6,158
At 31 December 2020	11,664	18,902	30,566
<b>Carrying amount</b>			
At 31 December 2020	279,934	775	280,709
At 31 December 2019	285,766	1,101	286,867

YAXLEY AND MELLIS PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

**8 Tangible fixed assets** **(Continued)**

**9 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	537	-
	<u>537</u>	<u>-</u>

**10 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	-	215
	<u>-</u>	<u>215</u>

**11 Analysis of net assets between funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 31 December 2020 are represented by:						
Tangible assets	280,709	-	280,709	286,867	-	286,867
Current assets/(liabilities)	33,262	-	33,262	33,079	-	33,079
	<u>313,971</u>	<u>-</u>	<u>313,971</u>	<u>319,946</u>	<u>-</u>	<u>319,946</u>

**12 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none).