

REGISTERED COMPANY NUMBER: 06256239 (England and Wales)
REGISTERED CHARITY NUMBER: 1128799

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2021
for
The Hollies Pre-School Limited

Nolan James Ltd
Chartered Accountants
Suite 1 Armcon Business Park
London Road South
Poynton
Stockport
Cheshire
SK12 1LQ

The Hollies Pre-School Limited

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for the Year Ended 31 August 2021

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The Hollies Pre-School Limited

Report of the Trustees

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 August 2021. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Hollies Pre-School is established to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups.

Public benefit

When planning activities for the year the Pre-School has considered the Commission's guidance on public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The pre-school holds an Outstanding Ofsted accreditation from 2020 demonstrating its continued commitment to provide a safe and happy environment where children can grow and learn under the guidance and supervision of dedicated and caring staff. The high quality and consistency of teaching benefits predominantly preschool age children from the local area and the pre-school also provides after school care for local children up to the age of 11.

The pre-school encourages children to learn about other cultures through its special link with a primary school in Uganda.

FINANCIAL REVIEW

Reserves policy

Due to the pandemic, there was no commitment for any extra spend in 20-21.

QuickBooks financial software has been introduced during accounting year 21-22. This will enable senior managers/directors the ability to access live financial data, implement budgets within the cost codes departments to help analyse spend/revenue and streamline how we interact with our accountancy practice Nolan James Limited.

We are liaising with Lower Park (LP) regarding ongoing underground drain problems between the two properties as it is a joint issue. We have incurred costs in this financial year to unblock drains and have them investigated and pending the outcome of the drain surveys could be quite costly to remedy.

The Hollies pay for all the staffs DBS update services and have also supported a member of staff during this financial year to gain a new NVQ.

It is the policy of the charity to maintain unrestricted funds at a level to meet the unrestricted expenditure for the following twelve months. This would then provide sufficient funds to cover the management, administration and support costs. At the balance sheet date, the charity had unrestricted reserves carried forward of £272,580 (2020: £257,607). The reserves not invested in tangible fixed assets are needed to meet the working capital requirements of the pre-school. As well as operational income, the charity also has an active fund raising committee which helps to boost the funds available to the charity to invest in its facilities and equipment.

The Hollies Pre-School Limited

Report of the Trustees

FUTURE PLANS

The charity plans to continue the activities outlined above in the forthcoming years. The board of trustees continue to review and facilitate the necessary improvements and repairs required to the existing buildings and will plan future budgets accordingly.

Due to the current economic climate, we need to be aware of rising labour staff costs/running costs and staff retention to ensure the setting continues to thrive.

We are looking into exploring the possibility of securing a grant via Cheshire East in relation to the new planned local housing development (Elan Homes).

The charity plans to purchase iPads for the children as we currently have no IT available in the setting for them to utilise and enjoy, fund raising events are planned to help contribute and pay for this equipment.

In the long term funds will be required to deliver a further new building to replace the older facilities on the site. However, due to the recent investment, there is no imminent requirement for significant spend.

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.

Recruitment and appointment of new trustees

The appointment of trustees is by the board and the requirement is for a minimum of 3 trustees.

Organisational structure

The board of trustees have responsibility for all the major decisions of the charity. Beneath the board are three supervisors who take responsibility for the day to day running of the pre-school, two of which cover the pre-education side and one who covers the administrative duties. The staff are made up of both qualified and unqualified pre-school workers.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06256239 (England and Wales)

Registered Charity number

1128799

Registered office

Hazel Badge Road
Poynton
Stockport
Cheshire
SK12 1HE

Trustees

A Gatenby (resigned 28.9.20)
D A Felton Hr Consultant
S Horseman Internal Auditor (resigned 16.8.21)
E M Little Accountant (resigned 16.8.21)
M Morrison Solicitor (appointed 28.9.20)
R Whittaker Finance Director (appointed 28.9.20) (resigned 11.3.21)
C Wright Hr Consultant (resigned 30.9.20)
K Wyart Healthcare Manager (appointed 28.9.20)
S Carter Accountant (resigned 16.8.21)
M G Deignan (appointed 1.9.21)
K Scotchford (appointed 28.9.21)
K Thornewill (appointed 28.9.21)

The Hollies Pre-School Limited

Report of the Trustees

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Nolan James Ltd
Chartered Accountants
Suite 1 Armcon Business Park
London Road South
Poynton
Stockport
Cheshire
SK12 1LQ

Approved by order of the board of trustees on 23 May 2022 and signed on its behalf by:

M Deignan

M G Deignan - Trustee

**Independent Examiner's Report to the Trustees of
The Hollies Pre-School Limited**

Independent examiner's report to the trustees of The Hollies 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 August 2021.

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 registered member of 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.

K L Nolan

Karen L Nolan FCCA
Association of Chartered Certified Accountants
Nolan James Ltd
Chartered Accountants
Suite 1 Armcon Business Park
London Road South
Poynton
Stockport
Cheshire
SK12 1LQ

24 May 2022

The Hollies Pre-School Limited

Statement of Financial Activities
for the Year Ended 31 August 2021

	Notes	31.8.21 Unrestricted fund £	31.8.20 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		193	1,872
Charitable activities			
Pre-school care & education		281,736	220,140
Other trading activities	2	747	2,649
Investment income	3	20	206
Other income		6,757	16,256
Total		289,453	241,123
EXPENDITURE ON			
Raising funds		346	761
Charitable activities			
Pre-school care & education		259,113	227,523
Other		15,021	46,258
Total		274,480	274,542
NET INCOME/(EXPENDITURE)		14,973	(33,419)
RECONCILIATION OF FUNDS			
Total funds brought forward		257,607	291,026
TOTAL FUNDS CARRIED FORWARD		272,580	257,607

The notes form part of these financial statements

The Hollies Pre-School Limited

Balance Sheet
31 August 2021

	Notes	31.8.21 Unrestricted fund £	31.8.20 Total funds £
FIXED ASSETS			
Tangible assets	8	59,091	74,153
CURRENT ASSETS			
Debtors	9	815	251
Cash at bank and in hand		251,909	214,722
		252,724	214,973
CREDITORS			
Amounts falling due within one year	10	(39,235)	(31,519)
NET CURRENT ASSETS		213,489	183,454
TOTAL ASSETS LESS CURRENT LIABILITIES		272,580	257,607
NET ASSETS		272,580	257,607
FUNDS	11		
Unrestricted funds		272,580	257,607
TOTAL FUNDS		272,580	257,607

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2021 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.

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 23 May 2022 and were signed on its behalf by:

M Deignan

M G Deignan - Trustee

The notes form part of these financial statements

The Hollies Pre-School Limited

Notes to the Financial Statements **for the Year Ended 31 August 2021**

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.

Governance costs

Governance costs include the costs of governance arrangements, which relate to the general running of the charity as opposed to the direct management functions. These activities provide the governance infrastructure, which allows the charity to operate, and to generate the information required for public accountability. Expenditure includes direct costs such as audit and legal advice and related support costs.

Tangible fixed assets

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

Short leasehold	- 10% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 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.

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.

Government grants

Grants received under the Coronavirus Job Retention Scheme to reimburse a proportion of wages costs for certain employees who have been asked to temporarily stop work are recognised within other income when the grant proceeds are receivable.

The Hollies Pre-School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

2. OTHER TRADING ACTIVITIES

	31.8.21	31.8.20
	£	£
Fundraising events	747	2,649
	<u>747</u>	<u>2,649</u>

3. INVESTMENT INCOME

	31.8.21	31.8.20
	£	£
Deposit account interest	20	206
	<u>20</u>	<u>206</u>

4. NET INCOME/(EXPENDITURE)

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

	31.8.21	31.8.20
	£	£
Depreciation - owned assets	15,062	16,258
Other operating leases	8,000	8,000
Surplus on disposal of fixed assets	(40)	-
	<u>23,022</u>	<u>24,258</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

6. STAFF COSTS

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

	31.8.21	31.8.20
Childcare	25	26
Administration	1	1
	<u>26</u>	<u>27</u>

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

The Hollies Pre-School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,872
Charitable activities	
Pre-school care & education	220,140
Other trading activities	2,649
Investment income	206
Other income	16,256
Total	241,123
 EXPENDITURE ON	
Raising funds	761
Charitable activities	
Pre-school care & education	227,523
Other	46,258
Total	274,542
 NET INCOME/(EXPENDITURE)	(33,419)
 RECONCILIATION OF FUNDS	
Total funds brought forward	291,026
 TOTAL FUNDS CARRIED FORWARD	257,607

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 September 2020 and 31 August 2021	107,393	17,827	28,856	154,076
DEPRECIATION				
At 1 September 2020	49,797	10,159	19,967	79,923
Charge for year	10,740	2,100	2,222	15,062
At 31 August 2021	60,537	12,259	22,189	94,985
NET BOOK VALUE				
At 31 August 2021	46,856	5,568	6,667	59,091
At 31 August 2020	57,596	7,668	8,889	74,153

The Hollies Pre-School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade debtors	815	251
	<u> </u>	<u> </u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Other creditors	357	-
Accrued expenses	38,878	31,519
	<u> </u>	<u> </u>
	<u>39,235</u>	<u>31,519</u>

11. MOVEMENT IN FUNDS

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
Unrestricted funds			
General fund	257,607	14,973	272,580
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>257,607</u>	<u>14,973</u>	<u>272,580</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	289,453	(274,480)	14,973
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>289,453</u>	<u>(274,480)</u>	<u>14,973</u>

Comparatives for movement in funds

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
General fund	291,026	(33,419)	257,607
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>291,026</u>	<u>(33,419)</u>	<u>257,607</u>

The Hollies Pre-School Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	241,123	(274,542)	(33,419)
TOTAL FUNDS	<u>241,123</u>	<u>(274,542)</u>	<u>(33,419)</u>

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

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	291,026	(18,446)	272,580
TOTAL FUNDS	<u>291,026</u>	<u>(18,446)</u>	<u>272,580</u>

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	530,576	(549,022)	(18,446)
TOTAL FUNDS	<u>530,576</u>	<u>(549,022)</u>	<u>(18,446)</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

13. AMOUNTS PAID TO INDEPENDENT EXAMINER

During the period payments were made to the independent examiner of £1,800 (2020:£1,800) for the independent examination of accounts and £3,640 (2020 : £4,504) for payroll & Coronavirus Job Retention Scheme Grant claims.

The Hollies Pre-School Limited

Detailed Statement of Financial Activities

	31.8.21 £	31.8.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	193	1,872
Other trading activities		
Fundraising events	747	2,649
Investment income		
Deposit account interest	20	206
Charitable activities		
Admission fees	177,119	131,199
Support funding	104,617	88,941
	281,736	220,140
Other income		
Job retention scheme grant	6,757	16,256
Total incoming resources	289,453	241,123
 EXPENDITURE		
Other trading activities		
Fundraising events	346	761
Charitable activities		
Wages - Childcare	195,408	166,965
Social security	1,766	2,358
Pensions	1,600	1,352
Insurance	3,884	3,886
Light and heat	1,564	1,631
Telephone	1,720	2,511
Postage and stationery	435	427
Advertising	-	10
Sundries	660	750
Books, equipment & materials	2,494	1,806
Repairs & maintenance	9,081	8,750
School dinners	6,916	5,546
Milk	1,291	818
Travel expenses	-	336
Staff uniforms	490	231
Staff training & courses	1,885	1,750
Specialist Teaching	-	668
	229,194	199,795
Other		
Depreciation of tangible fixed assets	15,061	16,258
Carried forward	15,061	16,258

This page does not form part of the statutory financial statements

The Hollies Pre-School Limited

Detailed Statement of Financial Activities

	31.8.21 £	31.8.20 £
Other		
Brought forward	15,061	16,258
Loss on sale of tangible fixed assets	(40)	-
Impairment losses for tangible fixed assets	-	30,000
	15,021	46,258
Support costs		
Management		
Wages	12,871	11,490
Other operating leases	8,000	8,000
	20,871	19,490
Governance costs		
Accountancy and legal fees	1,800	1,800
Accountancy - Payroll costs	3,850	4,505
HR Consultancy fees	2,160	180
Recruitment fees	175	1,209
Affiliation fees & licences	1,063	544
	9,048	8,238
Total resources expended	274,480	274,542
Net income/(expenditure)	14,973	(33,419)