

Hillside Pre-School (Chorleywood) Ltd
A Charitable Company Limited by Guarantee

Trustees' Annual Report
and Unaudited Financial Statements
For the period 1 September 2020 to 31 August 2021

Registered Charity Number: 1132378
Company registration Number: 7013187

CONTENTS

Report of the Trustees	Page 3
Independent Examiner's Report	Page 9
Audited Financial Statements	Page 10

HILLSIDE PRE-SCHOOL (CHORLEYWOOD) LTD (THE 'COMPANY')

REPORT OF THE TRUSTEES FOR THE PERIOD 1 SEPTEMBER 2020 TO 31 AUGUST 2021

The Trustees are pleased to present their annual report together with the financial statements for the period 1 September 2020 to 31 August 2021.

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 Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 the Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity name: Hillside Pre-School (Chorleywood) Ltd

Registered charity number: 1132378

Company Registration number: 7013187

Address of principal office and registered office:

Hillside Free Church Hall
Hillside Road
Chorleywood
Hertfordshire
WD3 5AS

Trustees:

The Trustees, who are also the directors for the purpose of company law, and who served during the period are listed below. The Trustees together comprise the management committee.

Chair: Sarah Papadopoulos (1st Sept 2020 – 31st Aug 2021)

Treasurer: Geetali Khatri (1st Sept 2020 – 31st Aug 2021)

Secretary: Nadia White (1st Sept 2020 – 31st Oct 2020)

Secretary: Kirsten-Lee Bower (1st Nov 2020 – 31st Aug 2021)

Elected Member: Kirsten-Lee Bower (1st Sept 2020 - 31st Oct 2020)

Elected Member: Georgina Murphy (1st Sept 2020 – 31st Aug 2021)

Elected Member: Paola Fagel (1st Sept 2019 – 31st Aug 2020)

Co-opted, then Elected Member: Caroline Pierce (1st Sept 2020 – 31st August 2021)

Independent Examiner: Ms Myfanwy Ronchetti FCA

Bankers: NatWest Bank
13 High Street
Chesham
Buckinghamshire
HP5 1BQ

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4TA

Website: www.hillsidepreschool.co.uk

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Hillside Pre-School (Chorleywood) Ltd is a company limited by guarantee, incorporated on 8th September 2009 and registered as a charity on 28 October 2009. The Company does not have any share capital. It is governed by its Memorandum and Articles of Association dated 4 September 2009, as amended on 4 May 2010 and subsequently the 13 October 2010. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Appointment of Management Committee (“the Committee”)

The directors of the Hillside Pre-School (Chorleywood) Limited are also the charity’s Trustees for the purpose of charity law and under the company's Articles of Association are known as members of the Management Committee (“the Committee”).

Under the requirements of the Memorandum and Articles of Association, the members of the Committee are elected at the Annual General Meeting (“AGM”) to serve for a period of one year after which they must be re-elected at the next AGM. All members are circulated with invitations to nominate trustees prior to the AGM.

The Committee must consist of a Chair, a Treasurer and a Secretary plus a minimum of 2 and no more than 9 elected members.

All members of the Committee give their time voluntarily and receive no remuneration or benefits from the charity.

OBJECTIVES AND ACTIVITIES

Purposes of the Charity

The aims of the Pre-School are 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 and by

- Offering appropriate play, education and care facilities and training courses, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability;
- Encouraging the study of needs of such children and their families and promoting public interest in and recognition of such needs;
- Instigating and adhering to and furthering the aims and objects of the Pre-School Learning Alliance.

Summary of the main activities

The Pre-School provides 5 sessions per week from 9am to 3pm during term time only. The sessions are available as follows: 9am-12pm, 9am-1.30pm, 12.00pm-1.30pm (lunch club) and 12pm- 3pm.

During each session the Pre-School will:

- Develop the various skills of the children through play and education;
- Introduce different themes throughout the year to help focus and educate the children
- Encourage the children to experience different activities during a session.

Value of Public Good by the charity

Our charity provides education for children under the statutory school age in our area of operation. This includes both social and educational activities for the children during our morning sessions, our lunch club, which encourages social eating, and our afternoon session giving the children an opportunity for further educational development and play.

Our charity works alongside the local community, attending local events such as the Christmas Evening and Village Day.

ACHIEVEMENTS AND PERFORMANCE

Chair's Report

At the start of the year Ruby, our Pre-School Manager continued to work with new Covid-19 guidance updating our procedures and risk assessments where required. The staff, children and parent adapted quickly to new ways of working with covid - virtual tours for parents by videos, new ways of settling children (better without parents present), continued hand washing and cleaning measures in place.

The Committee continued meetings remotely via Zoom.

In September 2020 we signed new 20 year lease with landlords the Baptist Union formalising our existing arrangements and anticipating the sale of the church to St Andrews.

Some staff continued to be on furlough or part-furlough for 1st half of the Autumn Term due to the need for staff social distancing in our single room, reduced numbers of children and a month long lockdown in November, where we remained open but on Herts County Council advice prevented all planned new starters settling during the Autumn Term.

Early in the Autumn Term it became clear that looking at staff costs, the cap on numbers of children and adults in the pre-school space due to social distancing, and the anticipated end of the furlough scheme, that we had two potentially redundant staff roles – we went through formal consultations process guided by our legal support via Pre School Learning Alliance. This was a difficult time for the team; however two acceptable staff came forward for voluntary redundancy. We were able to make use of an extended furlough scheme for their notice period but did have to bear significant redundancy payments as staff had been with Hillside for a long time (12 and 20 yrs). We felt confident in the fullness of the year and for the longer term this would be the right decision and any flex to be picked up by existing staff for the summer term.

The Spring Term presented a new challenge with a new more contagious Covid-19 variant and continued local increases in Covid-19 cases. Although the government advised that nurseries should remain open, the parent-led Management Committee met with Ruby and made the difficult decision to keep Hillside Pre-School closed due to concerns that it was not possible to accommodate the number of children and staff we previously accommodated before Christmas safely. Our unique setting in an old building, with windows with restricted openings for ventilation and a single room made limiting and minimising the spread any Covid infection more challenging. In addition, the cold weather did not lend itself to basing our sessions more safely outdoors as was done in Summer 2020. We were also acutely aware of vulnerabilities specific to our staff team and their families, and it was essential that their safety and welfare remained at the centre of our decision making. Staff remained on furlough and a rent pause was negotiated for the three weeks we were closed.

Following additional guidance from Hertfordshire County Council risk assessments and policies we reviewed, and it was decided to open with limited sessions in bubbles from Thursday 28th January, returning to full sessions on Monday 8th March 2021.

The Covid disruption in the first half of the year did have an impact reducing our overall numbers of children on reopening in the Spring and Summer Term. A Parent Survey was sent out in the Summer Term which resulted in some excellent feedback to be published on the pre-schools website. In summary out of 10 questions asked surrounding the quality of care, support and staffing at Hillside Pre-School, 9 questions received 100% agree or strongly agree answers, with only 1 question relating to regularity of children's progress reports with a 5% disagree result. Key to many of the parent comments was the caring and nurturing environment that staff create – and how well children were prepared for their next steps -

"We have loved it here, it's such a safe, nurturing environment and I would highly recommend it to anyone."

"The small, nurturing feel of Hillside has been perfect for him and has really brought him out of his shell in the last year and prepared him brilliantly for school nursery."

"We have had the most wonderful experience with hillside. From day one you have put the child first. From crying and not wanting to go to skipping into nursery. He has learnt and grown and we are so grateful for his little hillside community and all that he has learned and experienced there."

"I can't thank the wonderful staff enough for the brilliant care, support, understanding and kindness they have showed to my youngest daughter"

Fundraising

Normal fundraising efforts were again curtailed during the year – the Chorleywood Parish Council Quiz Night was cancelled, we couldn't hold the usual stall at the Chorleywood Christmas Evening, the photographer was unable to visit and the summer Village Day was also cancelled. We did however manage to hold two very successful car Boot Sales in the Autumn and Spring with donations of clothes and toys from pre-school parents raising £727.

We were involved in the community organised Chorleywood Festive Trail & Santa Roadshow whose fundraising went to benefit local schools and nurseries – and we received a donation of £618 from this.

We held our first online Summer Raffle with prizes donated by local businesses generating £659. Along with other smaller fundraising activities the total raise for 2020/21 was £2,439.

FINANCIAL REVIEW

Financial Performance

Financial highlights for the year ended 31 August, 2021:

This was a very difficult period from business point of view due to the pandemic and resulting lock downs.

Total expenditure exceeds total income by £12,965 (2020: £4,362 surplus) Income (charitable activities) stayed stable at £71,815 in 2021 (2020: 70,691)

There was an increase in total expenditure to £84,971 (2020: £68,251)

The increase in expenditure was mainly due to the wages costs which included redundancy payments to two long time staff amounting to £6,500. There was also further negative impact when furlough subsidy reduced from 80% to 70% and 60% and certain staff had to be paid full wages during lockdown periods to keep the business running and attend to administrative matters. Income was not impacted as council continued with the funding based on previous year.

At the end of August 2021, we had a healthy number of children signed up for next year.

Additionally, fundraising initiatives resulted in £2,439 (2020 : £ 1,740) being generated from various activities, mainly around Christmas period.

The charity has adequate reserves to cover contingencies and anticipated outflows.

Reserves Policy

It is the charity's policy that an unrestricted reserve of a minimum of one term's worth of operating costs (estimated at £25,000) is established in order to:

- ensure financial continuity in the event of a large variation in income;
- maintain a positive cash flow and,
- cover specific future projects as they are agreed.

The reserve level exceeded the minimum amount during the year and as at the end of the financial year.



Sarah Papadopoulos (Chair)

10th March, 2022

Independent examiner's report to the trustees of Hillside Pre-School (Chorleywood) Ltd

I report to the trustees on my examination of the accounts of the above charity for the year ended 31 August 2021, which are set out on pages 10 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees (who are the directors of the company for the purpose of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the 'Act').

The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Name: Myfanwy Ronchetti

Relevant professional qualification or body: FCA (Fellow of the Institute of Chartered Accountants of England and Wales)

Address: 14 Shire Lane, Chorleywood, Hertfordshire, WD3 5NQ

Date: 10th March, 2022

STATEMENT OF FINANCIAL ACTIVITIES

(Including Income and Expenditure Account)

For the period ended 31 August 2021

	<i>Notes</i>	2021 £	2020 £
Income from:			
Charitable activities		71,815	70,691
Other income	3	190	1,922
Total Income		72,005	72,613
Expenditure on:			
Charitable activities		83,922	67,213
Raising funds		450	475
Depreciation of assets		598	563
Total Expenditure		84,970	68,251
Net income / (expenditure) for the period / Net movement in funds		(12,965)	4,362
Balance brought forward at 1 September		52,292	47,930
Balance carried forward as 31 August		39,327	52,292

All amounts relate to continuing activities. The Company has no recognised gains or losses other than the results for the period as set out above. The charity has no Restricted Funds or Endowment Funds.

The notes numbered 1 to 8 form part of these financial statements.

BALANCE SHEET

As at 31 August 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets	4		2,139		2,389
Current assets					
Cash at bank and in hand		41,414		48,314	
Debtors	5	211		4,144	
		41,625		52,458	
Creditors: amounts falling due within one year	6	(4,437)		(2,555)	
Net current assets			37,188		49,903
Total assets less current liabilities / Net assets			39,327		52,292
Reserves					
Unrestricted funds			39,327		52,292

The charity has no Restricted Funds or Endowment Funds.

For the period ended 31 August 2021, the Company was entitled to exemption from audit under section 477 of the Company Act 2006 relating to small companies.

The members have not required the Company to obtain an audit of its financial statements for the period in question in accordance with section 476. In accordance with the Charities Act 2011, the financial statements have been independently examined.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

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

The financial statements were approved by the Trustees on 7th March, 2022.

The notes numbered 1 to 8 form part of these financial statements.



Naseem Sadique, Treasurer

10th March 2022



Notes to the financial statements
For the period ended 31 August 2021

1 Basis of preparation and accounting policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with the 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 on 16 July 2014 as updated through Update Bulletin 1 published on 2 February 2016. The financial statements are prepared in accordance with the Charities Act 2011.

Accounting policies

The following principal accounting policies have been applied:

a) Income and expenditure

Income from charitable activities comprises pre-school fees, government funding, donations and fund-raising income.

Pre-school fees are recognised when the amounts are invoiced.

Government funding relating to the current year is recognised when the amounts are received.

Donations and fund-raising income are recognised when received by the charity.

Expenditure is recognised on the accruals basis.

b) Fixed assets

Equipment used within the Pre-School premises is capitalised and depreciated on a straight-line basis over ten years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

c) Cash flow statement

The Company has taken advantage of the exemption in FRS 102 for a small entity from including a cash flow statement in the financial statements.

d) Leases

All leases are operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Notes to the financial statements
For the period ended 31 August 2021

2 Trustees

None of the Trustees (or any persons connect with them) received any remuneration or benefits from the charity during the year.

3 Other Income

Included in other income in 2020 are 2 grants totaling £1050 - £500 'Coronavirus Grant' from Herts County Council and £550 Herts County Council 'Community Grant'. There were no grants awarded in 2021

4 Tangible fixed assets

	£
Cost	
As at 31 August 2020	5,629
As at 31 August 2021	5,977
Accumulated depreciation	
As at 31 August 2020	3,240
Charge for the year	598
At 31 August 2021	3,838
Net book value at 1 September 2020	2,389
Net book value at 31 August 2021	2,139

5 Debtors

Amounts falling due within one year	2021	2020
	£	£
Trade debtors	-	-
Due under Govt Coronavirus JRS	-	3,880
Prepayments and accrued income	211	264
	211	4,144

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	200	200
Deposits from Students	1,800	1,800
Accruals and deferred income	2,437	555
	4,437	2,555

Trade creditors comprise fees of £200 for the annual independent examination of the financial statements (2020: £200).

7 Commitments under operating leases

As at 31 August 2021, the Company had annual commitments under an operating lease totalling £7,604 (2020: £7,216). The lease relates to rental of the premises from which the Pre-School operates.

8 Transaction with related parties

There were no transactions with related parties during the year.