

Charity Registration Number: 1135312

Company Registration Number: 07178036

ST MAWGAN PRE-SCHOOL LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 AUGUST 2020

ST MAWGAN PRE-SCHOOL LIMITED

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For the Year Ending 31 August 2020

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ST MAWGAN PRE-SCHOOL LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 31 AUGUST 2020

Directors: Mrs. E E Lester
Mrs. J A Phillips
Mr. D J Phillips
Mrs C L Grosvenor
Mrs B Szabo
Mrs S Mundy

Secretary: Mrs.B Szabo

Registered Office: Bryndon House
5/7 Berry Road
Newquay
Cornwall TR7 1AD

Registered Number: 07178036

Registered Charity Number: 1135312

Accountants: Whitakers
Bryndon House
5/7 Berry Road
Newquay
Cornwall TR7 1AD

ST MAWGAN PRE-SCHOOL LIMITED
REPORT OF THE TRUSTEES FOR THE YEAR ENDING 31 AUGUST 2020

The Directors present their report with the Financial Statements for the year ending 31 August 2020.

STATUS AND ADMINISTRATION

The Charity is a company limited by guarantee and a registered charity with the Charity Commission. It was incorporated on 4 March 2010. The accounts comply with current statutory requirements and the charity's governing documents, Memorandum and Articles of Association and the Statement of Recommended Practice (SORP 2005).

AIM AND PURPOSE

St Mawgan Pre-School Limited has the responsibility of running a pre-school for the benefit of the local community.

OBJECTIVES AND ACTIVITIES

St Mawgan Pre-School Limited is committed 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, family learning and extended hours groups, 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.
- Encourage the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aims and objects of the Pre-School Learning Alliance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

St Mawgan Pre-School Limited is governed by its Trustee Board which is responsible for setting the strategic direction of the company and the policy of the charity. The Trustees carry the ultimate responsibility for the conduct of St Mawgan Pre School Limited and for ensuring that the charity satisfies its legal and contractual obligations. Trustees meet on a regular basis.

The Trustees (directors) during the period under review were:

Mrs J A Phillips
Mr D J Phillips
Mrs. E E Lester
Mrs C L Grosvenor
Mrs G M Revall (Resigned 25 July 2020)
Mrs S L Emery (Resigned 25 July 2020)
Mrs B Szabo (Appointed 25 July 2020)
Mrs S Mundy (Appointed 25 July 2020)

ST MAWGAN PRE-SCHOOL LIMITED
REPORT OF THE TRUSTEES FOR THE YEAR ENDING 31 AUGUST 2020 (CONTINUED)

The directors are appointed according to the Articles of Association and are referred to in that document as the Board of Trustees.

REVIEW OF FINANCIAL ACTIVITIES

The financial results for the year are set out in the Statement of Financial Activities on page 7 and the position at the end of the year is shown in the Balance Sheet on page 8.

St Mawgan Pre-School Limited own computer equipment which are disclosed as tangible fixed assets in the financial statements.

The pre-school meet in the village Community Hall, where it has use of a large hall and associated facilities and pays a rent to the organization that operate the hall.

The pre-school employed eight members of staff, seven of whom have appropriate early years qualifications at the accounting year end.

Incoming resources in the period were £67,534.

A surplus of £1,597 was made in the year. At 31 August 2020 total reserves were £8,411, all of which represented funds introduced by the members on the incorporation of the pre-school on 4 March 2010.

To assess the performance up to 31 August 2020, the following SWOT has been prepared:-

Strengths

There are well qualified, highly motivated staff.
Good Ofsted inspection in the past few years.
Substantial unrestricted funds are held by the company.
Considerable waiting list of children.

Weaknesses

Children numbers are limited due to the premises.
The premises are not designed specifically to be used as a pre school.
Insufficient support from the parents of the children.

Opportunities

To raise the profile of the pre school in order to attract more parents to support the pre school.

Threats

Fundraising from all sources will be more difficult in the present economic climate.
Reputation risks (for example an accident involving injury to children or failure to meet service commitments).
The opportunity to raise prices is constrained by what local parents will find affordable.
Covid-19 pandemic and the operating restrictions being placed on the pre-school.

ST MAWGAN PRE-SCHOOL LIMITED
REPORT OF THE TRUSTEES FOR THE YEAR ENDING 31 AUGUST 2020 (CONTINUED)

Summary of SWOT findings

The pre-school is an established service within the district and informal feedback indicates that it is highly valued by the users. Reputation risks can be diminished by ensuring that constant training remains a high priority.

RESERVES POLICY

St Mawgan Pre-School Limited have a long-term aim to own their own premises which will be purpose built for the needs of supplying pre-school learning to children. All funds at the moment are unrestricted to allow the pre-school to have sufficient funds at its disposal to meet the daily running expenses, as income is dependent on the number of children in the region who will be attending the pre-school.

Implementing a plan for raising funds for day to day running of the pre-school is therefore a priority, but the long-term aim is to obtain funding by whatever means are available for the company to own its own premises.

DIRECTORS' RESPONSIBILITIES

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that year.

In preparing those accounts, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgments and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorized use and to prevent and detect fraud and other irregularities.

This report has been prepared in accordance with the special provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime and follows the recommendations in Accounting and Reporting by Charities (FRS 102).

On behalf of the trustees


Mrs. E E Lester

Dated : 25 May 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
ON THE UNAUDITED ACCOUNTS OF
ST MAWGAN PRE-SCHOOL LIMITED

I report on the accounts of the company for the year ended 31 August 2020 set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this period under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under Part 16 of the Company Act 2006 and is eligible for an independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiners' statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that, in any material respect, the requirements:

- a. to keep accounting records in accordance with s386 of the Companies Act 2006; and
- b. to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice (FRS 102)

have not been met ; or

to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



S G Hawkey FCA
Springfield
Polgreen
St Mawgan
TR8 4AG

Date: 25 May 2021

ST MAWGAN PRE-SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Incoming Resources					
Incoming resources from generated funds					
<i>Voluntary income:</i>					
Funding	2	39,371	-	39,371	54,204
<i>Activities for generating funds:</i>					
<i>Investment income:</i>					
Interest Receivable		-	-	-	-
Incoming resources from charitable activities					
Fees received and other income	3	28,163	-	28,163	13,547
Total Incoming Resources		67,534	-	67,534	67,751
Resources Expended					
Costs of generating funds					
<i>Costs of generating voluntary income</i>	4	4,042	-	4,042	7,029
Charitable activities	5	61,298	-	61,298	64,020
Governance costs	6	597	-	597	1,823
Total Resources Expended		65,937	-	65,937	72,872
Net Incoming / (Outgoing) resources for the year		1,597	-	1,597	(5,121)
Net movement in funds		1,597	-	1,597	(5,121)
Transfers between funds		-	-	-	-
Reconciliation of Funds					
Total funds brought forward		(12,242)	-	(12,242)	(7,121)
Total funds carried forward		(10,645)	-	(10,645)	(12,242)

The statement of financial activities includes all gains and losses in the period. All incoming resources and resources expended derive from continuing activities.

These financial statements do not incorporate the significant value attributed to volunteers' hours and other intangible incoming resources that contributed to the activities of the organization.

ST MAWGAN PRE-SCHOOL LIMITED

BALANCE SHEET AT 31 AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible Assets	9	298	398
CURRENT ASSETS			
Stock		196	300
Debtors & Prepayments	10	523	-
Cash at Bank and in hand		<u>8,271</u>	<u>8,173</u>
		8,990	8,473
CURRENT LIABILITIES: Amounts falling due within one year			
	11	<u>(877)</u>	<u>(2,057)</u>
NET CURRENT ASSETS		<u>8,113</u>	<u>6,416</u>
TOTAL NET ASSETS		<u>8,411</u>	<u>6,814</u>
REPRESENTED BY			
Unrestricted Fund	12		
Accumulated Fund		8,411	6,814
Designated Funds		<u>-</u>	<u>-</u>
		8,411	6,814
		<u>£8,411</u>	<u>£6,814</u>

The trustees are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with FRS 102 SORP.

The notes form part of these Financial Statements

Mrs. E E Lester



Approved by the Board on 25 May 2021

ST MAWGAN PRE-SCHOOL LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

a. General

The Financial Statements have been prepared under the historical cost convention and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102).

b. Incoming Resources

Voluntary income is recognized as incoming resources when receivable, except in so far as they are incapable of financial measurement.

When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.

Incoming resources are recognized in the financial statements when the effect of a transaction or other event results in an increase in the Charity's assets. Dependent upon:

1. The Charity's entitlement to the income
2. When it is virtually certain that the income resource will be received
3. When the monetary value of the income can be measured with sufficient reliability

c. Resources Expended

Resources expended are recognized in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned on an appropriate basis.

- 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity.

d. Tangible Fixed Assets & Depreciation

Tangible fixed assets are valued at historic cost less any transaction costs. No revaluations are required as all assets have a short life. No de minimis value has been set and assets have been reviewed for impairments by the trustees.

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

Computer equipment – Straight line over 3 years
Equipment – 25% reducing balance basis

e. Realized and unrealized gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realized gains and losses on asset disposals are calculated as the difference between sales proceeds and the net book value recorded in the accounts.

f. Unrestricted Funds

Unrestricted funds are grants and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

ST MAWGAN PRE-SCHOOL LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2020

g. Designated Funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. The use of such funds is at the Trustees' discretion.

h. Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of support costs.

2. FUNDING

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
Cornwall County Council	39,371	-	39,371	54,204
	<u>39,371</u>	<u>-</u>	<u>39,371</u>	<u>54,204</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
Fees	8,019	-	8,019	12,222
Income from fund raising activities	150	-	150	-
Toddler group income	-	-	-	498
Uniform sales	50	-	50	331
Commission from photographs	-	-	-	96
Donations	10,750	-	10,750	400
Lunch club	-	-	-	-
Grants	9,194	-	9,194	-
	<u>28,163</u>	<u>-</u>	<u>28,163</u>	<u>13,547</u>

4. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
Insurance	423	-	423	805
Rent	3,619	-	3,619	5,447
Bad debts written off	-	-	-	777
	<u>4,042</u>	<u>-</u>	<u>4,042</u>	<u>7,029</u>

ST MAWGAN PRE-SCHOOL LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2020

5. CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
Wages	51,313	-	51,313	56,050
Books, play equipment, etc	2,492	-	2,492	2,643
Refreshments	750	-	750	1,238
Cleaning expenses	157	-	157	131
Pension contributions	1,325	-	1,325	1,217
Expenses for fund raising events	-	-	-	-
Uniforms	280	-	280	966
Training expenses	1,606	-	1,606	681
Stationery	53	-	53	153
Membership & licenses	407	-	407	231
Sundry expenses	103	-	103	578
Repairs & renewals	13	-	13	-
Depreciation	99	-	99	132
Excursions	2,700	-	2,700	-
	61,298	-	61,298	64,020

6. GOVERNANCE COSTS

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
Accountancy fees	120	-	120	120
CRB fees	-	-	-	204
Payroll bureau fees	477	-	477	674
Professional fees	-	-	-	450
Late filing penalty	-	-	-	375
	597	-	597	1,823

7. TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration or reimbursement of out-of-pocket expenses during the period.

8. TAXATION

The charitable company is exempt from Corporation Tax on its charitable activities.

ST MAWGAN PRE-SCHOOL LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2020

9. TANGIBLE FIXED ASSETS

	Equipment £	Computer Equipment £	Total £
Cost as at 1 September 2019	1,736	2,788	4,524
Additions	-	-	-
Disposals	-	-	-
Cost as at 31 August 2020	1,736	2,788	4,524
Depreciation as at 1 September 2019	1,339	2,788	4,127
Depreciation for the year	99	-	99
Depreciation on disposals	-	-	-
Depreciation as at 31 August 2020	1,438	2,788	4,226
Net Book Value 31 August 2020	298	-	298
Net Book Value 31 August 2019	398	-	398

10. DEBTORS

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	523	-
	523	-

11. CREDITORS

	2020 £	2019 £
Amounts falling due within one year:		
Trade creditors	330	2,066
Social security and other taxes	547	-
	877	2,066

ST MAWGAN PRE-SCHOOL LIMITED

Notes to the Financial Statements for the Year Ended 31 August 2020

12. UNRESTRICTED FUNDS

	Balance as at 1 September 2019 £	Incoming resources £	Movement in funds Expenditure £	Transfers £	Balance as at 31 August 2020 £
Funds introduced by members on incorporation	19,056				19,056
General Funds	(12,242)	67,534	(65,937)		(10,645)
	<u>6,814</u>	<u>67,534</u>	<u>(65,937)</u>	<u>-</u>	<u>8,411</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	2020 Total Funds £	2019 Total Funds £
Net current assets		8,411	-	8,411	6,814
Total net assets		<u>8,411</u>	<u>-</u>	<u>8,411</u>	<u>6,814</u>

14. GUARANTEE

The company is limited by guarantee. Each member has guaranteed the sum of £1 on winding up.

15. GOING CONCERN

The current COVID-19 Pandemic has caused the Preschool to be closed during a period of lockdown. The pre-school re-opened as soon as it was able to and are using the governments furlough scheme to minimize financial losses as a result of reduced pupil numbers. However it is widely recognised pre-school settings are at risk due to the ongoing Pandemic. To minimise this the trustees have negotiated a rent waiver for the current and upcoming terms. The trustees are working to further reduce the pre-school's outgoings and are applying for grants to safeguard it's financial future. The trustees therefore consider the pre-school can and will continue to operate for the for seeable future.