

# **CHUDLEIGH KNIGHTON PRE-SCHOOL LIMITED**

**Directors' report and Financial Statements  
Year ended 31 August 2022**

**Registered Charity number: 1135623**

**Registered Company number: 07162177**

Bankers  
Natwest Bank  
48 Courtenay Street  
Newton Abbot

## Contents

### Page

Directors' report	3 - 4
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	5
Independent Examiner's Report	6
Statement of Financial Activities for the year ended 31 August 2022	7
Balance Sheet as at 31 August 2022	8
Notes to the Accounts	9 - 11

## **Directors' report**

The directors present their directors' report and financial statements for the year ended 31 August 2022.

### **Principal objects and activities**

The objects of the Charity are set out in the articles of association. In summary, the Charity provides pre-School education facilities to children from the age of 2 —4 years. The objects of the Charity include enhancing the development and education of children primarily under statutory school age. The Charity provides these facilities 5 days a week.

The Charity offers play, education and care facilities and works closely with the local community and other education facilities, such as Chudleigh Knighton Church of England Primary School, to promote the needs and education of pre-school children for the public benefit.

### **Structure, Governance and management**

The Charity was incorporated as a company limited by guarantee on 18 February 2010 and registered with the Charity Commission on 21 April 2010. The Charity began operating on 7 October 2010 following a transfer from an existing Pre-School charity (Charity Number — 1022361).

### **Directors**

The directors who held office during the year were as follows;

Mrs Victoria Andrews

Mrs Sally Lacey

Mrs Joanne Viney

The minimum number of Directors is 3 but there is no maximum.

The Directors are also members of the Charity. The Directors communicate during the year and welcome parents, carers and other interested members of the community to become involved in fundraising events and the running of the Charity.

Whilst corporate decisions are made by the Directors, the day to day running of the Charity is carried out by the Managers and Deputy Manager.

### **Employees**

During the year the Charity employed 7 staff, including a Manager, Deputy Manager and Office manager. All the childcare staff & managers have been employed by the charity for several years, they are it's greatest asset, and the low turn-over of employees is due to high levels of job satisfaction.

The Charity is an equal opportunities employer and does not discriminate on the grounds of sex, race, disability or religious affiliation (if any).

## **Directors' report continued**

### **Business review**

The Charity has been operating from its premises at 'Pauline's Place' in the village of Chudleigh Knighton for 12 years.

The Charity has a long standing excellent reputation, and continues to draw children from the neighbouring towns & villages. Places are available for funded and non-funded children aged 2-4 years. The setting is able to offer funded 2 year old places due to its high standards, recognised by Ofsted in their most recent "Good" rating.

Pupil numbers have recovered post pandemic, with an average increase of 20% more children registered per-term, peaking at 37 on roll. Attended hours range from 2.5 to 30 hours per week per child, with an average of 15. The vast majority (87%) of all hours were funded by DCC early years funding

The performance of the Charity is set out in the accounts.

The Charity recorded a surplus for the year, as forecast, which can be attributed both to measures taken to implement cost savings, and a return to normal following the relaxation of covid restrictions. The management team & Directors have reviewed all income channels, expenditure and fundraising going forward. With attendance returning to pre-pandemic levels, an increase in funding rates from DCC and in house changes the forecast remains positive. Therefore the Directors consider that the Charity remains a viable organisation that will continue to provide high quality pre-school facilities to the locality.

It is the policy of the Charity to retain a minimum of £25,000 in designated reserves, which is expendable, to deal with items of unusual expenditure such as redundancy payments (should they be relevant) and repairs to the building. At the year end the Charity held £48,063 in reserves (approximately £26,256 of which is held in a separate designated funds account).

After making enquiries, the directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they consider it appropriate to adopt the going concern basis in preparing the accounts.

### **Public Benefit test**

In summary, the Charity offers Pre-School educational and play facilities to children primarily under statutory school age. This benefits the community by providing Early Years care for children living in or around Chudleigh Knighton, and supporting and encouraging parents and carers in the development and education of pre-school children. The Charity works closely with the local primary school, the church and the village hall, ensuring strong links are maintained within the community.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

### **Political and charitable contributions**

The Charity made no political or charitable donations or incurred any political expenditure during the year.

By order of the Board



Sally Lacey  
Director

Registered office  
Pauline's Place  
Chudleigh Knighton  
Devon  
TQ13 0EY

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The trustees (who are also directors of Chudleigh Knighton Pre School Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which 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 the income and expenditure, of the charitable for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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.

## **Independent Examination Report**

### **Independent examiner's report to Chudleigh Knighton Pre School Limited**

I report on the accounts of Chudleigh Knighton Pre School Limited for the year ended 31 August 2022, which are set out on pages 7 to 11 in respect of an examination carried out in accordance with Section 145 of the Charities Act 2011.

### **Respective responsibilities of Chudleigh Knighton Pre School Limited and the examiner**

Chudleigh Knighton Pre School Limited members are responsible for the preparation of the accounts. The Chudleigh Knighton Pre School Limited members consider that an audit is not required for this year under section 144(2) of the Charities Act (the 2011 Act) and that an independent examination is needed.

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 commission under section 145(5) of the 2011 Act
- to state whether particular matters have come to my attention

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by Chudleigh Knighton Pre School Limited and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as members of Chudleigh Knighton Pre School Limited 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 next statement.

### **Independent examiner's statement**

In connection with my examination, nothing has come to my attention:

- (1) which gives me reasonable cause to believe that any material respect of the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



David Cook FCCA  
Devon Accounting Solutions Limited  
25 Coronation Avenue  
Dawlish  
Devon  
EX7 9EQ

Date: 2 March 2023

**Chudleigh Knighton Pre School Limited - Annual Accounts 2021/22****Statement of Financial Activities for the year ended 31 August 2022**

Notes

		Designated funds £	Unrestricted funds £	<b>Total Funds 2022 £</b>	Designated funds £	Unrestricted funds £	<b>Total funds 2021 £</b>
<b>Income and endowments from:</b>							
Donations			3	3	-	71	71
Income from Investments	9	1,165		1,165	2		2
Income from Charitable activities	2		93,263	93,263	-	72,405	72,405
<b>Total income</b>		<b>1,165</b>	<b>93,266 #</b>	<b>94,431</b>	<b>2 #</b>	<b>72,476</b>	<b>72,478</b>
<b>Expenditure on:</b>							
Charitable activities:	3		84,316	84,316	-	79,976	79,976
<b>Total resources expended</b>			<b>84,316</b>	<b>84,316</b>	<b>-</b>	<b>79,976</b>	<b>79,976</b>
<b>Net income/(expenditure)</b>		<b>1,165</b>	<b>8,950 #</b>	<b>10,115</b>	<b>2</b>	<b>7,500</b>	<b>7,498</b>
Transfers between funds		-	-	-			
<b>Net movement in funds</b>		<b>1,165</b>	<b>8,950 #</b>	<b>10,115</b>	<b>2</b>	<b>7,500</b>	<b>7,498</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		25,091	12,857	37,948	25,089	20,357	45,446
<b>Total funds carried forward</b>	<b>11</b>	<b>26,256</b>	<b>21,807</b>	<b>48,063</b>	<b>25,091</b>	<b>12,857</b>	<b>37,948</b>

The company has no recognised gains and losses other than the surplus for the year.

All of the activities derive from continuing operations.

The notes on pages 9 to 11 form part of these accounts.

**Chudleigh Knighton Pre School Limited - Annual Accounts 2021/22****Balance Sheet as at 31 August 2022**

Notes

		Designated funds £	Unrestricted funds £	<b>Total funds 2022 £</b>	Total Funds 2021 £
<b>Fixed assets</b>					
Property, plant and equipment	<b>4</b>	-	906	<b>906</b>	856
<b>Total fixed assets</b>		<u>-</u>	<u>906</u>	<u><b>906</b></u>	<u>856</u>
<b>Current assets</b>					
Debtors	<b>5</b>	-	352	<b>352</b>	
Cash at bank and in hand		26,256	21,058	<b>47,314</b>	37,246
<b>Total current assets</b>		<u>26,256</u>	<u>21,410</u>	<u><b>47,666</b></u>	<u><b>37,246</b></u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	<b>6</b>	-	509	<b>509</b>	154
<b>Net current assets</b>		<u>26,256</u>	<u>20,901</u>	<u><b>47,157</b></u>	<u>37,092</u>
<b>Total net assets</b>		<u><b>26,256</b></u>	<u><b>17,421</b></u>	<u><b>48,063</b></u>	<u>37,948</u>
<b>The funds of the Charity</b>					
Designated funds:	<b>11</b>	26,256	-	<b>26,256</b>	25,091
Unrestricted funds	<b>11</b>	-	21,807	<b>21,807</b>	12,857
<b>Total Charity funds</b>		<u><b>26,256</b></u>	<u><b>21,807</b></u>	<u><b>48,063</b></u>	<u><b>37,948</b></u>

The notes on pages 9 to 11 form part of these financial statements.

For the year ended 31 August 2022, the company was entitled to exemption under section 477 of the companies act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the act with respect to the accounting records and the preparation of the accounts.

These financial statements were approved by the board of directors on 21st March 2023 and were signed on its behalf by:



Sally Lacey  
Director



**Chudleigh Knighton Pre School Limited - Annual Accounts 2021/22**

**Statement of Cash Flows for the year ended 31 August 2022**

	Designated funds £	Unrestricted funds £	<b>Total funds 2022 £</b>	Total funds 2021 £
<b>Cash flows from operating activities:</b>				
<b>Net cash (used in) / provided by operating activities</b>	-	9,983	9,983	(6,938)
<b>Cash flows from investing activities:</b>				
Interest on cash in bank	1,165	-	<b>1,165</b>	2
Purchase of property, plant and equipment	-	(728)	<b>(728)</b>	(118)
<b>Net cash provided by investing activities</b>	<u>1,165</u>	<u>(728)</u>	<u><b>437</b></u>	(116)

Change in cash and cash equivalents in the reporting period	<b>1,165</b>	<b>9,255</b>	<b>10,420</b>	<b>(7,054)</b>
Cash and cash equivalents at the beginning of the reporting period	25,091	12,155	<b>37,246</b>	44,300
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><b>26,256</b></u>	<u><b>21,410</b></u>	<u><b>47,666</b></u>	<u><b>37,246</b></u>

**Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	Designated funds £	Unrestricted funds £	<b>Total funds 2022 £</b>	Total funds 2021 £
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	1,165	8,950	<b>10,115</b>	(7,498)
<b>Adjustments for:</b>				
Depreciation charges	-	678	<b>678</b>	532
Interest on cash in bank	(1,165)	-	<b>(1,165)</b>	(2)
(Increase) / decrease in debtors	-	-	-	
(Decrease) / increase in creditors	-	355	<b>355</b>	30
(Decrease) / increase in provisions	-	-	-	
<b>Net cash (used in) / provided by operating activities</b>	<u>-</u>	<u>9,983</u>	<u><b>9,983</b></u>	(6,938)

**Analysis of cash and cash equivalents**

	Designated funds £	Unrestricted funds £	<b>Total funds 2022 £</b>	Total funds 2021 £
Cash in hand	26,256	21,410	<b>47,666</b>	37,246
<b>Total cash and cash equivalents</b>	<u>26,256</u>	<u>21,410</u>	<u><b>47,666</b></u>	37,246

## **Chudleigh Knighton Pre School Limited - Annual Accounts 2021/22**

### **Notes to the Accounts**

#### **1. Accounting policies**

##### **1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention and the accounting policies have been consistently applied. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) effective from 1 January 2015, and applicable UK Accounting Standards (FRS102) and the Charities Act 2011.

The Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trustees consider it appropriate to adopt the going concern basis in preparing the accounts.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

##### **1.2 Funds structure**

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Designated funds which are expendable, are funds set aside to deal with items of unusual expenditure such as redundancy payments (should they be relevant) and repairs to the building.

##### **1.3 Incoming resources**

All incoming resources are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

##### **1.4 Resources expended**

All expenditure is accounted for on an accruals basis and is recognised when a legal or constructive obligation arises, resulting in a payment being unavoidable.

##### **1.5 Taxation**

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

##### **1.6 Charitable activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the objects of the Charity. These costs are shown in Note 3.

##### **1.7 Audit Exemption Statement**

For the year ended 31 August 2022, the company was entitled to exemption under section 477 of the companies act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

##### **1.8 Depreciation Policy**

Depreciation is calculated at 20% to reflect the type of equipment and expected duration of use.

**Chudleigh Knighton Pre School Limited - Annual Accounts 2021/22****Notes to the Accounts****2 Analysis of turnover**

	<b>Total</b>	Total
	<b>2022</b>	2021
	£	£
By activity		
DCC fees	76,670	59,370
Parent fees	11,577	11,582
Fundraising & donations	1,444	889
<b>Other</b>	3,575	635
<b>Total</b>	<b>93,266</b>	72,476

**3 Charitable activities****3.1 Employee costs**

	<b>Total</b>	Total
	<b>2022</b>	2021
	£	£
The aggregate payroll costs were as follows		
Staff wages	57,699	56,203
Employer's social security and pension contributions	5,272	3,949
<b>Total employee costs</b>	<b>62,971</b>	60,152

**3.2 Administrative expense**

Premises cost	442	194
Rental	12,480	9,880
Depreciation	678	1,805
Equipment cost		118
Insurance	623	726
Children's snacks and milk	251	122
Memberships and subscriptions	373	104
Consumables	1,485	1,676
Legal and professional	300	300
Other	4,713	4,899
<b>Total</b>	<b>21,345</b>	19,824
<b>Total cost of charitable activities</b>	<b>84,316</b>	79,976

**4 Property, plant and equipment****Cost**

At 1 September 2021	2,661
Additions during year 2021/22	728
<b>Cost at 31 August 2022</b>	<b>3,389</b>

**Depreciation**

At 1 September 2021	1,805
Charge for year 2021/22	678
<b>At 31 August 2022</b>	<b>2,483</b>

**Net book values**

At 31 August 2021	856
<b>At 31 August 2022</b>	<b>906</b>

Depreciation calculated at 20%

**5 Debtors**

	<b>2022</b>	2021
	£	£
Debtors under one year	352	-
Other debtors	-	-

**6 Creditors:**

	<b>2022</b>	2021
	£	£
Amounts falling due within one year	509	154

#

# Chudleigh Knighton Pre School Limited - Annual Accounts 2021/22

## Notes to the Accounts

### 7 Provisions: amounts falling due within one year

	2022	2021
	£	£
As at 1 Sept	-	-
Arising during the year	-	-
Utilised during the year	-	-
As at 31 August	<u>-</u>	<u>-</u>

### 8 Commitments

Annual commitments under non-cancellable operating leases are as follows:	2022	2021
	<b>Land and buildings</b>	Land and buildings
	£	£
Operating leases which expire:		
Within one year	0	5,200
In the second to fifth years inclusive	30,160	0
Over five years	-	-

In the year ended 31 August 2022 the company paid £12480 (2021: £9880) in respect of rentals due under operating leases.

### 9. Investment income

	2022	2021
	£	£
Interest on cash held on deposit (current assets)	12	2
Other income	1,153	-
	<u>1,165</u>	<u>2</u>

### 10 Related party transactions

The Trustees provide their Trustee services to the Charity on a purely voluntary basis. No members of the Pre-School's trustees have received honoraria, emoluments or expenses from the Charity in the year.

### 11 Reserves

	Designated funds	restricted funds	Total funds
	£	£	£
At the beginning of year:	25,091	12,857	37,948
Surplus for year	1,165	8,950	10,115
Transfers	-	-	-
	<u>26,256</u>	<u>21,807</u>	<u>48,063</u>