

Clifton Moor Pre School

(A Charity Limited by Guarantee)

Report and Financial Statements for the year ended 31st August 2020

Charity number : 1136705

Company Number : 07266807

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(A Charity Limited by Guarantee)

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Clifton Moor Pre School

(A Charity Limited by Guarantee)

Members of the Board and Professional Advisors

Registered charity name :	Clifton Moor Pre-School
Charity number :	1136705
Company registration number :	7266807
Principal office :	Lakeside Primary School Oakdale Road Clifton Moor York YO30 4YL
Trustees :	John Holland Mark Deighton stood down 03/05/2019 Alyson Harris Amy Binns appointed 15/05/2019 Nicola Kirk appointed 15/05/2019 Amy Johnston appointed 15/05/2019 Melissa Loader appointed 15/05/2019
Chairman :	John Holland
Accountant :	Mrs Ruth Prins FCPFA
Independent Examiner :	Mr M Young

Clifton Moor Pre School

(A Charity Limited by Guarantee)

Trustees Annual Return - 31st August 2020

The trustees, who are also directors for the purpose of company law, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 August 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the company during the financial year and through to the date of this report were as follows:

John Holland
Alyson Harris
Amy Binns
Nicola Kirk
Amy Johnston
Melissa Loader

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was formed following a special resolution of the charity 1081231 (Clifton Moor PreSchool Playgroup) to dissolve and form a new company and to transfer all assets, liabilities and charitable objects to the company.

The charity is constituted as a company limited by guarantee and governed by its memorandum and articles of association, was incorporated on 27th May 2010 and was registered as a charity on 5th July 2010. The charity changed its year end to 31st August to become coterminous with the academic year.

The minimum number of Trustees is three. The maximum and minimum number of the Trustees can be varied by the company in a general meeting.

At each annual general meeting of the Company one-third (or the number nearest one-third) of the Council Members shall retire from office. The Council Members to retire shall be those who have the longest in office since their last re-appointment, determined by lot in the case of persons who became Council Members on the same day. A retiring Council Member shall be eligible for re-appointment.

The management and delivery of all service and operational functions was devolved from the Trustees and is now provided by qualified professional salaried members of staff. Volunteers and Trustees are relied upon to provide administrative and strategic support to the staff team. The systems for governance, financial and administrative procedures that have been devised are much clearer and help to ensure a strong and efficient link between the operational management of the charity and the trustees.

RESERVES POLICY

The Board of Trustees keeps Clifton Moor PreSchool's reserves under constant review. This year the trustees decided to amend the reserves policy in order to clarify the holding of reserves for specific needs by specifying designated reserves.

There are currently two designated reserves:

1. Designated Liability Reserve: Designated reserves for the purpose of allowing the charity to meet its obligations to staff and our landlord should the charity need to wind-up. The reserves cover, site decommissioning, 6 months rent and statutory notice and redundancy payments for staff. The sum allocated to our Designated Liability Reserve is £28,000.

2. Designated Infrastructure Reserve: Designated reserve for the purpose of re-building or upgrading the classroom and fittings. The aim of this reserve is to part-fund a project which will protect the charities long term interests by planning for expansion and enhanced operation of the pre-school. The sum allocated to our Designated Infrastructure Reserve is £50,000.

Clifton Moor Preschool also holds general reserves. General reserves are intended to protect the organisations on-going charitable programme and limit risk in the event of unexpected additional expenditure and or downturn in income. At 31st August 2020 the sum allocated for general reserves was £62,394. (2019: £49,797).

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are to enhance the development and education of children under statutory school age by providing appropriate play, education and care facilities.

The charity has organised its activities to expand provision to offer two preschool sessions every weekday up to a maximum of 22 children in any one session

The charity also retains its Ofsted registration for the use of a classroom inside the Lakeside Primary school building.

IMPACT OF COVID-19

During 2020 the global response to Coronavirus Disease (COVID-19) changed daily life for many people. Yet with suitable testing procedures and policies put in place by the Charity, child development was not paused and the setting continued to operate throughout the year. Supporting children, their families and care providers remained as important as ever. With funding primarily coming via the local authority the Charity was fortunate to not see a significant change in income through the year.

ACHIEVEMENTS AND PERFORMANCE

The last year has seen the charity successfully continue its activities.

Our relationship with the local primary school (upon whose site we operate) and their early years team continues to work well. Most of our children graduate into the foundation stage of the local school and the handover from our structured environment provides a wonderfully effective preparation for children in their final year prior to starting full-time school.

The charity remains a pre-school in demand, our sessions are full and the waiting list remains healthy with all places at the pre-school filled before Christmas. The team continues to function extremely effectively and we were delighted to welcome two highly capable and qualified new members of staff. The charity remains committed to investing in staff by hiring and retaining the very best with pay awards that reflect the needs and professionalism of our staff that is so important in maintaining our continued excellence.

The directors are pleased to report a healthy financial position for the charity. In 2019/20 the Charity had a Surplus of £12,597 against a deficit of £7,068 in the previous financial period. The operating surplus is partly due to no rent being charged due to the Covid-19 pandemic as well as reduced expenditure for the year. Despite the Covid-19 Pandemic the Charity's financial position in very healthy position enjoying a balance sheet of £140,394 (2019:£127,797).

We are also proud that the quality of our services is revered amongst the local authority team; the pre-school setting, staff team and handover to primary school are reported as an exemplary model amongst their peers. This is a testament to the continued hard work and dedication of the staff. Thank you to all members of the team.

FINANCIAL REVIEW

The results for the period and the charity's financial position at the end of the period are shown in the attached financial statements. The principal source of funding remains Local Authority grants.

DIRECTORS' REPORT

The directors are pleased to report another year of growth and continued success for the preschool activities. The charity continues to provide an outstanding service, to more children, at more convenient times and to a higher standard than ever before. The directors are grateful to the continued dedication and hard work from the staff team and all those who volunteer and support the charity. Well done to all contributors & supporters.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Independent Examiners Report

I report on the accounts of the company for the year ended 31 August 2020, which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- 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 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 seeking explanations from you as 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 examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 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.

Name : Mr M Young

Address : 19 Stephenson Close, Market Weighton, YO43 3NP

Date : 08/07/2021

Clifton Moor Pre School

(A Charity Limited by Guarantee)

Charity number : 1136705

Company number : 07266807

Statement of Financial Activities (including income and expenditure account)

For the Period Ended 31st August 2020

		Unrestricted Funds 2019/20	Restricted Funds 2019/20	Total Funds 2019/20	Total Funds 2018/19
<u>Incoming Resources</u>	Notes				
Incoming Resources from Generating Funds					
Activities for Generating funds	2	97,022	0	97,022	103,369
Other incoming Resources	3	204	0	204	244
Total Incoming Resources		97,226	0	97,226	103,614
<u>Resources Expended</u>					
Costs of generating funds					
Charitable activities	4	79,815	0	79,815	79,815
Support Costs	5	4,814	0	4,814	4,814
Costs of Asset Purchase		0	0	0	11,270
Total Resources Expended		84,629	0	84,629	84,629
Net Income for the year					
(Net incoming resources before other recognised gains)		12,597	0	12,597	(7,068)
Other Recognised Gains		0	0	0	0
Net Movement in Funds		12,597	0	12,597	(7,068)
Reconciliation of Funds					
Total funds brought forwards		116,527	0	116,527	123,595
Total funds carried forward		129,124	0	129,124	116,527

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All incoming resources and resources expended derive from continuing activities.

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Balance Sheet as at 31 August 2020

	Notes	£ 2019	£ 2019	£ 2018
Fixed Assets				
Tangible Assets	7		6,762	9,016
Current Assets				
Debtors		-		-
Cash at Bank and in Hand		134,180		119,354
Creditors (Amounts falling due within one year)	8	<u>549</u>		<u>573</u>
Net Current Assets			133,632	118,781
Net Assets			<u>140,394</u>	<u>127,797</u>
Unrestricted Funds				
Designated Funds	10		78,000	78,000
General Funds	10		<u>62,394</u>	<u>49,797</u>
			<u>140,394</u>	<u>127,797</u>

The directors acknowledge their responsibility for preparing accounts 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 profits and loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with sections 386 of the Companies Act 2006

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. For the year ended 2018 the company was entitled to exemption from audit under section 477 (2) of the Companies Act 2006 relating to small companies.

These financial statements were approved by the members of the committee and are signed on their behalf by :

Mr John Holland, Chairman

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Notes to the Financial Statements for the period ended 31 August 2020

1. ACCOUNTING POLICIES

Statement of compliance

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Cashflow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statement on the grounds that the company is small.

Income

All income is recognised once the charity has entitled the income, it is probable that the income will be received, and the amount of the income receivable can be measured reliably.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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.

Government grants

Government grants relating to specific fixed assets are credited to the net book value of the asset concerned. Other government grants are recognised as income in the statement of financial activities.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings – 20% straight line

Property Improvements – 15% straight line

Unrestricted funds

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

Designated funds

Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes

Taxation

The charity is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	<u>2019/20</u>		<u>2018/19</u>	
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Council Funding	90,525	90,525	87,213	87,213
Private Fees	6,497	6,497	16,003	16,003
Donations / Fundraising	-	-	153	153
	<u>97,022</u>	<u>97,022</u>	<u>103,369</u>	<u>103,369</u>

3. OTHER INCOME RESOURCES

	<u>2019/20</u>		<u>2018/19</u>	
	Unrestricted	Total	Unrestricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Interest Earned	<u>204</u>	<u>204</u>	<u>244</u>	<u>244</u>

4. UNRESTRICTED COST OF GENERATING FUNDS

	2019/20	2018/19
Staff costs	74,151	73,323
Rent	-	6,573
Provisions and play equipment	5,524	14,048
Staff training	140	263
Staff uniform	-	-
Repairs & renewals	-	548
	<u>79,815</u>	<u>94,755</u>

5. SUPPORT COSTS

	2019/20	2018/19
Administration costs	1,885	1,692
Depreciation	2,254	2,254
Insurance	528	557
Staff welfare		
Telephone	147	154
	<u>4,814</u>	<u>4,656</u>

The fee levied by the Independent Examiner totals £Nil (2018 : £nil)

6. STAFF COST AND EMOLUMENTS

	2019/20	2018/19
Staff costs were as follows:	£	£
Gross wages – child care staff	70,072	69,516
Employers NIC	-	-
Pension costs	4,079	3,808
	<u>74,151</u>	<u>73,324</u>

No employee received emoluments of more than £60,000.

The average number of employees during the period was 6 (2018/19 : 6).

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Property Improvements £	TOTAL £
Cost b/fwd	17,116	10,510	27,626
Additions			-
Disposals			-
Cost c/fwd	<u>17,116</u>	<u>10,510</u>	<u>27,626</u>
Depreciation b/fwd	8,100	10,510	18,610
Charge for the year	2,254		2,254
Elimination on disposal			-
	<u>10,354</u>	<u>10,510</u>	<u>20,864</u>
NET BOOK VALUE			
As at 31 August 2020	<u>6,762</u>	<u>-</u>	<u>6,762</u>
As at 31 August 2019	<u>9,016</u>	<u>-</u>	<u>9,016</u>

8. CREDITORS: Amounts falling due within one year

	2019/20 £	2018/19 £
Commercial credit card	-	34
PAYE / NIC	-	-
Pension	249	239
Accruals	<u>300</u>	<u>300</u>
	<u>549</u>	<u>573</u>

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Long term liabilities £	TOTAL £
Unrestricted income				
Funds 2019/20	<u>6,762</u>	<u>133,632</u>	<u>0</u>	<u>140,394</u>
Total funds	<u>6,762</u>	<u>133,632</u>	<u>0</u>	<u>140,394</u>

10. MOVEMENT IN FUNDS

	At 1 September 2019 £	Transfer between funds £	Incoming £	Outgoing £	At 31 August 2020 £
Unrestricted Funds					
Designated funds	78,000	-			78,000
General funds	49,797	-	97,226	84,629	62,394
Total unrestricted funds	<u>127,797</u>	<u>-</u>	<u>97,226</u>	<u>84,629</u>	<u>140,394</u>
Resources used for Acquisitions of Tangible Fixed Assets	11,270	-	-		11,270
Net movement in Funds available for Future Activities	<u>116,527</u>	<u>-</u>	<u>97,226</u>	<u>84,629</u>	<u>129,124</u>

11. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee. Should the company be wound up each member (including those who ceased to be members up to one year to that date) agrees to contribute up to £1 to the company's assets.