

Charity Registration No. 1142187

Company Registration No. 07398922 (England and Wales)

WILLOWFIELD PRE-SCHOOL LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

WILLOWFIELD PRE-SCHOOL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J M Baker Mrs C E Riches Mrs C Curnick Mrs A Nix Ms C Leake
Secretary	Mrs S Barrett
Charity number	1142187
Company number	07398922
Registered office	1386 London Road Leigh-On-Sea Essex United Kingdom SS9 2UJ
Independent examiner	Francis James & Partners LLP 1386 London Road Leigh on Sea Essex England SS9 2UJ

WILLOWFIELD PRE-SCHOOL LIMITED

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WILLOWFIELD PRE-SCHOOL LIMITED

REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report and financial statements for the year ended 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 charity's [governing document], the Companies Act 2006 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 Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Going forward, the main objective is to achieve a rating of outstanding from the next Ofsted Inspection.

The nursery is looking into expanding which would be dependant on receiving Essex County Council Funding which is currently being offered subject to Business Plans, Cash Flow Projections of a possible de-mountable building within the current site.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The charity has continued to provide pre-school education for the children of the Willowfield area of Basildon.

Achievements and performance

Under the guidance of the Chief Executive Officer who is the head teacher, the charity has provided pre-school places for up to 57 children during the period.

We have five Directors who are active within the setting and they work with us to achieve the best outcome. They will all be continuing into the next year which gives stability and continuity.

Whilst at the pre-school, the children have participated in a wide range of activities including early stage education, arts and crafts as well as structural play. The structure of this has been based on the guidance provided by the Pre-school Learning Alliance. We are mainly looking into how the children learn when they first start. We have received positive feedback from our local schools in relation to how well the children had coped with the transition into school from the setting.

Financial review

The charity aims to keep sufficient reserves to enable it to continue its Charitable Activities in the absence of short term funding, and replace any equipment that may need renewing or upgrading. To this effect the trustees have decided to aim to keep the equivalent of 3 months expenditure in reserves, plus the associated costs of closure (to include redundancy payments and lease obligations). At the year end, this would equate to £68,361.

The trustees are also concerned about the possible need to relocate the pre-school due to the increases in rent it has suffered in the past, and may be expected to pay in the future. These increases or relocation costs will need to be included within future reserves requirements.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for future periods

The trustees are continuing to look at opportunities to develop the pre-school and its involvement in the local community, including increasing the number of children the setting can have from 32 to 36 children per session. However they are concerned about the future viability of remaining at the current location. The costs associated with this location have increased considerably over the last few years and they have received indications that they may continue to rise further. The Trustees are therefore monitoring this to ensure that the location does not become unviable for the pre-school to operate from. Two Directors have joined the Community Association of the hall to make life easier for the setting and the relationship with the Committee has improved making it a friendly environment for us all.

The Trustees and staff are also currently looking to improve the development of the childrens education and are currently assessing the viability of the further use of Information Technology to monitor the childrens development and to manage individual development plans. The nursery is looking into exploring the online Tapestry system for our children/parents.

WILLOWFIELD PRE-SCHOOL LIMITED

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

The charity is controlled by its governing document, the Memorandum and Articles of Association dated 6th October 2010. The charity constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs J M Baker

Mrs C E Riches

Mrs C Curnick

Mrs A Nix

Ms C Leake

The charity continues to look for new trustees to join its board. The charity tends to recruit trustees from the parents of children attending the pre-school. In particular it looks for trustees which give the board a range of skills, including finance, education and local interest.

The charity is governed by the board of trustees who make all strategic decisions. They delegate the day to day management of the charity to the Administrator and Chief Executive Officer.

All new trustees are given copies of the relevant documentation and leaflets from the Charity Commission explaining their duties and responsibilities. Further training is available if requested.

Willowfield Pre-School Limited is part of the Pre-School Learning Alliance, and follows the recommendation of their constitution.

The report was approved by the Board of Trustees.

Mrs J M Baker

24 March 2022

WILLOWFIELD PRE-SCHOOL LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WILLOWFIELD PRE-SCHOOL LIMITED

I report to the Trustees on my examination of the financial statements of Willowfield Pre-School Limited (the charity) for the year ended 31 August 2021.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Francis James & Partners LLP

1386 London Road
Leigh on Sea
Essex
SS9 2UJ
England

Dated: 24 March 2022

WILLOWFIELD PRE-SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Charitable activities	3	154,110	168,983
Investments	4	8	137
		<hr/>	<hr/>
Total income		154,118	169,120
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	5	177,743	120,132
		<hr/>	<hr/>
Net (expenditure)/income for the year/ Net movement in funds		(23,625)	48,988
Fund balances at 1 September 2020		154,155	105,167
		<hr/>	<hr/>
Fund balances at 31 August 2021		130,530	154,155
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WILLOWFIELD PRE-SCHOOL LIMITED

BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		3,003		170
Current assets					
Debtors	9	933		443	
Cash at bank and in hand		136,745		168,707	
		<u>137,678</u>		<u>169,150</u>	
Creditors: amounts falling due within one year					
Other creditors	10	10,151		15,165	
		<u></u>		<u></u>	
Net current assets			127,527		153,985
Total assets less current liabilities			<u>130,530</u>		<u>154,155</u>
Income funds					
Unrestricted funds			130,530		154,155
			<u>130,530</u>		<u>154,155</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements 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 24 March 2022

Trustee

Company Registration No. 07398922

WILLOWFIELD PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Willowfield Pre-School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 1386 London Road, Leigh-On-Sea, Essex, SS9 2UJ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

WILLOWFIELD PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

WILLOWFIELD PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	Preschool 2021 £	Preschool 2020 £
Fees received	41,368	29,523
Fundraising	1,380	952
Essex County Council	111,362	138,508
	<u>154,110</u>	<u>168,983</u>

WILLOWFIELD PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	8	137
	<u>8</u>	<u>137</u>

5 Charitable activities

	Preschool 2021	Preschool 2020
	£	£
Staff costs	125,383	95,440
Depreciation and impairment	1,642	165
Insurance	1,042	1,053
Rent	13,683	10,071
Telephone	870	530
Training	1,376	1,195
Sundries	5,790	1,865
Printing, postage and stationery	1,223	464
Bank charges	(2,432)	160
Accountancy and legal fees	820	770
Hire of equipment	2,004	2,004
Consumables	9,542	6,415
Refurbishment of outdoor area	16,800	-
	<u>177,743</u>	<u>120,132</u>
	<u>177,743</u>	<u>120,132</u>

6 Trustees

During the year, trustee's were paid a salary of £45,884 (2020 : £32,850)

WILLOWFIELD PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Preschool staff	9	9

Employment costs

	2021 £	2020 £
Wages and salaries	120,201	91,222
Social security costs	3,268	2,155
Other pension costs	1,914	2,063
	<u>125,383</u>	<u>95,440</u>

There were no employees whose annual remuneration was more than £60,000.

8 Tangible fixed assets

	Computers £
Cost	
At 1 September 2020	8,002
Additions	4,475
	<u>12,477</u>
At 31 August 2021	
Depreciation and impairment	
At 1 September 2020	7,832
Depreciation charged in the year	1,642
	<u>9,474</u>
Carrying amount	
At 31 August 2021	3,003
	<u>170</u>
At 31 August 2020	

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	500	-
Prepayments and accrued income	433	443
	<u>933</u>	<u>443</u>

WILLOWFIELD PRE-SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Other creditors falling due within one year

	2021 £	2020 £
Other creditors	9,331	14,395
Accruals and deferred income	820	770
	<u>10,151</u>	<u>15,165</u>

11 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).