

REGISTERED COMPANY NUMBER: 05885935 (England and Wales)
REGISTERED CHARITY NUMBER: 1142554

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 July 2022
for
First Step Pre-school Ltd

Stanley Joseph Limited
Chartered Accountants
Suite 1
Liberty House
South Liberty Lane
Bristol
BS3 2ST

Contents of the Financial Statements
for the Year Ended 31 July 2022

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2022. The trustees have adopted the provisions of 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

Principle activity and objects of the charity

The principal activity and object of the company and charity, in the period under review, was to advance the education of children below compulsory school age.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

First Step Pre-school has been offering early childhood education and benefitting the community of Thornbury for the last thirty years. We welcome all children in the local community from every background.

We support children from 2 years to school age. Children learn and develop through play and realising that learning is fun. Foundations such as communication and language, behaviour, turn taking and being creative are some of the skills which will enable children to become independent and confident individuals within their local community.

Our work means we work closely with the local primary schools. This work is of benefit to our children and to the schools themselves as well as the wider community.

ACHIEVEMENT AND PERFORMANCE

Achievements, performance and financial review of the charity

The charity has continued to provide pre-school sessions for children from two to five years old as outlined above.

The Committee Members have continued to give their time to support the running of the pre-school. The Directors would like to thank everyone who gave their time and supported the fundraising activities and events carried out by the Charity in the year.

Income totalled £164,667 (2021: £170,503) and the total expenditure was £171,960 (2021: £154,448) resulting in a deficit of £7,293 (2021: £19,055 surplus) for the year. The financial position at the end of the year was such that the charity had sufficient liquid funds to cover its liabilities..

The directors are confident that the charity will continue to further achieve its objectives in future years.

FINANCIAL REVIEW

Reserves policy

In line with guidance issued by the Charity Commission, the Trustees have reviewed the charity's need for reserves. The balance of reserves in the general account stands at £46,118 (2021: £71,092).

The funds held by First Step Pre-school fall into two categories:

Restricted Funds

Money received through grants or specific fundraising are restricted funds and can only legally be used for the particular purpose or project that the donor provided them for. Restricted funds will need to be accounted for separately to ensure that they are not accidentally used for another purpose. Occasionally, there is a time lag between the receipt of these funds and the related expenditure, thereby resulting in Pre-school holding the funds until payment is made.

Unrestricted Funds

Funds received from other sources of income (for example, payments for childcare places, or general fundraising), will generally be unrestricted funds and may be used as and when required, as costs become due. From the unrestricted funds we have set aside some money, called designated funds for specific purposes outlined in the section below. Any remaining funds are our reserves or working capital, which are freely available to spend on any of the charity's activities.

Income levels vary during the year, but expenditure levels remain relatively constant throughout. Income is at its lowest during the autumn term rising during the spring to its highest level in the summer term, this is due to the availability of grant funding. The Trustees consider it prudent that between 2 and 3 months administration and support costs should be kept in reserve. This level will ensure we have adequate resources to cover our outgoings whilst income is at its lowest level during the autumn term and to provide a suitable level of protection against delayed or late payments. The Trustees will monitor and review this reserve level with reference to income forecasts and changes in funding on an annual basis to ensure that it continues to meet the needs of the Pre-school and that it is balanced this with our responsibility to spend our income on promoting our charitable objectives.

Designated funds are amounts specifically excluded from being used to meet the day-to-day running costs of the Pre-school. Designated Funds currently held:

1. General fundraising: these funds are spent at the discretion of the trustees to provide additional resources or pay for special events outside the normal running costs of the preschool.
2. Freehold property repair and replacement: to cover repair and/or eventual replacement of the portable building at Christ the King School which does not have a "long" life. If required, this fund may also cover the cost of renegotiating the lease for the Christ the King site. This fund is built up by regular transfers from working capital.
3. Crossways building fund and sinking fund: The building fund is the remaining money from the new building at Crossways and will be used to cover larger scale costs at Crossways. The sinking fund is to cover costs not borne by South Gloucestershire Council in provision of the leased Crossways building, or to meet any costs associated with negotiating Crossways lease rent reviews. The establishment of this fund forms part of the lease agreement and is built up by regular transfers from working capital until a cap is reached as determined by the lease agreement.

The Trustees will review this reserve level on an annual basis to ensure that it continues to meet the needs of the Pre-school this is done in the budget setting

The Charity's bank accounts are interest-bearing. Restricted and Designated Funds are placed in deposit accounts until required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05885935 (England and Wales)

Registered Charity number

1142554

Registered office

C/O Crossways Infants School
Knapp Road
Thornbury
Bristol
S GLOS
BS35 2HQ

Trustees

J Spence Chair
E Goodeve-Docker
Ms S Curtis
A Cooper
Ms M Ball (resigned 24.11.21)
A Cave (resigned 26.1.22)
Ms K Campbell
Ms N Chilton (resigned 24.11.21)
Mrs A Thompson
Ms S Turner
Ms V Carvey (appointed 24.11.21)
Ms F Heller (appointed 24.11.21)

First Step Pre-school Ltd

Report of the Trustees
for the Year Ended 31 July 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

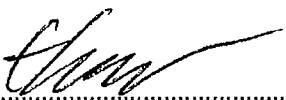
Stanley Joseph Limited
Chartered Accountants
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Bristol
BS3 2ST

MANAGEMENT AND GOVERNANCE

Trustees for the Charity, also Directors of the company, are elected each year at the Annual General Meeting and are known as 'the committee'. Candidates are proposed and seconded by the AGM attendees; election is by a show of hands or a written vote.

The committee meets about 6 times per year.

Approved by order of the board of trustees on23/11/22..... and signed on its behalf by:



.....
E Goodeve-Docker - Trustee

Independent Examiner's Report to the Trustees of
First Step Pre-school Ltd

Independent examiner's report to the trustees of First Step Pre-school Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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:

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

Stanley Joseph Limited

Philip Helps
Institute of Chartered Accountants in England and Wales
Stanley Joseph Limited
Chartered Accountants
Suite 1
Liberty House
South Liberty Lane
Bristol
BS3 2ST

Date: *7 December 2022*

First Step Pre-school Ltd

Statement of Financial Activities
for the Year Ended 31 July 2022

	Notes	Unrestricted funds £	Restricted fund £	31.7.22 Total funds £	31.7.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities		164,622	-	164,622	167,505
Donations and legacies	2	28	-	28	2,955
Investment income	3	<u>17</u>	<u>-</u>	<u>17</u>	<u>43</u>
Total		<u>164,667</u>	<u>-</u>	<u>164,667</u>	<u>170,503</u>
EXPENDITURE ON					
Charitable activities					
Charitable activities		171,960	-	171,960	151,448
NET INCOME/(EXPENDITURE)		(7,293)	-	(7,293)	19,055
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>120,280</u>	<u>-</u>	<u>120,280</u>	<u>101,225</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>112,987</u></u>	<u><u>-</u></u>	<u><u>112,987</u></u>	<u><u>120,280</u></u>

The notes form part of these financial statements

Statement of Financial Position
31 July 2022

	Notes	Unrestricted funds £	Restricted fund £	31.7.22 Total funds £	31.7.21 Total funds £
CURRENT ASSETS					
Cash at bank and in hand		125,973	-	125,973	124,086
CREDITORS					
Amounts falling due within one year	6	(12,986)	-	(12,986)	(3,806)
NET CURRENT ASSETS		<u>112,987</u>	<u>-</u>	<u>112,987</u>	<u>120,280</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>112,987</u>	<u>-</u>	<u>112,987</u>	<u>120,280</u>
NET ASSETS		<u>112,987</u>	<u>-</u>	<u>112,987</u>	<u>120,280</u>
FUNDS	7				
Unrestricted funds				<u>112,987</u>	<u>120,280</u>
TOTAL FUNDS				<u>112,987</u>	<u>120,280</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

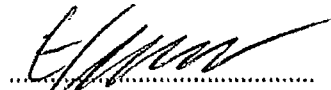
The notes form part of these financial statements

First Step Pre-school Ltd

Statement of Financial Position - continued
31 July 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23.11.22 and were signed on its behalf by:


.....
E Goodeve-Docker - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the Trustee's Report.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

1. ACCOUNTING POLICIES - continued

Impairment of assets

is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2. DONATIONS AND LEGACIES

	31.7.22	31.7.21
	£	£
Fundraising events	<u>28</u>	<u>2,955</u>

3. INVESTMENT INCOME

	31.7.22	31.7.21
	£	£
Deposit account interest	<u>17</u>	<u>43</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	167,505	-	167,505
Donations and legacies	2,955	-	2,955
Investment income	<u>43</u>	<u>-</u>	<u>43</u>
Total	<u>170,503</u>	<u>-</u>	<u>170,503</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	151,448	-	151,448

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
NET INCOME	19,055	-	19,055
RECONCILIATION OF FUNDS			
Total funds brought forward	101,225	-	101,225
TOTAL FUNDS CARRIED FORWARD	<u>120,280</u>	<u>-</u>	<u>120,280</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.22 £	31.7.21 £
Accrued expenses	<u>12,986</u>	<u>3,806</u>

7. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
Unrestricted funds				
General fund	71,092	(5,319)	(19,655)	46,118
Designated funds	<u>49,188</u>	<u>(1,974)</u>	<u>19,655</u>	<u>66,869</u>
	<u>120,280</u>	<u>(7,293)</u>	<u>-</u>	<u>112,987</u>
TOTAL FUNDS	<u>120,280</u>	<u>(7,293)</u>	<u>-</u>	<u>112,987</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

7. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	164,621	(169,940)	(5,319)
Designated funds	<u>46</u>	<u>(2,020)</u>	<u>(1,974)</u>
	<u>164,667</u>	<u>(171,960)</u>	<u>(7,293)</u>
TOTAL FUNDS	<u>164,667</u>	<u>(171,960)</u>	<u>(7,293)</u>

Comparatives for movement in funds

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
Unrestricted funds				
General fund	43,616	31,077	(3,601)	71,092
Designated funds	42,609	2,978	3,601	49,188
Property funds	<u>15,000</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
	<u>101,225</u>	<u>19,055</u>	<u>-</u>	<u>120,280</u>
TOTAL FUNDS	<u>101,225</u>	<u>19,055</u>	<u>-</u>	<u>120,280</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	167,505	(136,428)	31,077
Designated funds	2,998	(20)	2,978
Property funds	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
	<u>170,503</u>	<u>(151,448)</u>	<u>19,055</u>
TOTAL FUNDS	<u>170,503</u>	<u>(151,448)</u>	<u>19,055</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

7. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
Unrestricted funds				
General fund	43,616	25,758	(23,256)	46,118
Designated funds	42,609	1,004	23,256	66,869
Property funds	<u>15,000</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
	<u>101,225</u>	<u>11,762</u>	<u>-</u>	<u>112,987</u>
TOTAL FUNDS	<u>101,225</u>	<u>11,762</u>	<u>-</u>	<u>112,987</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	332,126	(306,368)	25,758
Designated funds	3,044	(2,040)	1,004
Property funds	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
	<u>335,170</u>	<u>(323,408)</u>	<u>11,762</u>
TOTAL FUNDS	<u>335,170</u>	<u>(323,408)</u>	<u>11,762</u>

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2022 or for the year ended 31 July 2021.

First Step Pre-school Ltd

Detailed Statement of Financial Activities
for the Year Ended 31 July 2022

	31.7.22 £	31.7.21 £
INCOME AND ENDOWMENTS		
Charitable activities		
Fees	25,855	15,307
Grant funding	138,050	151,663
Milk refund	<u>717</u>	<u>535</u>
	164,622	167,505
Donations and legacies		
Fundraising events	28	2,955
Investment income		
Deposit account interest	<u>17</u>	<u>43</u>
Total incoming resources	164,667	170,503
EXPENDITURE		
Charitable activities		
Wages	123,646	106,128
Social security	1,670	6,447
Pensions	1,916	3,280
Insurance	3,962	3,094
Light and heat	2,586	2,321
Telephone	725	589
Stationery & computer costs	1,657	2,335
Sundries	1,027	899
Milk	650	602
Equipment and materials	5,307	3,543
Repairs and renewals	19,968	774
Uniforms	260	345
Accountancy	852	1,023
DBS checks	113	169
Training	232	979
Fundraising costs	20	20
Rent and CTK lease	1,050	3,900
Carried forward	165,641	136,448

This page does not form part of the statutory financial statements

First Step Pre-school Ltd

Detailed Statement of Financial Activities
for the Year Ended 31 July 2022

	31.7.22 £	31.7.21 £
Charitable activities		
Brought forward	165,641	136,448
Crossways rent	2,500	-
Subscriptions	311	-
Committee expenses	731	-
Rates	777	-
Grant outgoings	2,000	-
Impairment losses for tangible fixed assets	-	15,000
	<u>171,960</u>	<u>151,448</u>
Total resources expended	<u>171,960</u>	<u>151,448</u>
Net (expenditure)/income	<u>(7,293)</u>	<u>19,055</u>

This page does not form part of the statutory financial statements