

Company registration number: 7818917

Charity registration number: 1144776

Hawkhurst Pre School Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Manningtons
8 High Street
Heathfield
East Sussex
TN22 8LS

Hawkhurst Pre School Ltd

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Hawkhurst Pre School Ltd

Reference and Administrative Details

Trustees	Mrs K Paton Mrs Jodi Hacker
Principal Office	Fowlers Park Rye Road Hawkhurst Kent TN18 4JJ
Registered Office	Fowlers Park Rye Road Hawkhurst Kent TN18 4JJ
Company Registration Number	7818917
Charity Registration Number	1144776
Independent Examiner	Manningtons 8 High Street Heathfield East Sussex TN22 8LS

Hawkhurst Pre School Ltd

Trustees' Report

The trustees present their report and the financial statements for the year ended 31 August 2020. The trustees, who are also the directors of Hawkhurst Pre School Ltd for the purposes of the company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

The overall management of the Pre School shall vest in the individual members of its management committee who are the company directors and charity trustees of the Pre School. The trustees will appoint a setting manager who will be responsible for the day to day running of the Pre School and management of staff.

The committee shall consist of:

A Chair, a Treasurer and a Secretary and not less than 2 or more than 9 elected committee members.

Aims and Objectives

The objectives of the Pre School ("the Objects") are to enhance the development and education of the children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- 1) Offering appropriate play, education and care facilities and training courses, together with the rights 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;
- 2) Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs;
- 3) Instigating and adhering to and furthering the aims and objects of the Pre-School Learning Alliance.

Public Benefit

Due to the locality of our pre-school and the limit on the number of places we can offer our services are aimed at families that live in and around the 'Hawkhurst' area. We provide a safe and stimulating environment to local children to start their 'Early Years' education and work closely with the local primary school to ensure that the transition for the children is as smooth as possible.

The charity holds a Memorandum and Articles of Association, adopted from the 'Preschool Learning Alliance' 2002 – 2009 issue.

The trustees are elected at the AGM from 'Family Membership', affiliate members and staff from the local primary school as per our governing document. At present the pre-school does not hold a policy for inducting or training trustees but will consider implementing this in the future.

The day to management of the preschool is carried out by a manager who is appointed by the management committee. The manager is provided with an annual budget and is able to make reasonable day to day spending decision. Any financial decisions over and above what is reasonable are presented at committee meetings and put to a majority vote. In addition all recruitment is carried out by the committees and the setting manager.

The charity does not currently hold a policy on reserves. However we do set out an annual budget and are in the process of reserving funds for future expansion. Our target has remained at approximately £50,000. As at 31 August 2021 £48,000 was held in a Lloyds plc deposit account. Also as at 31 August 2021 we also held £35,000 in a Lloyd plc current for general business purposes, general reserves and contingencies.

Financial review

The trustees continue to record and budget for the charities progress to prevent deficits and intend to use any surplus funds to improve and maintain the Pre School for the benefit of both children and staff.

Hawkhurst Pre School Ltd

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also directors of Hawkhurst Pre School Ltd for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and 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 the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 statement; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Coronavirus Epidemic

From September 2021 we continued to be affected by the Coronavirus and it had an effect on children numbers within school. We had a lower number of children on our registers and those attending did not take up additional hour during the first half of the year. As the year progressed numbers of children attending started to increase.

Our saving account has funds for

- Redundancy payments for all staff.
- Money towards an additional classroom.
- As we own the building we operate from we keep money to cover repairs and general upkeep.

The annual report was approved by the trustees of the charity on 14 July 2022 and signed on its behalf by:

.....
Mrs K Paton
Trustee

Hawkhurst Pre School Ltd

Independent Examiner's Report to the trustees of Hawkhurst Pre School Ltd

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

As the charity's trustees of Hawkhurst Pre School Ltd (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 Hawkhurst Pre School Ltd 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 Hawkhurst Pre School Ltd 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.

.....
A E J Staples FCA
Manningtons

8 High Street
Heathfield
East Sussex
TN22 8LS

14 July 2022

Hawkhurst Pre School Ltd

Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted Tesco Groundworks £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	1,861	-	1,861
Charitable activities	4	92,894	-	92,894
Investment income	5	5	-	5
Total income		94,760	-	94,760
Expenditure on:				
Charitable activities	6	(95,792)	-	(95,792)
Total expenditure		(95,792)	-	(95,792)
Net expenditure		(1,032)	-	(1,032)
Net movement in funds		(1,032)	-	(1,032)
Reconciliation of funds				
Total funds brought forward		89,559	2,070	91,629
Total funds carried forward	13	88,527	2,070	90,597
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	5,536	-	5,536
Charitable activities	4	80,342	-	80,342
Investment income	5	24	-	24
Total income		85,902	-	85,902
Expenditure on:				
Charitable activities	6	(97,163)	-	(97,163)
Total expenditure		(97,163)	-	(97,163)
Net expenditure		(11,261)	-	(11,261)
Net movement in funds		(11,261)	-	(11,261)
Reconciliation of funds				
Total funds brought forward		100,820	2,070	102,890
Total funds carried forward	13	89,559	2,070	91,629

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 13.

The notes on pages 7 to 13 form an integral part of these financial statements.

Hawkhurst Pre School Ltd
(Registration number: 7818917)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	9,731	10,277
Current assets			
Cash at bank and in hand	11	82,420	83,224
Creditors: Amounts falling due within one year	12	<u>(1,554)</u>	<u>(1,872)</u>
Net current assets		<u>80,866</u>	<u>81,352</u>
Net assets		<u>90,597</u>	<u>91,629</u>
Funds of the charity:			
Restricted			
Tesco Groundworks		2,070	2,070
Unrestricted income funds			
Unrestricted		<u>88,527</u>	<u>89,559</u>
Total funds	13	<u>90,597</u>	<u>91,629</u>

For the financial year ending 31 August 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 5 to 13 were approved by the trustees, and authorised for issue on 14 July 2022 and signed on their behalf by:

.....
Mrs K Paton
Trustee

.....
Mrs Jodi Hacker
Trustee

The notes on pages 7 to 13 form an integral part of these financial statements.

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Fowlers Park Rye Road

Hawkhurst

Kent

TN18 4JJ

The principal place of business is:

Fowlers Park Rye Road

Hawkhurst

Kent

TN18 4JJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Hawkhurst Pre School Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

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.

Tangible fixed assets

Individual fixed assets costing £50.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and Buildings	Market Value > cost therefore no depreciation is provided
Plant and Machinery	25% Straight Line
Computer Equipment	3 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	100	100
Grants, including capital grants;		
Government grants	1,761	1,761
Total for 2021	1,861	1,861
Total for 2020	5,536	5,536

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Fees and Supplies	4,188	4,188
KCC Fees	80,835	80,835
	7,871	7,871
Total for 2021	92,894	92,894
Total for 2020	80,342	80,342

5 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	5	5
Total for 2021	5	5
Total for 2020	24	24

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
KCC Collaboration 18/19 (17/18)		7,389	7,389
Staff costs		69,905	69,905
Allocated support costs	7	17,867	17,867
Governance costs	7	631	631
Total for 2021		<u>95,792</u>	<u>95,792</u>
Total for 2020		<u>97,163</u>	<u>97,163</u>
			Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £631 (2020 - £972) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	631	631
Total for 2021	<u>631</u>	<u>631</u>
Total for 2020	<u>972</u>	<u>972</u>

8 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	<u>69,905</u>	<u>70,931</u>

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

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

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2020	8,540	11,049	671	20,260
At 31 August 2021	8,540	11,049	671	20,260
Depreciation				
At 1 September 2020	-	9,759	224	9,983
Charge for the year	-	323	223	546
At 31 August 2021	-	10,082	447	10,529
Net book value				
At 31 August 2021	8,540	967	224	9,731
At 31 August 2020	8,540	1,290	447	10,277

11 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	82,420	83,224

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	618	936
Accruals	936	936
	1,554	1,872

Hawkhurst Pre School Ltd

Notes to the Financial Statements for the Year Ended 31 August 2021

13 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted				
General	89,559	94,760	(95,792)	88,527
Restricted - Tesco Groundworks	<u>2,070</u>	<u>-</u>	<u>-</u>	<u>2,070</u>
Total funds	<u>91,629</u>	<u>94,760</u>	<u>(95,792)</u>	<u>90,597</u>
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
Unrestricted				
General	100,820	85,902	(97,163)	89,559
Restricted	<u>2,070</u>	<u>-</u>	<u>-</u>	<u>2,070</u>
Total funds	<u>102,890</u>	<u>85,902</u>	<u>(97,163)</u>	<u>91,629</u>

The specific purposes for which the funds are to be applied are as follows:

Tesco Groundworks - recorded as Restricted Fund as per Terms and Conditions

14 Analysis of net assets between funds

	Unrestricted	Restricted Tesco	Total funds
	General £	Groundworks £	£
Tangible fixed assets	9,731	-	9,731
Current assets	80,350	2,070	82,420
Current liabilities	<u>(1,554)</u>	<u>-</u>	<u>(1,554)</u>
Total net assets	<u>88,527</u>	<u>2,070</u>	<u>90,597</u>