

St Johns Under 5's Pre-school

Charity number 1144826

A company limited by guarantee number 07734638

Annual Report and Financial Statements for the year ended 31 August 2021



West Yorkshire Community Accounting Service

St Johns Under 5's Pre-school

Annual Report and Financial Statements for the year ended 31 August 2021

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Prepared by West Yorkshire Community Accountancy Service CIO

St Johns Under 5's Pre-school

Trustees' report for the year ended 31 August 2021

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Lynne Hill	Chair	
Amanda Whitehead	Treasurer	
Sharon Heywood		Resigned 29 June 2021
Lorraine Pearson		
Paula Rayner		
Catherine Rowbotham		
Jodie Hemingway		
Heather Thurlow		
Sarah Waterhouse		
Rochelle Wilson		Appointed 29 June 2021
Charity number	1144826	Registered in England and Wales
Company number	07734638	Registered in England and Wales

Registered and principal address	Bankers
125 Heckmondwike Road	Unity Trust Bank
Dewsbury Moor	Nine Brindleyplace
Dewsbury	Birmingham
West Yorkshire	B1 2HB
WF13 3NT	

Independent examiner

E J Beverley FCCA

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a company limited by guarantee and was formed on 9 August 2011. It is governed by a memorandum and articles of association as amended by special resolution on 16 November 2015. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

Method of recruitment and appointment of trustees

The trustees of the charity are also the directors for the purposes of company law and are appointed by the members at the AGM.

St Johns Under 5's Pre-school

Trustees' report (continued) for the year ended 31 August 2021

Objectives and activities

The charity's objects

The objects of the Pre-school are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:-

Offering appropriate play, education and care facilities and training courses, together with the right 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;

Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs;

Instigating and adhering to and furthering the aims and objects of the Pre-school Learning Alliance.

The charity's main activities

The charity runs a sessional pre-school playgroup with children from ages 2 - 5 years.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the advancement of education.

Achievements and performance

Supported families from the local community, with care and education of under 5's. We have been able to support families in need with food parcels, full day care, providing a hot meal to children in need.

We have supported homeless families in securing a permanent home and worked with intervention services to secure good outcomes.

We successfully fundraised for a community Defibrillator which is positioned at our setting and have enough reserve money to maintain this for years to come.

We successfully secured enough donated new toys, books and sports equipment to send each child a home learning pack.

Financial review

The net expenditure for the year was £30,455, including net expenditure of £32,703 on unrestricted funds and net income of £2,248 on restricted funds.

We had a hard year due to Covid, with a lot of additional expense and increase in wages etc. We are taking steps this year to now reduce the staff hours accordingly, and to cut spending as well.

At the time of signing these accounts the charity has been impacted by the global Covid-19 virus. The trustees have reassessed the charity's ability to continue for at least 12 months from the date that the accounts are approved and conclude that no material uncertainties exist that cast significant doubt on the charity's ability to continue as a going concern.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £71,649.

It is the Pre-School's intent to maintain financial viability.

It is the aim of St Johns Under 5s Pre-School to keep 2-3 months running costs (including staff wages) in reserve to cover any unforeseen circumstances.

The sum of £40,000 plus credit interest should be set aside in a separate savings account (with Unity Trust Bank) and not drawn upon unless agreed by two officers of the committee.

St Johns Under 5's Pre-school

Trustees' report (continued) for the year ended 31 August 2021

Reserves policy (continued)

These funds shall not be restricted funds, although should not be withdrawn without good reason e.g.. If there is a substantial drop in income due to low take up of child places or any large unplanned expenditure, which otherwise cannot be covered by normal working funds.

If any funds are withdrawn, they should be replaced to top up the reserves fund back to the figure of £40,000 as soon as it is financially viable to do so.

If the charities operating costs (i.e. turnover) increase substantially, then the reserve fund should be increased accordingly, in order to maintain the minimum figure of covering at least 2-3 months running costs.

This policy should be reviewed on an ongoing basis.

Statement of trustees' responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees report and the financial statements in accordance with the applicable law and UK Accounting Standards.

Company law requires the trustees to prepare financial accounts 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 company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements 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;

- prepare the accounts on a 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 to enable them to ensure that the financial accounts comply with the Companies Act 2006. They 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.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS102)), and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees on 21/03/2022

Lorraine Pearson (Trustee)

St Johns Under 5's Pre-school

Independent examiner's report to the trustees of St Johns Under 5's Pre-school

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31 August 2021, which are set out on pages 6 to 12.

Responsibilities and basis of report

As the charity's trustees of the charitable 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 charitable 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 ('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 material 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 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.

E J Beverley FCCA

24/03/2022

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

St Johns Under 5's Pre-school
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 August 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income from:					
Grants and donations	(2)	229,297	-	229,297	248,708
Sales and fees		16,104	-	16,104	11,645
Fundraising		-	2,248	2,248	-
University bursary		-	-	-	90
Other income		1,394	-	1,394	-
Bank interest		-	-	-	163
Total income		246,795	2,248	249,043	260,606
Expenditure on:					
Salaries, NICs and pension	(3)	222,437	-	222,437	204,797
Payroll costs		1,231	-	1,231	1,453
Travel expenses		13	-	13	32
DBS checks		168	-	168	346
Training		1,084	-	1,084	330
Staff uniform		787	-	787	325
Activities		-	-	-	209
Food		5,299	-	5,299	3,573
Rent and rates		760	-	760	1,466
Equipment and resources		11,310	-	11,310	7,809
Insurance		1,492	-	1,492	2,195
Repairs and maintenance		9,646	-	9,646	5,783
Administration		2,921	-	2,921	3,787
Telephone		1,184	-	1,184	1,143
Subscriptions		70	-	70	70
Independent examination		1,032	-	1,032	1,032
Sundries		-	-	-	375
Bank charges		195	-	195	199
Utilities		3,964	-	3,964	3,662
Depreciation		12,215	-	12,215	13,297
Website		3,690	-	3,690	1,760
Donation		-	-	-	187
Total expenditure		279,498	-	279,498	253,830
Net income / (expenditure)		(32,703)	2,248	(30,455)	6,776
Fund balances brought forward		332,396	-	332,396	325,620
Fund balances carried forward	(4)	299,693	2,248	301,941	332,396

All incoming resources and resources expended derive from continuing activities.

St Johns Under 5's Pre-school

Balance sheet

as at 31 August 2021

	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Fixed assets				
Tangible assets	(5) 228,044	-	228,044	238,336
Total fixed assets	<u>228,044</u>	<u>-</u>	<u>228,044</u>	<u>238,336</u>
Current assets				
Debtors and prepayments	(6) 1,578	-	1,578	1,118
Cash at bank and in hand	(7) 74,433	2,248	76,681	96,449
Total current assets	<u>76,011</u>	<u>2,248</u>	<u>78,259</u>	<u>97,567</u>
Current liabilities:				
amounts falling due within one year				
Creditors and accruals	(8) 4,362	-	4,362	3,507
Total current liabilities	<u>4,362</u>	<u>-</u>	<u>4,362</u>	<u>3,507</u>
Net current assets	<u>71,649</u>	<u>2,248</u>	<u>73,897</u>	<u>94,060</u>
Net assets	<u>299,693</u>	<u>2,248</u>	<u>301,941</u>	<u>332,396</u>
Funds				
Unrestricted funds	299,693	-	299,693	332,396
Restricted funds	-	2,248	2,248	-
Total funds	<u>299,693</u>	<u>2,248</u>	<u>301,941</u>	<u>332,396</u>

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

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476. The trustees (who also the directors for the purposes of company law) 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 and with FRS 102 (effective January 2019).

The financial statements were approved by the board of trustees on 21/03/2022

Lorraine Pearson (Trustee)

St Johns Under 5's Pre-school

Notes to the accounts

for the year ended 31 August 2021

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. 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 and Republic of Ireland (FRS 102) (effective 1 January 2019) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Freehold buildings: over 50 years

Fixtures and Fittings: over 5 years

Freehold property improvements: over 15 years

Equipment: over 5 years

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

St Johns Under 5's Pre-school

Notes to the accounts continued

for the year ended 31 August 2021

1 Accounting policies (continued)

Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Leases

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

2 Grants and donations

	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Kirklees Free Early Education & Care (FFEC)	229,297	-	229,297	238,708
Kirklees Council	-	-	-	10,000
	<u>229,297</u>	<u>-</u>	<u>229,297</u>	<u>248,708</u>

3 Staff costs and numbers

	2021 £	2020 £
Gross salaries	211,555	203,437
Social security costs	11,429	2,385
Employment allowance	(4,000)	(3,849)
Pensions	3,453	2,824
	<u>222,437</u>	<u>204,797</u>

The average number employees during the year was 15.8, being an average of 12.4 full time equivalent (2020: 16.3, 12.4 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2021 £	2020 £
Costs of the scheme to the charity for the year	3,453	2,824
Amount of any contributions outstanding at the year end	290	231

4 Restricted funds

	Balance b/f £	Incoming £	Outgoing £	Transfers £	Balance c/f £
Defibrillator fund	-	2,248	-	-	2,248
	<u>-</u>	<u>2,248</u>	<u>-</u>	<u>-</u>	<u>2,248</u>

Fund name

Defibrillator fund

Purpose of restriction

Money received from fund raising towards defibrillator and related costs.

St Johns Under 5's Pre-school
Notes to the accounts continued
for the year ended 31 August 2021

5 Tangible assets

	Equipment	Property improvements	Property	Fixtures and Fittings	Total
Cost			£	£	£
At 1 September 2020	46,170	50,799	223,988	4,396	325,353
Additions	1,923	-	-	-	1,923
At 31 August 2021	48,093	50,799	223,988	4,396	327,276
Depreciation					
At 1 September 2020	38,681	17,400	26,540	4,396	87,017
Charge for year	4,180	3,556	4,479	-	12,215
At 31 August 2021	42,861	20,956	31,019	4,396	99,232
Net book value					
At 31 August 2021	5,232	29,843	192,969	-	228,044
At 31 August 2020	7,489	33,399	197,448	-	238,336

Security over assets

Kirklees Council hold a 25 year charge over the freehold property at 125 Heckmondwike Road to the value of £180,000 in relation to the funding provided to extend the property.

6 Debtors and prepayments

	2021	2020
	£	£
Debtors	-	300
Prepayments	1,578	818
	<u>1,578</u>	<u>1,118</u>

7 Cash at bank and in hand

	2021	2020
	£	£
Cash at bank	76,592	96,360
Cash in hand	89	89
	<u>76,681</u>	<u>96,449</u>

8 Creditors and accruals

	2021	2020
	£	£
Creditors	3,244	2,475
Accruals	1,118	1,032
	<u>4,362</u>	<u>3,507</u>

St Johns Under 5's Pre-school

Notes to the accounts continued

for the year ended 31 August 2021

9 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

		2021 £	2020 £
Name of trustee	Legal authority		
Lorraine Pearson	Governing document	24,661	23,914
Paula Rayner	Governing document	17,085	16,033
Jodie Hemingway	Governing document	17,651	16,976
		<u>59,397</u>	<u>56,923</u>

No trustee received any other remuneration or benefit during this or the previous year.

Remuneration and benefits received by key management personnel

The key management personnel of the charity includes the pre-school manager. The total employee benefits received by the key management personnel were £24,661 (previous year: £23,914).

Other related party transactions

Other transactions with trustees or related parties

			2021 £	2020 £
Name of trustee or related party	Relationship to charity	Description of transaction		
Laura Pearson	Relative of trustee	Employee	24,109	24,932
			<u>24,109</u>	<u>24,932</u>

10 Operating leases

Expected future minimum lease payments over the remaining life of the lease, analysed into the period in which the commitment falls due:

	Lexmark XC4140
	£
Within one year	393
In the second to fifth years inclusive	919
Over five years from the balance sheet date	-
	<u>1,312</u>

St Johns Under 5's Pre-school

Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 August 2021

	2021 Unrestricted funds £	2020 Unrestricted funds £	2021 Restricted funds £	2020 Restricted funds £	2021 Total funds £	2020 Total funds £
Income						
Grants and donations	229,297	248,708	-	-	229,297	248,708
Sales and fees	16,104	11,645	-	-	16,104	11,645
Fundraising	-	-	2,248	-	2,248	-
University bursary	-	90	-	-	-	90
Other income	1,394	-	-	-	1,394	-
Bank interest	-	163	-	-	-	163
Total income	246,795	260,606	2,248	-	249,043	260,606
Expenditure						
Salaries, NICs and pension	222,437	204,797	-	-	222,437	204,797
Payroll costs	1,231	1,453	-	-	1,231	1,453
Travel expenses	13	32	-	-	13	32
DBS checks	168	346	-	-	168	346
Training	1,084	330	-	-	1,084	330
Staff uniform	787	325	-	-	787	325
Activities	-	209	-	-	-	209
Food	5,299	3,573	-	-	5,299	3,573
Rent and rates	760	1,466	-	-	760	1,466
Equipment and resources	11,310	7,809	-	-	11,310	7,809
Insurance	1,492	2,195	-	-	1,492	2,195
Repairs and maintenance	9,646	5,783	-	-	9,646	5,783
Administration	2,921	3,787	-	-	2,921	3,787
Telephone	1,184	1,143	-	-	1,184	1,143
Subscriptions	70	70	-	-	70	70
Independent examination	1,032	1,032	-	-	1,032	1,032
Sundries	-	375	-	-	-	375
Bank charges	195	199	-	-	195	199
Utilities	3,964	3,662	-	-	3,964	3,662
Depreciation	12,215	13,297	-	-	12,215	13,297
Website	3,690	1,760	-	-	3,690	1,760
Donation	-	187	-	-	-	187
Total expenditure	279,498	253,830	-	-	279,498	253,830
Net income / (expenditure)	(32,703)	6,776	2,248	-	(30,455)	6,776
Fund balances brought forward	332,396	325,620	-	-	332,396	325,620
Fund balances carried forward	299,693	332,396	2,248	-	301,941	332,396