

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 2023



WYCAS

COMMUNITY ACCOUNTING
WEST YORKSHIRE

St Johns Under 5's Pre-school

Annual Report and Financial Statements for the year ended 31 August 2023

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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 2023

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	
Lorraine Pearson		
Catherine Rowbotham		
Jodie Hemingway		
Heather Thurlow		
Sarah Waterhouse		Resigned 26 June 2023
Rochelle McNulty		
Laura Meer		Appointed 26 June 2023
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 and 26 June 2023. 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 2023

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 care and education of under 5's.

Supporting Families and vulnerable children, including those from disadvantaged backgrounds and children with Special Educational needs and disabilities.

Achievements and performance

The setting was able to maintain its outstanding rating with OFSTED. Key points highlighted were our effectiveness of ensuring children with SEND and those from deprived backgrounds are supported to a high standard to meet their full potential. The setting was commended on its ability to work closely with parents and the strong relationships it builds with the parents to ensure children can quickly catch up following COVID.

The defibrillator continues to be used by the whole community and new pads have had to be purchased as it was used in a life threatening situation.

The setting continues to have a healthy waiting list and full numbers to ensure it longevity in providing the highest quality of education and care to children aged 2-5 and often from a diverse and deprived background.

Financial review

The net income for the year was £13,044, including net income of £13,020 on unrestricted funds and net income of £24 on restricted funds after transfers.

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.

St Johns Under 5's Pre-school

Trustees' report (continued) for the year ended 31 August 2023

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £88,076.

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.

These funds shall not be restricted funds, although should not been 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.

In addition to the funds mentioned in the reserves policy, at the end of the financial year, we also try to hold sufficient funds to cover the operating costs for the first month of the new financial year. This is just in case there is any delay in the funding from Kirklees Council.

This policy should be reviewed on an ongoing basis.

St Johns Under 5's Pre-school

Trustees' report (continued) for the year ended 31 August 2023

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.

Approved by the board of trustees on 19/02/2024

L 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 2023, which are set out on pages 7 to 13.

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

21/02/2024

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 2023

	Notes	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
Income from:					
Grants and donations	(2)	235,382	250	235,632	244,970
Sales and fees		8,802	-	8,802	15,794
Fundraising		-	-	-	1,766
University bursary		-	-	-	2,000
Other income		339	-	339	-
Bank interest		693	-	693	69
Total income		245,216	250	245,466	264,599
Expenditure on:					
Salaries, NICs and pension	(3)	186,875	-	186,875	218,810
Payroll costs		887	-	887	904
Travel expenses		765	-	765	1,693
Training		384	-	384	-
Staff uniform		548	-	548	420
Food		4,611	-	4,611	6,784
Rent and rates		334	-	334	1,139
Equipment and resources		6,986	226	7,212	6,475
Insurance		2,359	-	2,359	2,711
Repairs and maintenance		5,826	-	5,826	16,268
Administration		3,673	-	3,673	4,117
Telephone		1,049	-	1,049	1,036
Subscriptions		584	-	584	591
Independent examination		1,222	-	1,222	1,164
Bank charges		197	-	197	235
Utilities		3,245	-	3,245	3,688
Depreciation		8,425	-	8,425	12,109
Website and IT costs		3,486	-	3,486	2,371
Professional fees		740	-	740	71
Bursary - college		-	-	-	1,500
Total expenditure		232,196	226	232,422	282,086
Net movement in funds		13,020	24	13,044	(17,487)
Fund balances brought forward		282,566	1,888	284,454	301,941
Fund balances carried forward	(4)	295,586	1,912	297,498	284,454

All incoming resources and resources expended derive from continuing activities.

St Johns Under 5's Pre-school
Balance sheet
as at 31 August 2023

		2023	2023	2023	2022
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Fixed assets					
Tangible assets	(5)	207,510	-	207,510	215,935
Total fixed assets		<u>207,510</u>	<u>-</u>	<u>207,510</u>	<u>215,935</u>
Current assets					
Debtors and prepayments	(6)	7,184	-	7,184	6,523
Cash at bank and in hand	(7)	84,211	1,912	86,123	65,980
Total current assets		<u>91,395</u>	<u>1,912</u>	<u>93,307</u>	<u>72,503</u>
Current liabilities:					
amounts falling due within one year					
Creditors and accruals	(8)	3,319	-	3,319	3,984
Total current liabilities		<u>3,319</u>	<u>-</u>	<u>3,319</u>	<u>3,984</u>
Net current assets / (liabilities)		<u>88,076</u>	<u>1,912</u>	<u>89,988</u>	<u>68,519</u>
Net assets		<u>295,586</u>	<u>1,912</u>	<u>297,498</u>	<u>284,454</u>
Funds					
Unrestricted funds		295,586	-	295,586	282,566
Restricted funds		-	1,912	1,912	1,888
Total funds		<u>295,586</u>	<u>1,912</u>	<u>297,498</u>	<u>284,454</u>

For the year ending 31 August 2023 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 are 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 19/02/2024

L Pearson (Trustee)

St Johns Under 5's Pre-school

Notes to the accounts

for the year ended 31 August 2023

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, if 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 land: nil

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 2023

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

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
Kirklees Free Early Education & Care (FFEC)	235,326	-	235,326	243,915
HMRC Statutory Sick Pay	-	-	-	1,055
Other donations	56	250	306	-
	<u>235,382</u>	<u>250</u>	<u>235,632</u>	<u>244,970</u>

3 Staff costs and numbers

	2023 £	2022 £
Gross salaries	178,659	208,421
Social security costs	9,534	11,743
Employment allowance	(4,123)	(4,843)
Pensions	2,805	3,489
	<u>186,875</u>	<u>218,810</u>

The average number of employees during the year was 13.4, being an average of 10 full time equivalent (2022: 14.3, 10 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2023 £	2022 £
Costs of the scheme to the charity for the year	2,805	3,489
Amount of any contributions outstanding at the year end	536	641

4 Restricted funds

	Balance b/f £	Incoming £	Outgoing £	Transfers £	Balance c/f £
Defibrillator fund	1,888	250	226	-	1,912
	<u>1,888</u>	<u>250</u>	<u>226</u>	<u>-</u>	<u>1,912</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 2023

5 Tangible assets	Equipment	Property improvement	Property	Fixtures and Fittings	Total
<u>Cost</u>	£	£	£	£	£
At 1 September 2022	47,673	50,799	223,988	4,396	326,856
Additions	-	-	-	-	-
At 31 August 2023	47,673	50,799	223,988	4,396	326,856
<u>Depreciation</u>					
At 1 September 2022	46,515	24,512	35,498	4,396	110,921
Charge for year	390	3,556	4,479	-	8,425
At 31 August 2023	46,905	28,068	39,977	4,396	119,346
<u>Net book value</u>					
At 31 August 2023	768	22,731	184,011	-	207,510
At 31 August 2022	1,158	26,287	188,490	-	215,935

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 in 2015.

6 Debtors and prepayments	2023	2022
	£	£
Prepayments	2,265	1,680
Other debtors	4,919	4,843
	<u>7,184</u>	<u>6,523</u>

7 Cash at bank and in hand	2023	2022
	£	£
Cash at bank	86,034	65,891
Cash in hand	89	89
	<u>86,123</u>	<u>65,980</u>

8 Creditors and accruals	2023	2022
	£	£
Bank loans and overdrafts	120	28
Accruals	1,902	1,164
Taxation and social security	761	2,151
Other creditors	536	641
	<u>3,319</u>	<u>3,984</u>

St Johns Under 5's Pre-school

Notes to the accounts continued

for the year ended 31 August 2023

9 Related party transactions

Trustee expenses

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

Trustee remuneration and benefits

Details of remuneration and benefits			2023	2022
Name of trustee	Role	Legal authority	£	£
Lorraine Pearson	Manager	Governing document	18,505	21,689
Paula Rayner	Childcare practitioner	Governing document	-	17,466
Jodie Hemingway	Room leader	Governing document	12,123	17,757
Laura Meer	Admin work	Governing document	1,336	-
			<u>31,963</u>	<u>56,912</u>

Remuneration and benefits received by key management personnel

The total employee benefits received by key management personnel were £18,505 (previous year: £21,689).

Other related party transactions

Other transactions with trustees or related parties			2023	2022
Name of trustee or related party	Relationship to charity	Description of transaction	£	£
Laura Pearson	Relative of Lorraine Pearson (Trustee)	Employee	26,626	24,334
			<u>26,626</u>	<u>24,334</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:

	2023	2022
	£	£
Within one year	394	394
In the second to fifth years inclusive	<u>131</u>	<u>525</u>
	<u>525</u>	<u>919</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 2023

	2023	2022	2023	2022	2023	2022
	Unrestricted	Unrestricted	Restricted	Restricted	Total	Total
	funds	funds	funds	funds	funds	funds
	£	£	£	£	£	£
Income						
Grants and donations	235,382	244,970	250	-	235,632	244,970
Sales and fees	8,802	15,794	-	-	8,802	15,794
Fundraising	-	-	-	1,766	-	1,766
University bursary	-	2,000	-	-	-	2,000
Other income	339	-	-	-	339	-
Bank interest	693	69	-	-	693	69
Total income	245,216	262,833	250	1,766	245,466	264,599
Expenditure						
Salaries, NICs and pension	186,875	218,810	-	-	186,875	218,810
Payroll costs	887	904	-	-	887	904
Travel expenses	765	1,693	-	-	765	1,693
Training	384	-	-	-	384	-
Staff uniform	548	420	-	-	548	420
Food	4,611	6,784	-	-	4,611	6,784
Rent and rates	334	1,139	-	-	334	1,139
Equipment and resources	6,986	6,475	226	-	7,212	6,475
Insurance	2,359	2,711	-	-	2,359	2,711
Repairs and maintenance	5,826	14,142	-	2,126	5,826	16,268
Administration	3,673	4,117	-	-	3,673	4,117
Telephone	1,049	1,036	-	-	1,049	1,036
Subscriptions	584	591	-	-	584	591
Independent examination	1,222	1,164	-	-	1,222	1,164
Bank charges	197	235	-	-	197	235
Utilities	3,245	3,688	-	-	3,245	3,688
Depreciation	8,425	12,109	-	-	8,425	12,109
Website and IT costs	3,486	2,371	-	-	3,486	2,371
Professional fees	740	71	-	-	740	71
Bursary - college	-	1,500	-	-	-	1,500
Total expenditure	232,196	279,960	226	2,126	232,422	282,086
Net movement in funds	13,020	(17,127)	24	(360)	13,044	(17,487)
Fund balances brought forward	282,566	299,693	1,888	2,248	284,454	301,941
Fund balances carried forward	295,586	282,566	1,912	1,888	297,498	284,454