

Registered number  
7922235

Little Elves Community Pre-school Ltd

Report and Accounts

31 August 2022

**Little Elves Community Pre-school Ltd**  
(a company limited by guarantee and not having a share capital)  
**Report and accounts**  
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**Little Elves Community Pre-school Ltd**  
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**Statutory Information**

**The following information forms part of the Report of the Directors and Trustees**

The company's registered office is:

The Key Centre  
The Key  
Fleet  
Hampshire  
GU51 1HA  
Telephone 01252 625332

The company was incorporated on 24 January 2012, number 7922235. It is also a registered charity, number 1145920.

The following Committee members have served as Directors and Trustees during the year ended 31 August 2022

<b>Name</b>	<b>Position</b>	<b>Note</b>
Lauren McNiven	Chair	Appointed 20 October 2021
Leanne West	Vice Chair	Appointed 7 July 2021
Peter Beacham	Treasurer	Appointed 14 May 2015
Isabella Dlugosz	Secretary	Appointed 20 October 2021
Emma Spence		
Emma Simpson		
Rachel Dutoit		
Gareth Blake		Resigned 20 October 2021
Deborah Tucker		Resigned 20 October 2021
Caroline Hirsch		Resigned 20 October 2021

The independent examiner is:

Mr Brandon Yeadon FMAAT  
Cronulla  
Thursley Road  
Elstead  
GU8 6ED

The company's bankers are:  
Co-operative Bank plc, PO Box 250, Skelmersdale, Cheshire, WN8 6WT

## **Little Elves Community Pre-school Ltd**

**(a company limited by guarantee and not having a share capital)**

### **Report of the Directors and Trustees**

The directors, who are also trustees, have pleasure in submitting their report for the period. The directors who have served during the period are listed on the page 1, along with the other statutory information that forms part of the annual report. This report is to be presented at the forthcoming annual general meeting, planned to be held on 2nd November 2022.

The Directors and Trustees of Little Elves community Pre-School Ltd have worked through the Charity Governance Code for smaller charities. The sub-committee, as appointed by Directors and Trustees, have worked through the entire document and have documented Little Elves community Pre-School Ltd.'s position to all the points raised by the code. At the AGM (Wednesday 18th November 2020), the Directors and Trustees raised one item at the meeting regarding the makeup of the board. This item was resolved by the meeting unanimously. Following the AGM on Wednesday 18th November 2020 at the Directors and Trustees committee meeting, the sub committees response to the Charity Governance Code for smaller charities was discussed and a motion was proposed and seconded. It was agreed by the board to implement the code and the responses. It was further agreed that the document would be reviewed annually to keep it up to date

### **Objects and organisation**

The company was incorporated on 24 January 2012 to take over the operations and assets of the Little Elves Community Pre-School, an unincorporated charity which was established in 2002 and which was providing pre-school facilities from The Key Centre at Elvetham Heath, Fleet. This takeover was effected on 1 September 2012. The company has continued to provide those same pre-school activities with largely the same staff from the Key Centre.

The company has operated with the same constitution as the unincorporated charity, based on the standard model provided by the Pre-school Learning Alliance. The company aims to:

- (a) Offer appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for, and 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;
- (b) Encourage the study of the needs of such children and their families and promote public interest in, and recognition of, such needs in local areas;
- (c) Instigate, adhere to and further the aims of the Pre-school Learning Alliance.

The Committee, who are managing trustees and are elected at the annual general meeting, meet each month to oversee the company's affairs. Day-to-day management of the pre-school activities is delegated to the manager and her staff.

## **Little Elves Community Pre-school Ltd**

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### **Report of the Directors and Trustees**

#### **Operations**

The Pre-school continues to run five mornings and afternoon sessions each week during State school terms. Children join from age 2 years and 6 months, and Government funding is available (a) for 3- and 4-year olds and (b) also now for eligible 2-year olds prior to attending school. The Pre-school is registered for 52 children per session. The Pre-school, on average, takes up to 80 children on roll per year who attend for a variety of sessions, but we do have scope to increase that number in line with staff ratios and childrens ages attending.

The most recent OFSTED inspection on the 20th October 2016 rated the Pre-school as 'Good'.

The Pre-school uses two rooms at The Key Centre building under the terms of a lease running to 30 March 2036, with permitted use solely for use by children up to 5 years old and supervised by adults, and containing appropriate break clauses for lessor and the Pre-school. Provided that the Pre-school (a) maintains the relevant OFSTED inspection rating and thus funding from local education authority, and (b) attracts sufficient numbers of children, it has security of tenure.

#### **Finances**

The attached Statement of Financial Activities summarises the company's income and expenditure for the year and shows a surplus of £22,231 for the year. This is supplemented by more detailed analysis in the Notes to the Accounts. The surplus has been transferred to reserves.

	£
Net surplus for the year	22,231
Aggregate reserves brought forward	190,181
Aggregate reserves carried forward	212,412

The surplus compares with an equivalent surplus of £465 in the previous year.

#### **Reserves**

The Balance Sheet shows net assets of £212,412 compared with operating income of over £254,691 and expenditure of some £232,460. The Committee reviewed the policy on reserves in November 2019 and concluded that a minimum of £70,000 should be retained on unrestricted reserves, equivalent to approximately one term's expenditure and sufficient to cover potential redundancy costs. The Committee also agreed that this policy should be reviewed annually, or more often if necessary.

#### **Public benefit**

The Pre-school have considered the major risks to which the company is exposed, and the systems that have been established to mitigate these risks. Many of these risks are appropriately covered by insurance policies, and its policies are communicated to all staff, consultants and volunteers.

#### **Risk assessment and management**

The directors have considered the major risks to which the company is exposed, and the systems that have been established to mitigate these risks. Many of these risks are appropriately covered by the insurance policies, and its policies are communicated to all staff, consultants and volunteers.

## **Little Elves Community Pre-school Ltd**

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### **Report of the Directors and Trustees**

#### **Directors' responsibilities**

Company law requires the directors to prepare annual accounts that give a true and fair view of the state of affairs of the company at the year end and of its financial activities during the period. These statements should comply with best practice and:

- (a) Select suitable accounting policies and apply them prudently;
- (b) Make judgements and estimates that are reasonable and prudent
- (c) Prepare accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the company to enable them to ensure that the accounts comply with the Companies' Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Audit exemption**

The company is entitled to exemption from audit for the year ended 31 August 2022 both under the Companies Act 2006 and the Charities Act 2011; but, as a charity, it is required to have independent scrutiny of its accounts. The directors have therefore taken advantage of audit exemption.

This report was approved by the board on 2 November 2022 and signed on its behalf.

Lauren McNiven, Chair  
Director

**Little Elves Community Pre-school Ltd**

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**Independent examiner's report to the directors and trustees**

I report on the accounts of the Company for the year ended 31 August 2022, which are set out on the pages 6 to 9 attached.

**Respective responsibilities of trustees and reporting accountants**

The trustees (who are directors of the Company for the purposes of company law) are responsible for the preparation of accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the Charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (a) Examine the accounts under section 145 of the 2011 Act;
- (b) Follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (c) State whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions. An independent examination includes a review of the Charity's accounting records and a comparison of the accounts presented with those records. It also includes consideration of any unusual disclosures in the accounts, and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view', and the report is limited to those matters set out in the statement above.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respects the arrangements (a) to keep accounting records in accordance with section 396 of the Companies Act 2006, and (b) to prepare accounts which accord with the accountings records, comply with accounting requirements of section 396 of the said Act and the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities, have not been met; or (c) to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.

Brandon Yeadon FMAAT  
Independent examiner  
Dated:

Cronulla  
Thursley Road, Elstead  
GU8 6ED

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**Balance Sheet****as at 31 August 2022**

	Notes	£	2022 £	£	2021 £
<b>Current assets</b>					
Stock of uniforms		4,228		3,914	
Trade debtors		-		(8)	
Bank balances					
Deposit accounts		153,298		149,099	
Current accounts		51,936		35,758	
Fundraising accounts		5,414		3,668	
Petty cash		60		80	
		214,936		192,511	
<b>Creditors: amounts falling due within one year</b>					
Other taxes and social security		(148)		282	
Other creditors and accruals		(2,376)		(2,612)	
			212,412		190,181
<b>Net assets</b>			212,412		190,181
<b>Funds</b>					
Called up share capital	3		-		-
Unrestricted income funds	4		212,412		190,181
<b>Total: Funds</b>			<b>212,412</b>		<b>190,181</b>

The Notes referred to above form part of these financial statements

For the financial period ended on 31 August 2022, the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ('the Act') relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

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.

Lauren McNiven  
Chair and director  
Approved by the board on 2 November 2022

Peter Beacham  
Treasurer and director



**Little Elves Community Pre-school Ltd**  
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**Statement of Financial Activities**  
**for the year ended 31 August 2022**

	<b>Notes</b>	<b>2022</b> £	<b>2021</b> £
<b>Incoming Resources</b>			
Incoming resources from generated funds			
Fundraising activities		2,665	3,029
Bank interest		199	216
Incoming resources from charitable activities			
Early Years' grant from Hampshire County Council		198,013	173,378
Fees paid by parents		52,285	40,635
Sundry income		1,529	14,158
<b>Total incoming resources</b>		<u>254,691</u>	<u>231,416</u>
<b>Resources Expended</b>			
Cost of generating funds			
Fundraising and publicity		622	903
Costs in furtherance of charity objects	2	229,005	226,818
Independent accountant's fees		1,188	1,516
Trustee indemnity insurance		1,645	1,714
<b>Total resources expended</b>		<u>232,460</u>	<u>230,951</u>
<b>Net incoming resources</b>		<u>22,231</u>	<u>465</u>
Funds balance brought forward		190,181	189,716
<b>Funds balance carried forward</b>		212,412	190,181

The Notes referred to above form part of these financial statements

**Little Elves Community Pre-school Ltd**  
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**Notes to the Accounts**  
**for the year ended 31 August 2022**

**1 Accounting policies**

**General matters**

The accounts (financial statements) 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 second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

**Going concern**

The company's operations are based in The Key Centre using two rooms and storage facilities hired from Elvetham Heath Parish Council under the terms of a lease running to 30 March 2036, with permitted use solely for use by children up to 5 years old and supervised by adults, and containing appropriate break clauses for lessor and the Pre-school. Provided that the Pre-school (a) maintains the relevant OFSTED inspection rating and thus funding from local education authority, and (b) attracts sufficient numbers of children, it has security of tenure. Having regard to the recent 'Good' ratings at OFSTED inspections, the directors are satisfied that the accounts of the Company may be prepared on a 'going concern' basis.

**Income and expenditure**

Donations are accounted for when received. All income and expenditure in furtherance of the charity's objectives is recognised in the period to which it relates.

**Depreciation**

Fixed assets are capitalised subject to a de minimis of £1,000, provided they have an expected life in excess of one year. Fixed assets are depreciated over their estimated useful lives (generally 5 years) on the straight line basis.

**Stocks**

Stocks are valued at cost.

**Taxation**

As a charity, income is exempt from income and corporation taxes. Its activities are exempt from value added tax (VAT), and expenditure is therefore inclusive of applicable VAT.

**2 Costs in furtherance of objectives**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff salaries and employer National Insurance	171,508	174,882
Staff welfare, training and uniforms	5,089	3,816
Staff pensions	4,666	4,550
Premises rental	33,183	28,609
Equipment, consumables and other service costs	8,983	8,566
Administration	5,446	6,119
Other costs	130	276
	<u>229,005</u>	<u>226,818</u>

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**Notes to the Accounts**  
**for the year ended 31 August 2022**

**3 Share capital**

The company does not have share capital. The company has 119 members and their individual liability towards the company's debts is limited to £1 in the event of the company being wound up within 12 months of ceasing to be a member.

<b>4 Movements on reserves</b>	<b>Opening balance £</b>	<b>Activities £</b>	<b>Transfers £</b>	<b>Closing balance £</b>
General reserves				
Designated contingency reserve	70,000			70,000
Unallocated funds	120,181	22,231		142,412
	<u>190,181</u>	<u>22,231</u>	<u>0</u>	<u>212,412</u>
Earmarked reserves				
	<u>190,181</u>	<u>22,231</u>	<u>0</u>	<u>212,412</u>

**5 Contingent liabilities**

The company had no contingent liabilities at 31 August 2022 (2021: none).