

Snapdragons Pre School
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2020

THOMAS WESTCOTT
Chartered Accountants
47 Boutport Street
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Devon
EX31 1SQ

Snapdragons Pre School
Company Limited by Guarantee
Financial Statements
Year ended 31 August 2020

	Pages
Trustees' annual report (incorporating the director's report)	1 to 4
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Notes to the financial statements	8 to 16

Snapdragons Pre School
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 August 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

Reference and administrative details

Registered charity name Snapdragons Pre School

Charity registration number 1150088

Company registration number 08176186

Principal office and registered office Jackets Lane
Northam
Bideford
EX39 1HT
Devon

The trustees

Gemma Hudson	
Sophie Porter	(Resigned 3 October 2019)
Keeley Marshall	(Appointed 20 January 2020)
	(Served from 20 January 2020 to 10 August 2020)
Sophie Toms	
Lisa Coley	(Appointed 20 January 2020)
James Corey	(Appointed 20 January 2020)
	(Served from 20 January 2020 to 2 April 2020)
Tiana-Cherise Cressey	
Emma Mills	(Resigned 13 November 2020)
Joanne Manley	(Resigned 4 September 2019)
	(Served from 20 January 2020 to 5 March 2021)
Charlene Barrell	
Kirsty Pedlingham	(Resigned 4 September 2019)
Aniko Racz	(Appointed 16 November 2020)
Josie Drury-Grant	(Appointed 16 November 2020)
Kate Kempster	(Appointed 16 November 2020)

Independent examiner Catherine Williams ACA DChA
Thomas Westcott Chartered Accountants
47 Boutport Street
Barnstaple
Devon
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Snapdragons Pre School

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Structure, governance and management

Trustees

As at 31 August 2020 Snapdragons Pre-School had eight trustees who currently also serve as directors of the company.

Gemma Hudson is now the Chair of Trustees as well as the administrator and Ofsted nominated person.

Corporate Governance

The trustees meet three times a year with directors meetings held less regularly, however information is regularly reviewed and shared by the trustees through electronic means.

Trustees are nominated and voted for at the Annual General Meeting.

Objectives and activities

The objects of Snapdragons 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, care facilities and training courses together with the help of parents to take responsibility to become involved in the activities of such groups and 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 and recognition of such needs.
- Instigating and adhering to furthering the aims and objects of the Pre-School Learning Alliance.

Public Benefit

The trustees consider that the objects of Snapdragon Pre-School, as stated above, comply with the Charities and Public Benefit : Summary guidance for Charity Trustees (January 2008).

The trustees unanimously agree that the requirement for due regard to the Public Benefit guidance has been satisfied as government funded places are available to all children.

Snapdragons Pre School

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Achievements and performance

During the period Snapdragons Pre-School had many achievements to report on. The main achievements include;

- Pupil places have been high with most sessions being full
- Staffing remains consistent and continues to be reviewed to ensure that the setting is managed to EYFS standards. All staff are Level 3 qualified.
- Improvements have been made to the setting to help us be covid safe and maintenance to the setting to keep staff and children as safe as possible during the covid 19 pandemic.
- The overall profile of Snapdragons remains high and provides a high-level service to the community.
- All policies have been reviewed and updated according to the Pre-School Learning Alliance. New covid related policies have been added.

Financial review

During the year there were net incoming resources of £9,464 (2019: net outgoing resources of £7,820).

Devon County Council funding received in relation to nursery hours worked totalled £89,367 (2019: £85,629) for the year. Fees received during the year decreased from £18,640 in 2019 to £17,677 in 2020.

During the year wages increased from £78,033 to £80,774, the main reasons for the increase relates to the increase in the "Living wage".

Reserves Policy

To ensure future financial sustainability for Snapdragons Pre-School, the Trustees have set a target to hold £25-£30,000 cash reserves which represent half a terms running costs.

As at 31 August 2020 the cash held in bank accounts totalled £77,447 (2019: £60,007) which currently exceeds the Trustees target.

The total reserves as at 31 August 2020 are £63,908 (2019: £54,444)

Snapdragons Pre School

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Plans for future periods

Our plans for future periods include the following;

- Ofsted are due to visit us in the next 12 months and we are prepared for their visit. The Pre-school has been in situ in the current building for 7 and a half years with only one Ofsted inspection. Ofsted tend to leave "outstanding" settings longer between inspections, over the average four years but this must be imminent any time now. Due to covid the inspection was put back again for 12 months but after speaking to them we are expecting them at any time.

Impact of Covid-19

The Pre School opened as normal in September after the summer holidays with added safety procedures in place, all staff and parents signed a covid policy to ensure all guidance was adhered to. In January when schools closed for a second time, Snapdragons remained open as per government guidance. As we were able to claim all funding for children even whose parents decided to keep them home, we were fortunate that this did not cause any financial impact on us.

New procedures are in place which have been signed by all staff and parents. Changes have also been made to the setting to help protect staff and children.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 24 to the financial statements.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 24/05/21 and signed on behalf of the board of trustees by:



Gemma Hudson
Trustee

Snapdragons Pre School

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Snapdragons Pre School

Year ended 31 August 2020

I report to the trustees on my examination of the financial statements of Snapdragons Pre School ('the charity') for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 the 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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.



Catherine Williams ACA DChA
Thomas Westcott Chartered Accountants
Independent Examiner

47 Boutport Street
Barnstaple
Devon
EX31 1SQ

24th May 2021

Snapdragons Pre School
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 August 2020

		Unrestricted funds £	2020 Restricted funds £	Total funds £	2019 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	4,906	2,320	7,226	5,281
Charitable activities	6	107,044	–	107,044	104,269
Other trading activities	7	911	–	911	1,142
Investment income	8	46	–	46	57
Total income		<u>112,907</u>	<u>2,320</u>	<u>115,227</u>	<u>110,749</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	9	118	–	118	474
Expenditure on charitable activities	10,11	103,325	2,320	105,645	118,095
Total expenditure		<u>103,443</u>	<u>2,320</u>	<u>105,763</u>	<u>118,569</u>
Net income/(expenditure) and net movement in funds		<u>9,464</u>	<u>–</u>	<u>9,464</u>	<u>(7,820)</u>
Reconciliation of funds					
Total funds brought forward		54,444	–	54,444	62,264
Total funds carried forward		<u>63,908</u>	<u>–</u>	<u>63,908</u>	<u>54,444</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 8 to 16 form part of these financial statements.

Snapdragons Pre School
Company Limited by Guarantee
Statement of Financial Position
31 August 2020

	Note	2020 £	£	2019 £
Fixed assets				
Tangible fixed assets	17		3,376	857
Current assets				
Debtors	18	9,213		474
Cash at bank and in hand		<u>77,447</u>		<u>60,007</u>
		86,660		60,481
Creditors: amounts falling due within one year	19	<u>26,128</u>		<u>6,894</u>
Net current assets			<u>60,532</u>	<u>53,587</u>
Total assets less current liabilities			<u>63,908</u>	<u>54,444</u>
Net assets			<u>63,908</u>	<u>54,444</u>
Funds of the charity				
Unrestricted funds			<u>63,908</u>	<u>54,444</u>
Total charity funds	22		<u>63,908</u>	<u>54,444</u>

For the year ending 31 August 2020 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 company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 24.7.2021, and are signed on behalf of the board by:



Gemma Hudson
Trustee

The notes on pages 8 to 16 form part of these financial statements.

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 August 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Jackets Lane, Northam, Bideford, EX39 1HT, Devon.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a small charity under FRS102, as such no cash flow statement has been presented for the company.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income: Donations and legacies are received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment - 25% straight line

Snapdragons Pre School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Snapdragons Pre-School is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants			
Grants receivable	—	2,320	2,320
Government grant income	4,906	—	4,906
	<u>4,906</u>	<u>2,320</u>	<u>7,226</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Grants			
Grants receivable	—	5,281	5,281
Government grant income	—	—	—
	<u>—</u>	<u>5,281</u>	<u>5,281</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
DCC Funding	89,367	89,367	85,629	85,629
Fees	17,677	17,677	18,640	18,640
	<u>107,044</u>	<u>107,044</u>	<u>104,269</u>	<u>104,269</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Stay & Play	293	293	623	623
Fundraising	618	618	519	519
	<u>911</u>	<u>911</u>	<u>1,142</u>	<u>1,142</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	46	46	57	57

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

9. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of raising donations and legacies	118	118	474	474

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Snapdragons Pre School	99,867	2,320	102,187
Support costs	3,458	—	3,458
	103,325	2,320	105,645

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Snapdragons Pre School	110,026	5,281	115,307
Support costs	2,788	—	2,788
	112,814	5,281	118,095

11. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020 £	Total fund 2019 £
Snapdragons Pre School	102,187	3,458	105,645	118,095

12. Analysis of support costs

	Pre School £	Total 2020 £	Total 2019 £
Payroll costs	584	584	472
Accountancy	1,020	1,020	990
Telephone	1,854	1,854	1,326
	3,458	3,458	2,788

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	1,560	3,191

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

14. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>990</u>	<u>990</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	79,726	77,229
Employer contributions to pension plans	<u>1,048</u>	<u>804</u>
	<u>80,774</u>	<u>78,033</u>

The average head count of employees during the year was 7 (2019: 9). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Pre-School Staff	<u>7</u>	<u>9</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

16. Trustee remuneration and expenses

During the year no trustees received remuneration in respect of being a trustee. Expenses were reimbursed to trustees on receipt of valid purchase invoices.

During the year one trustee was paid remuneration in the period totalling £1,736 (2019: £600) in respect of her pre-school employment.

17. Tangible fixed assets

	Fixtures and fittings £	Total £
Cost		
At 1 September 2019	21,626	21,626
Additions	4,079	4,079
At 31 August 2020	<u>25,705</u>	<u>25,705</u>
Depreciation		
At 1 September 2019	20,769	20,769
Charge for the year	1,560	1,560
At 31 August 2020	<u>22,329</u>	<u>22,329</u>
Carrying amount		
At 31 August 2020	<u>3,376</u>	<u>3,376</u>
At 31 August 2019	<u>857</u>	<u>857</u>

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

18. Debtors

	2020	2019
	£	£
Trade debtors	8,728	–
Prepayments and accrued income	485	474
	<u>9,213</u>	<u>474</u>

19. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	6,380	5,647
Accruals and deferred income	2,355	1,247
Other creditors	17,393	–
	<u>26,128</u>	<u>6,894</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,048 (2019: £804).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020	2019
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>4,906</u>	<u>–</u>

22. Analysis of charitable funds

Unrestricted funds

	At 1 September 2019	Income £	Expenditure £	At 31 August 20 20
General funds	<u>54,444</u>	<u>112,907</u>	<u>(103,443)</u>	<u>63,908</u>

	At 1 September 2018	Income £	Expenditure £	At 31 August 20 19
General funds	<u>62,264</u>	<u>105,468</u>	<u>(113,288)</u>	<u>54,444</u>

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

22. Analysis of charitable funds *(continued)*

The General Fund represents the net assets of Snapdragons Pre-School which are not designated for particular purposes.

Restricted funds

	At 1 September 2019 £	Income £	Expenditure £	At 31 August 20 20 £
DCC funding	—	2,320	(2,320)	—
	<u>—</u>	<u>2,320</u>	<u>(2,320)</u>	<u>—</u>
	At 1 September 2018 £	Income £	Expenditure £	At 31 August 20 19 £
DCC funding	—	5,281	(5,281)	—
	<u>—</u>	<u>5,281</u>	<u>(5,281)</u>	<u>—</u>

The DCC funding relates to SENCO and Disability Access Funding received for specific pupils to increase the quality of care provided to them.

23. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	3,376	3,376
Current assets	86,660	86,660
Creditors less than 1 year	(26,128)	(26,128)
Net assets	<u>63,908</u>	<u>63,908</u>
	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	857	857
Current assets	60,481	60,481
Creditors less than 1 year	(6,894)	(6,894)
Net assets	<u>54,444</u>	<u>54,444</u>

Snapdragons Pre School
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2020

24. Post balance sheet events

It should be noted that, at the date of preparation of the financial statements, uncertainty relating to the health emergency due to the COVID-19 pandemic should not be underestimated. There have been no adjusting events identified whilst preparing the accounts.

However, it should be noted that during this period the Pre-school has continued to operate.

The charity has reviewed various scenarios and evaluated the management actions necessary to mitigate the impact on its operations. The charity has adopted initiatives to safeguard the health of all people, with whom it comes into contact, and actions aimed at maintaining operational activity. The repercussions for the financial statements are currently not determinable in light of the volatility of the situation. Any adjustments which may be necessary will be reflected in the 2021 results.

25. Related parties

During the year, the charity did not enter into any related party transactions (2019; £Nil)