

Company registration number: 08176186

Charity registration number: 1150088

Snapdragons Pre School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023



WESTCOTTS

**CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS**

Snapdragons Pre School

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Snapdragons Pre School

Reference and Administrative Details

Charity Registration Number 1150088

Company Registration Number 08176186

Registered Office Jackets Lane
Northam
Bideford
Devon
EX39 1HT

Trustees: Josie Grant
Rena Morton
Kate Stone (appointed 5 October 2022)
Keeley Marshall (resigned 4 February 2024)
Eleanor Stacey
Gemma Hudson
Katie Kempster (resigned 5 October 2022)
Kerri Stocker (appointed 23 January 2023 and resigned 21 June 2023)
James Corey
Emma Doble (appointed 4 February 2024)
Charlotte Wilson (appointed 4 February 2024)

Secretary James Corey

The charity is incorporated in England and Wales.

Independent Examiner Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Snapdragons Pre School

Trustees' Report

Structure, governance and management

Trustees

As of 31 August 2023, Snapdragons Pre-School had seven trustees who currently also serve as directors of the company.

Gemma Hudson is 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

Trustees' Report

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. Four staff are level 3 qualified.
- We have started the new 2 year old working entitlement funding introduced in April.
- 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. And new covid related policies added.

We continue to maintain and improve the Preschool property to meet the needs of the children.

All staff continue to improve their skills with regular courses.

Financial review

During the year there were net incoming resources of £3,416 (2022: net outgoing resources of £8,064).

Devon County Council funding received in relation to nursery hours worked totalled £95,762 (2022: £87,822) for the year. Fees received during the year increased from £23,464 in 2022 to £28,172 in 2023.

During the year wages increased from £88,752 to £92,167.

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 term running costs.

As of 31 August 2023, the cash held in bank accounts totalled £59,348 (2022 £59,047) which currently exceeds the Trustees target.

The total reserves as of 31 August 2023 are £57,981 (2022: £54,565)

Plans for future periods.

Our plans for future periods include the following.

- Trying to do more fundraising activities now that things have settled down with Covid 19.
- Continuing to improve staff knowledge with courses.
- Continuing to make improvements to the setting.

Snapdragons Pre School

Trustees' Report

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 07.06.24 and signed on its behalf by:



Gemma Hudson
Trustee

Snapdragons Pre School

Independent Examiner's Report to the trustees of Snapdragons Pre School ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity's trustees of the 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 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 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 Snapdragons Pre School 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.



Catherine Williams FCA DChA
Westcotts (SW) LLP
47 Boutport Street
Barnstaple
Devon
EX31 1SQ

Date: 12 June 2024

Snapdragons Pre School

Statement of Financial Activities for the Year Ended 31 August 2023. (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	250	250	348
Charitable activities	4	123,934	123,934	111,286
Investment income	5	5	5	3
Other income	6	-	-	150
Total income		<u>124,189</u>	<u>124,189</u>	<u>111,787</u>
Expenditure on:				
Charitable activities	7	<u>(120,773)</u>	<u>(120,773)</u>	<u>(119,851)</u>
Total expenditure		<u>(120,773)</u>	<u>(120,773)</u>	<u>(119,851)</u>
Net income/(expenditure)		<u>3,416</u>	<u>3,416</u>	<u>(8,064)</u>
Net movement in funds		3,416	3,416	(8,064)
Reconciliation of funds				
Total funds brought forward		<u>54,565</u>	<u>54,565</u>	<u>62,629</u>
Total funds carried forward	18	<u><u>57,981</u></u>	<u><u>57,981</u></u>	<u><u>54,565</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 18.

The notes on pages 8 to 18 form an integral part of these financial statements.

Snapdragons Pre School

(Registration number: 08176186)

Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	1,822	3,265
Current assets			
Debtors	15	8,091	1,825
Cash at bank and in hand	16	59,348	59,047
		67,439	60,872
Creditors: Amounts falling due within one year	17	(11,280)	(9,572)
Net current assets		56,159	51,300
Net assets		57,981	54,565
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		57,981	54,565
Total funds	18	57,981	54,565

For the financial year ending 31 August 2023 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 financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 6 to 18 were approved by the trustees, and authorised for issue on 06.06.2024 and signed on their behalf by:



Gemma Hudson
Trustee

The notes on pages 8 to 18 form an integral part of these financial statements.

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Jackets Lane
Northam
Bideford
Devon
EX39 1HT

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Snapdragons Pre School 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.

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.

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.

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

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.

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.

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.

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 £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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:

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

Asset class

Fixtures, fittings and equipment

Depreciation method and rate

25% 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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

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

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

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Notes to the Financial Statements for the Year Ended 31 August 2023

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	
Grants, including capital grants; Grants receivable	250	250	
	250	250	
	Unrestricted funds General £	Restricted funds £	Total 2022 £
Grants, including capital grants; Grants receivable	100	248	348
	100	248	348

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Notes to the Financial Statements for the Year Ended 31 August 2023

4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £
DCC Funding	95,762	95,762
Fees	28,172	28,172
	<u>123,934</u>	<u>123,934</u>
	Unrestricted funds General £	Total 2022 £
DCC Funding	87,822	87,822
Fees	23,464	23,464
	<u>111,286</u>	<u>111,286</u>

5 Investment income

	Unrestricted funds General £	Total 2023 £
Investment income		
Bank interest receivable	5	5
	<u>5</u>	<u>5</u>
	Unrestricted funds General £	Total 2022 £
Investment income		
Bank interest receivable	3	3
	<u>3</u>	<u>3</u>

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

6 Other income

	Unrestricted funds General £	Total 2022 £
Other income	150	150

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £
Snapdragons Pre-School		118,174	118,174
Allocated support costs	8	2,599	2,599
		<u>120,773</u>	<u>120,773</u>

	Note	Unrestricted funds General £	Restricted funds £	Total 2022 £
Snapdragons Pre-School		115,612	248	115,860
Allocated support costs	8	3,991	-	3,991
		<u>119,603</u>	<u>248</u>	<u>119,851</u>

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

8 Analysis of support costs

Charitable activities expenditure

	Unrestricted funds General £	Total 2023 £
Payroll Costs	100	100
Accountancy	1,288	1,288
Telephone	1,211	1,211
	<u>2,599</u>	<u>2,599</u>
	Unrestricted funds General £	Total 2022 £
Payroll Costs	1,011	1,011
Accountancy	1,102	1,102
Telephone	1,878	1,878
	<u>3,991</u>	<u>3,991</u>

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	<u>2,274</u>	<u>2,146</u>

10 Trustees 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 £11,244 (2022: £9,194) in respect of her pre-school employment.

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	92,167	88,752
Pension costs	<u>1,308</u>	<u>1,248</u>
	<u>93,475</u>	<u>90,000</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Pre-school staff	<u>6</u>	<u>7</u>

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

12 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>1,288</u>	<u>1,102</u>

13 Taxation

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

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

14 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 September 2022	29,901	29,901
Additions	831	831
At 31 August 2023	30,732	30,732
Depreciation		
At 1 September 2022	26,636	26,636
Charge for the year	2,274	2,274
At 31 August 2023	28,910	28,910
Net book value		
At 31 August 2023	1,822	1,822
At 31 August 2022	3,265	3,265

15 Debtors

	2023 £	2022 £
Prepayments	8,091	1,825

16 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	59,348	59,047

17 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	9,818	8,261
Accruals	1,462	1,311
	11,280	9,572

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

18 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General				
General funds	54,565	124,189	(120,773)	57,981
	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General				
General funds	62,629	111,539	(119,603)	54,565
Restricted funds				
Rosemoor travel grant	-	248	(248)	-
Total funds	62,629	111,787	(119,851)	54,565

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

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

In the previous year, £248 was received to cover the costs of travel for the children's visit to Rosemoor.

Snapdragons Pre School

Notes to the Financial Statements for the Year Ended 31 August 2023

19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	1,822	1,822
Current assets	67,439	67,439
Current liabilities	(11,280)	(11,280)
Total net assets	57,981	57,981

	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	3,265	3,265
Current assets	60,872	60,872
Current liabilities	(9,572)	(9,572)
Total net assets	54,565	54,565

20 Related party transactions

There were no related party transactions in the year.