

Charity Registration No. 1150984

Company Registration No. 08355179 (England and Wales)

BARROW HILL PRE-SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C J Twigg A Rogan N Madani
Charity number	1150984
Company number	08355179
Registered office	The Tenants Hall Barrow Hill Estate Allitsen Road London NW8 7BD
Independent examiner	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ

BARROW HILL PRE-SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

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BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The aim of the charity is to enhance the development and education of children under statutory school age in a parent/carer environment. The pre-school offers appropriate play, education and care facilities and is regulated by Ofsted. The charity serves the local community and operates from a community building. Barrow Hill Pre-school welcomes all children between the ages of 2-5. We offer opportunities for children whatever their race, culture, ability or means. We value diversity and we support children with additional needs.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the pre-school should undertake.

Financial review

The Pre-school receives the majority of its funds through fee income charged according to the number of children on its roll and the number of sessions attended. Fee income is primarily government Early Years Funding grants for eligible children, employer childcare voucher schemes or private fee payments by the parents/guardians of the children attending the setting. The charity also fundraises through activities supported by its parent group and the local business community and also periodically receives donations from parents. The pre-school also applies from time to time for specific grants, for example, for the purchase of new play equipment. Expenditure is primarily staff and premises costs and daily consumables. Any income surplus is retained by the Pre-school for future reinvestment in the facilities of the school and the activities and curriculum it can offer the children. The pre-school has a designated savings account with funds ring fenced from day to day usage. The Treasurer of the Pre-school works closely with the Manager of the Pre-school and conducts monthly financial reconciliations and ensures appropriate financial records are kept.

It is the policy of the pre-school that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the pre-school's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the pre-school is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Barrow Hill Pre-school is a company limited by guarantee and not having a share capital. It is a charity and a member of the Pre-school Learning Alliance ("PLA"), an umbrella charity registered in England. The provisions of the Model Articles do not apply to the Pre-school as it has adopted articles provided by the Pre-school Learning Alliance and any changes to its Articles of Association can only be proposed to its members following written approval by the PLA.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

C J Twigg

J Masternak

A Rogan

N Madani

(Resigned 13 January 2021)

**BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021**

The committee members shall be elected for a term of one year at the Annual General Meeting. Retiring Committee members are eligible for re-election unless they have served on the committee in any capacity for six consecutive years. The Trustees are elected by the parents of children on the roll who are registered members. All Trustee positions are unpaid. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The group is managed day-to-day by a qualified Pre-school Manager together with a team of appropriately qualified staff. The setting also periodically offers unpaid work experience to students studying for early years qualifications. The Trustees are responsible for managing finances, employing and managing the staff, and making sure that the setting works in partnership with the children's parents. The pre-school is regulated by Ofsted and was last inspected in February 2017 receiving a "Good" rating. All staff and Trustees hold appropriate DBS (formerly CRB) checks.

The Trustees' report was approved by the Board of Trustees.



C J Twigg

Trustee

Dated: 11 January 2022

**BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF BARROW HILL PRE-SCHOOL**

I report to the Trustees on my examination of the financial statements of Barrow Hill Pre-School (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the charity (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 financial statements of the charity 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 financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 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 financial statements to be reached.

Gerald Edelman LLP
Chartered Accounts

73 Cornhill
London
EC3V 3QQ

Dated: 11 January 2022

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
<u>Income</u>			
Income from charitable activities	2	105,806	107,284
Investment income	3	21	180
Other income	4	13,865	316
		<hr/>	<hr/>
Total income		119,692	107,780
		<hr/>	<hr/>
<u>Expenditure</u>			
Consumables and other direct costs	5	4,289	5,590
Governance costs	5	103,152	95,034
		<hr/>	<hr/>
Total expenditure		107,441	100,624
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		12,251	7,156
		<hr/>	<hr/>
Fund balances at 1 April 2020		111,509	104,353
		<hr/>	<hr/>
Fund balances at 31 March 2021		123,760	111,509
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		391		521
Current assets					
Debtors	9	4,949		5,949	
Cash at bank and in hand		123,111		109,031	
		128,060		114,980	
Creditors: amounts falling due within one year	10	(4,691)		(3,992)	
Net current assets			123,369		110,988
Total assets less current liabilities			123,760		111,509
Income funds					
Unrestricted funds - general			123,760		111,509
			123,760		111,509

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the Trustees on 11 January 2022



C J Twigg
Trustee

Company Registration No. 08355179

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		391		521
Current assets					
Debtors	9	4,949		5,949	
Cash at bank and in hand		123,111		109,031	
		<u>128,060</u>		<u>114,980</u>	
Creditors: amounts falling due within one year	10	<u>(4,691)</u>		<u>(3,992)</u>	
Net current assets			123,369		110,988
Total assets less current liabilities			<u>123,760</u>		<u>111,509</u>
Income funds					
Unrestricted funds - general			123,760		111,509
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These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 11 January 2022

C J Twigg
Trustee

Company Registration No. 08355179

**BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies

Charity information

Barrow Hill Pre-School is a private company limited by guarantee incorporated in England and Wales. The registered office is The Tenants Hall, Barrow Hill Estate, Allitsen Road, London, NW8 7BD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

In light of the recent Covid-19 outbreak in the UK and the likely economic disruption that this will cause, the Trustees have considered the impact that this could have on the company's affairs. Like many businesses the results of the charitable company is impacted by the health of the economy. Having considered this, and taking into account government support, the Trustees expect the impact on the charitable company to be limited to the short term and therefore do not believe it to pose a significant risk to the long term prospects of the charity.

Accordingly, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 March 2021.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when received by the charity.

1.5 Expenditure

All resources expended are recognised once there is a legal or constructive obligation to make payment to a third party.

Charitable activities include costs of educational activities undertaken to further the purposes of the charity. Governance costs represent the cost of the strategic management of the charity and of complying with constitutional and statutory requirements.

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Incoming resources from charitable activities

	Funding from parents 2021 £	Funding from parents 2020 £
Funding from parents	105,806	107,284

3 Investment income

	Unrestricted funds general 2021 £	Total 2020 £
Interest receivable	21	180

4 Other incoming resources

	Unrestricted funds general 2021 £	Total 2020 £
Other income	13,865	316

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

5 Total resources expended

	2021	2020
	£	£
<u>Consumables and other direct costs</u>		
Support costs	4,289	5,590
	<hr/>	<hr/>
<u>Governance costs</u>		
Other costs	15,206	10,225
Staff costs	82,986	80,968
Depreciation and impairment	130	173
Independent examiner fees	4,830	3,668
	<hr/>	<hr/>
	103,152	95,034
	<hr/>	<hr/>
	107,441	100,624
	<hr/> <hr/>	<hr/> <hr/>

6 Trustees

During the year one Trustee (2020: two) received remuneration of £25,100 (2020: £35,459) for their services to the charity.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Teaching and support staff	3	3
Governance	1	1
	<hr/>	<hr/>
	4	4
	<hr/> <hr/>	<hr/> <hr/>

There were no employees whose annual remuneration was £60,000 or more.

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

8 Tangible fixed assets

Fixtures, fittings & equipment
£

Cost

At 1 April 2020 2,924

At 31 March 2021 2,924

Depreciation and impairment

At 1 April 2020 2,403

Depreciation charged in the year 130

At 31 March 2021 2,533

Carrying amount

At 31 March 2021 391

At 31 March 2020 521

9 Debtors

2021
£ **2020**
£

Amounts falling due within one year:

Other debtors - 3,420

Prepayments and accrued income 4,949 2,529

4,949 5,949

10 Creditors: amounts falling due within one year

2021
£ **2020**
£

Other taxation and social security 1,726 1,172

Accruals and deferred income 2,965 2,820

4,691 3,992

BARROW HILL PRE-SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

11 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	25,100	35,459
	<u> </u>	<u> </u>