

THE CYGNETS MILTON PRE-SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

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The following pages do not form part of the Statutory Financial Statements:

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CHAIR: Nathaniel Keverne Johnston (resigned 18/10/2021)
Lianne Stanford (Vice Chair, now Chair as of 18/10/2021)

TRUSTEES: Jenny Robertson (resigned 19/10/2020)
Sue Williams (Treasurer)
Sarah Michael (resigned 18/10/2021)
Lisa Stevens (resigned 19/10/2020)
Hannah North (appointed 09/11/2020, resigned 18/10/2021)
Emma Howgego (appointed 04/01/21, resigned 18/10/2021)
Anastasia Giagkoudi (appointed 23/11/2020)
Nick Jones (appointed 28/05/2021)

SECRETARY: Leanne Hogg (resigned 19/10/2020)
Eleanor Ruth Crane (resigned 18/10/2021)

PRINCIPAL OFFICE: Humphries Way
Milton
Cambridge
CB24 6DL

CHARITY NUMBER: 1155959

INDEPENDENT EXAMINER: Ian Shipley FCCA
For and on behalf of:
Prentis & Co LLP
Chartered Accountants
& Independent Examiners
115c Milton Road
Cambridge
CB4 1XE

BANKERS: Barclays Bank UK Plc
1 Churchill Place
London
E14 5HP

Cambridge Building Society
51 Newmarket Road
Cambridge
CB5 8FF

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report for The Cygnets Milton Pre-School for the year ended 31st August 2021.

The financial statements comply with the Charities Act 2011 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 (FRS102) (effective 1st January 2019), as modified by the exemptions for small charities provided in Update Bulletin 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as a Charitable Incorporated Organisation, incorporated in 2014 under a standard membership CIO (deed).

The Cygnets Milton Pre-School (Cygnets) is a registered charity, and so requires volunteer Trustees to form a management committee. The committee is the 'registered person' for Ofsted; in other words, the committee has had to apply to Ofsted to open this Pre-School. As such, the committee is ultimately responsible for the children's, staffs' and visitors' health, safety and welfare, as well as the management of staff and finances, amongst other things.

It is a big responsibility, but the committee tries to make it enjoyable, and enjoy contributing time throughout the year and at fund-raising events for Cygnets. It is a great way of being involved in the community. Sadly, several committee members have stepped down recently but there are new members that are currently in the process of joining the existing committee and the committee hopes that there will be more joining later this year.

ORGANISATION AND APPOINTMENT OF TRUSTEES

The committed and experienced workforce consists of a Manager, Deputy Manager, Room Leaders, an Office Manager and other room staff, all of whom ensure the smooth running of the setting.

New Trustees are appointed by the existing committee members.

RISK MANAGEMENT

The management committee is responsible for overseeing of risks faced by Cygnets. Risks are identified, assessed and controls are established continually throughout the year. The management committee believes that this approach, which closely monitors the operations, staffing and finances of the Pre-School will mitigate the significant risks and that maintaining financial reserves will provide sufficient resources in the event of adverse conditions.

The safety of the children who attend the setting is paramount and sufficient safeguarding measures and insurance is in place to ensure this.

ACTIVITIES AND OBJECTIVES

Staffing and Children

The committee is very fortunate to have such a committed and experienced workforce at Cygnets. This allows us to provide continuity and a high standard of care for the children.

Due to the positive reputation of the setting within the community, demand for places in the setting has continued to rise over the past year. We recognise the complex juggling act that the management team completes every half term to accommodate as many children as they can all while most effectively matching the myriad of staffing combinations, hours and rooms. Increased staff and children numbers continue to put pressure on the physical spaces within the setting. This impacts the children and staff in many ways and given the current building setup, there is no easy solution to remedy that pressure. This issue is continuously being considered and a solution will hopefully be found in the near future.

Fundraising

The Nursery Education Funding received via Cambridge County Council does not fully cover costs. As a result fees charged for extra sessions and sessions for children not qualifying for funding, plus additional fundraising events are needed to maintain resources, train staff and meet facility running costs. Unfortunately it has not been possible to hold the biggest fundraiser, the Annual Easter Fayre, for the last couple of years due to the pandemic but other fundraising initiatives were put into place. The committee would like to thank everyone who has helped at all of the various events.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

TRUSTEES' ANNUAL REPORTcontinued

ACHIEVEMENTS AND PERFORMANCE

Despite the impact of the global pandemic during the last two years the setting has been fortunate because the Cambridgeshire County Council early years team have supported the setting by providing advice and maintaining the Nursery Education Funding, even when not all children were able to attend. The Pre-School's longstanding good management practice means that there are cash reserves and Cygnets is in a strong position financially.

PUBLIC BENEFIT

The charity works for the public benefit by having as its objectives, the development and education of children and young people and is demonstrated by:

- 1) Promoting their care and safety.
- 2) Promoting their education and promoting parental involvement.
- 3) Promoting their health and wellbeing.
- 4) Providing services to support them and their families and carers.
- 5) Providing services to individuals holding membership of the Charitable Incorporated Organisation.
- 6) Furthering the aims of the Early Years Alliance.

FINANCIAL REVIEW AND RESERVES

The financial results for the year ended 31st August 2021 show a deficit of £9,946. Last year the charity made a surplus of £935. Income continues to remain steady at £172,773 (2020: £170,891) and expenditure has increased to £182,719 (2020: £169,956).

Despite the unprecedented circumstances experienced for the second year running, Cygnets overachieved the budget set at the beginning of the year and the overall deficit was not as high as originally planned.

The setting's largest cost relates to staff salaries and this increased from last year by approximately £11k, which was due to an increase in pay implemented in April 2021 as well as an increase in staffing numbers, some of which was required to cover staff members who needed to self isolate.

Children related costs remained in line with the previous year, however, facility and office costs showed an increase of £2k. This was partly due to a rise in memberships and subscriptions, which was required for remote parent consultations as well as a general annual price increase and cleaning costs were also higher due to the continued increased activity within this area.

All other costs remained broadly in line with the previous year.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

TRUSTEES' ANNUAL REPORTcontinued

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are required by charity law to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year. In preparing those financial statements, the Trustees are required to:

- (a) Select suitable accounting policies and then apply them consistently.
- (b) Make judgements and estimates that are reasonable and prudent.
- (c) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.
- (d) State whether the policies adopted are in accordance with the Charities Act 2011 and with applicable accounting standards and Statements of Recommended Practice, subject to any material departure and explained in the financial statements.
- (e) Observe the methods and principals of the Charities Statement of Recommended Practice.

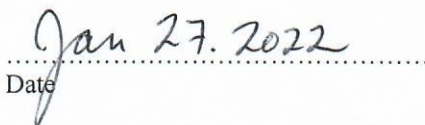
The Trustees are responsible for keeping proper records which disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

ON BEHALF OF THE TRUSTEES



LIANNE STANFORD
Chair



Date

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE CYGNETS MILTON PRE-SCHOOL

I report to the trustees on my examination of the accounts of the Cygnets Milton Pre-School Charitable Incorporated Organisation (the 'CIO') for the year ended 31st August 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 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 charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



IAN SHIPLEY FCCA
FOR AND ON BEHALF OF:
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS &
INDEPENDENT EXAMINERS

9 February 2022

115c Milton Road
Cambridge
CB4 1XE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Total Unrestricted 2021 £ | Total Unrestricted 2020 £ |
|---------------------------------------|-------|------------------------------------|------------------------------------|
| INCOME | | | |
| Charitable activities: | | | |
| Fees/Funding | | 170679 | 168990 |
| Investment income | | 202 | 378 |
| Other | 2 | 1892 | 1523 |
| TOTAL INCOME | | <u>172773</u> | <u>170891</u> |
| EXPENDITURE | | | |
| Fundraising | 3 | - | 27 |
| Charitable activities | 4 | 182719 | 169929 |
| TOTAL EXPENDITURE | | <u>182719</u> | <u>169956</u> |
| NET (EXPENDITURE)/INCOME FOR THE YEAR | | (9946) | 935 |
| RECONCILIATION OF FUNDS | | | |
| Total fund balance brought forward | | 79445 | 78510 |
| Total fund balance carried forward | | <u>69499</u> | <u>79445</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 7 to 9 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

BALANCE SHEET

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|--------------|--------------|--------------|--------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 6 | | 7843 | | - |
| CURRENT ASSETS | | | | | |
| Prepayments | 7 | 1933 | | 1131 | |
| Cash at bank and in hand | | 63223 | | 81527 | |
| TOTAL CURRENT ASSETS | | <u>65156</u> | | <u>82658</u> | |
| LIABILITIES | | | | | |
| Creditors: Amounts falling due within one year | 8 | <u>3500</u> | | <u>3213</u> | |
| NET CURRENT ASSETS | | | 61656 | | 79445 |
| TOTAL NET ASSETS | | | <u>69499</u> | | <u>79445</u> |
| THE FUNDS OF THE CHARITY | | | | | |
| Unrestricted income funds | 9 | | 69499 | | 79445 |
| TOTAL CHARITY FUNDS | | | <u>69499</u> | | <u>79445</u> |

The financial statements were approved by the Trustees on 27 January 2022



 LIANNE STANFORD
 Chair

The notes on pages 7 to 9 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider there are no material uncertainties about the Pre-School's ability to continue as a going concern.

(b) STATEMENT OF CASH FLOWS

The Trustees have opted to take advantage of the amendment to Charities SORP FRS 102, where only larger charities are required to prepare a Statement of Cash Flow.

(c) INCOME

Income represents the amount derived from the charity's ordinary activities. Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. No income is stated net of any associated expenditure.

(d) EXPENDITURE

All expenditure is accounted for on an accruals basis.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services to beneficiaries. Governance costs include costs associated with meeting the constitutional and statutory requirements of the charity and are part of the charity's activities. Expenditure is allocated to expense headings on a direct cost basis.

(e) TANGIBLE FIXED ASSETS

Tangible assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write-off the costs less estimated residual value of each asset evenly over their expected useful lives as follows:

Fixtures and Fittings - 25% straight line

The Trustees have adopted a policy that only items in excess of £1000 are to be capitalised.

2. INCOME FROM OTHERS

| | Total Unrestricted 2021 £ | Total Unrestricted 2020 £ |
|---------------------------|------------------------------------|------------------------------------|
| Photograph commission | 47 | 50 |
| Sponsored Walk | 1221 | 268 |
| Easy Fundraising | 16 | 47 |
| Easter Fayre income | - | 10 |
| Christmas hamper | - | 94 |
| Children's uniform sales | 416 | 589 |
| School outing collections | 160 | 390 |
| Other fundraising | 32 | 75 |
| | <u>1892</u> | <u>1523</u> |

3. EXPENDITURE ON FUNDRAISING

| | Total Unrestricted 2021 £ | Total Unrestricted 2020 £ |
|--------------|------------------------------------|------------------------------------|
| Easter Fayre | - | 27 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

NOTES TO THE FINANCIAL STATEMENTS

4. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Total Unrestricted 2021 £ | Total Unrestricted 2020 £ |
|---------------------------------------|------------------------------------|------------------------------------|
| Staff costs (note 5) | 153588 | 142991 |
| Training costs | 1615 | 1381 |
| Other staff costs | 17 | 119 |
| Payroll service | 1400 | 1432 |
| Materials and activity supplies | 1723 | 1754 |
| New equipment , Books, Toys | 4282 | 4518 |
| EYPP expenditure | 1444 | 815 |
| Milk and snacks | 23 | 19 |
| Deprivation | 24 | 26 |
| Rent | 999 | 1020 |
| Utility costs | 1440 | 1238 |
| Waste disposal | 358 | 1033 |
| Cleaning costs | 4972 | 4405 |
| Repairs and maintenance | 2075 | 2510 |
| Other school running costs | 2546 | 1018 |
| Photocopying, stationery and postage | 2286 | 1644 |
| Telephone and internet | 111 | 178 |
| Insurance and registration fees | 1199 | 431 |
| Accountancy | 960 | 960 |
| School outing | 68 | 919 |
| Sports day | 142 | 174 |
| Uniform | 540 | 242 |
| Bank charges | 233 | 207 |
| Committee expenses | 49 | 132 |
| Entertainment costs | 102 | 763 |
| Depreciation of fixtures and fittings | 523 | - |
| | <u>182719</u> | <u>169929</u> |

5. STAFF COSTS

No remuneration was paid to any of the Trustees in the year, nor were any expenses reimbursed to them.

| | 2021 £ | 2020 £ |
|--------------------|---------------|---------------|
| Salaries and wages | 150054 | 139933 |
| Employers pension | 3534 | 3058 |
| | <u>153588</u> | <u>142991</u> |

The average number of employees during the year was 14 (2020: 13).

No member of staff earned more than £60,000.

The key management personnel of the charity comprise the Board of Trustees who give their time freely.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

NOTES TO THE FINANCIAL STATEMENTS

| | | | | | |
|----|--|-------------------------------------|---------------|---------------|-----------------------------------|
| 6. | TANGIBLE FIXED ASSETS CURRENT YEAR | | | | Fixtures and Fittings £ |
| | COST | | | | |
| | Additions | | | | 8366 |
| | Balance at 31st August 2021 | | | | <u>8366</u> |
| | DEPRECIATION | | | | |
| | Charge for the year | | | | 523 |
| | Balance at 31st August 2021 | | | | <u>523</u> |
| | NET BOOK VALUE AT 31ST AUGUST 2021 | | | | <u>7843</u> |
| 7. | DEBTORS AND PREPAYMENTS | | 2021 | 2020 | |
| | | | £ | £ | |
| | Prepayments | | <u>1933</u> | <u>1131</u> | |
| 8. | CREDITORS | | 2021 | 2020 | |
| | | | £ | £ | |
| | Trade creditors | | 1203 | 790 | |
| | Taxation and social security | | 1337 | 963 | |
| | Accruals | | 960 | 1460 | |
| | | | <u>3500</u> | <u>3213</u> | |
| 9. | ACCUMULATED FUNDS Year ended 31st August 2021 | Balance at 1st September 2020 | Income | Expenditure | Balance at 31st August 2021 |
| | | £ | £ | £ | £ |
| | Unrestricted funds | <u>79445</u> | <u>172773</u> | <u>182719</u> | <u>69499</u> |
| | ACCUMULATED FUNDS Year ended 31st August 2020 | Balance at 1st September 2019 | Income | Expenditure | Balance at 31st August 2020 |
| | | £ | £ | £ | £ |
| | Unrestricted funds | <u>78510</u> | <u>170891</u> | <u>169956</u> | <u>79445</u> |