

# THE CYGNETS MILTON PRE-SCHOOL

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

### CONTENTS AND PRE-SCHOOL INFORMATION

CONTENTS	PAGE:
Trustees Report	1 - 3
Independent Examiners Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 - 9

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

Income and Expenditure Account	10
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CHAIR: Nathaniel Keverne Johnston (resigned 18/10/2021)  
Lianne Stanford (appointed 18/10/2021)

TRUSTEES: Sue Williams (Treasurer) Lianne Stanford (appointed 18/10/2021)  
Sarah Michael (resigned 18/10/2021) Nicola Boak (appointed 18/12/2022)  
Hannah North (resigned 18/10/2021) Zoe Pattison (appointed 19/01/2023)  
Emma Howgego (resigned 18/10/2021) Fiona Pollard (appointed 24/01/2023)  
Eleanor Ruth Crane (resigned 18/10/2021)  
Nick Jones (appointed 12/07/2021)  
Simon Bradley (appointed 23/01/2022)  
Sonlai Saccaram (appointed 19/03/2022)

SECRETARY: Eleanor Ruth Crane (resigned 18/10/2021)  
Anastasia Giagkoudi (appointed 18/10/21 and resigned 18/10/2022)  
Simon Bradley (appointed 18/10/2022)

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	Cambridge Building Society
	1 Churchill Place	51 Newmarket Road
	London	Cambridge
	E14 5HP	CB5 8FF

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

## TRUSTEES' ANNUAL REPORT

The Trustees present their annual report for The Cygnets Milton Pre-School for the year ended 31<sup>st</sup> August 2022.

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 1<sup>st</sup> 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 in 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. We hope to expand the committee with members who have specialist knowledge so that we can effectively evaluate the space and its use and work towards making changes for 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. This additional funding was achieved by sponsored events organised throughout the year. The committee would like to thank everyone who supported the various events. We hope to expand the committee with members who have specialist knowledge in fundraising so that we can maximise the financial support available from the community.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

## TRUSTEES' ANNUAL REPORT .....continued

## ACHIEVEMENTS AND PERFORMANCE

The setting has had a successful year, largely due to an increase in the number of children in attendance, year on year, as well as the continued support from Cambridgeshire County Council early years team which have supported the setting by providing advice and maintain the Nursery Education Funding. The Pre-School's longstanding good management practice means that there are cash reserves and Cygnets is in a strong position financially. The committee is looking to expand, as COVID impacted the ability of the setting to recruit new members.

## 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 31<sup>st</sup> August 2022 show a deficit of £1,609 (2021: £9,946). Income continues to remain steady at £198,420 (2021: £172,773) and expenditure has increased to £200,029 (2021: £182,719).

Despite the unprecedented circumstances experienced for the third year running, Cygnets overachieved the budget set at the beginning of the year and the overall deficit was minimal compared to that originally planned.

The setting's largest cost relates to staff salaries and this increased from last year by approximately £16k. This increase was due to a pay rise implemented in April 2022 as well as an increase in staffing numbers, some of which was required to cover sickness and staff members who needed to self isolate.

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

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

TRUSTEES' ANNUAL REPORT .....continued

## 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 2022

## 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 2022.

## 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").

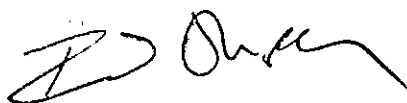
I report in respect of my examination of the CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

## 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

23rd March 2023

115c Milton Road  
Cambridge  
CB4 1XE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

## STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Total Unrestricted 2022 £	Total Unrestricted 2021 £
INCOME			
Charitable activities:			
Fees/Funding		196,273	170,679
Investment income		131	202
Other	2	2,016	1,892
TOTAL INCOME		<u>198,420</u>	<u>172,773</u>
EXPENDITURE			
Charitable activities	3	200,029	182,719
TOTAL EXPENDITURE		<u>200,029</u>	<u>182,719</u>
NET EXPENDITURE FOR THE YEAR		(1,609)	(9,946)
RECONCILIATION OF FUNDS			
Total fund balance brought forward		69,499	79,445
Total fund balance carried forward		<u>67,890</u>	<u>69,499</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 2022

## BALANCE SHEET

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	7,222	7,843
CURRENT ASSETS			
Prepayments	6	2,172	1,933
Cash at bank and in hand		89,584	63,223
TOTAL CURRENT ASSETS		<u>91,756</u>	<u>65,156</u>
LIABILITIES			
Creditors: Amounts falling due within one year	7	<u>31,088</u>	<u>3,500</u>
NET CURRENT ASSETS		60,668	61,656
TOTAL NET ASSETS		<u>67,890</u>	<u>69,499</u>
THE FUNDS OF THE CHARITY			
Unrestricted income funds	8	67,890	69,499
TOTAL CHARITY FUNDS		<u>67,890</u>	<u>69,499</u>

The financial statements were approved by the Trustees on March 20.2023



LIANNE STANFORD  
Chair

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

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

## 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 2022 £	Total Unrestricted 2021 £
Photograph commission	91	47
Sponsored Walk	1,038	1,221
Easy Fundraising	34	16
Christmas hamper	51	-
Children's uniform sales	219	416
School outing collections	186	160
Other fundraising	397	32
	<u>2,016</u>	<u>1,892</u>



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

## NOTES TO THE FINANCIAL STATEMENTS

## 3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total Unrestricted 2022 £	Total Unrestricted 2021 £
Staff costs (note 4)	171,093	153,588
Training costs	975	1,615
Other staff costs	6	17
Payroll service	1,417	1,400
Materials and activity supplies	1,402	1,723
New equipment , Books, Toys	1,375	4,282
EYPP expenditure	1,379	1,444
Milk and snacks	48	23
Deprivation	311	24
Rent	999	999
Utility costs	1,334	1,440
Waste disposal	862	358
Cleaning costs	5,532	4,972
Repairs and maintenance	2,066	2,075
Other school running costs	2,341	2,546
Photocopying, stationery and postage	1,956	2,286
IT and website costs	1,284	-
Telephone and internet	266	111
Insurance and registration fees	981	1,199
Accountancy	990	960
School outing	414	68
Sports day	157	142
Uniform	-	540
Bank charges	260	233
Committee expenses	49	49
Entertainment costs	206	102
Depreciation of fixtures and fittings	2,407	523
Profit on disposal of fixed assets	(81)	-
	<u>200,029</u>	<u>182,719</u>

## 4. STAFF COSTS

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

	2022 £	2021 £
Salaries and wages	167,217	150,054
Employers pension	3,876	3,534
	<u>171,093</u>	<u>153,588</u>

The average number of employees during the year was 15 (2021: 14).

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 2022

## NOTES TO THE FINANCIAL STATEMENTS

5.	TANGIBLE FIXED ASSETS	Fixtures and
	CURRENT YEAR	Fittings
	COST	£
	Balance at 1st September 2021	8,366
	Additions	9,629
	Disposals	(8,366)
	Balance at 31st August 2022	<u>9,629</u>
	DEPRECIATION	
	Balance at 1st September 2021	523
	Charge for the year	2,407
	Eliminated on disposal	(523)
	Balance at 31st August 2022	<u>2,407</u>
	NET BOOK VALUE AT 31ST AUGUST 2022	<u>7,222</u>

TANGIBLE FIXED ASSETS	Fixtures and
PRIOR YEAR	Fittings
COST	£
Additions	8,366
Balance at 31st August 2021	<u>8,366</u>
DEPRECIATION	
Charge for the year	523
Balance at 31st August 2021	<u>523</u>
NET BOOK VALUE AT 31ST AUGUST 2021	<u>7,843</u>

6.	DEBTORS AND PREPAYMENTS	2022	2021
		£	£
	Prepayments	<u>2,172</u>	<u>1,933</u>

7.	CREDITORS	2022	2021
		£	£
	Trade creditors	1,073	1,203
	Taxation and social security	1,250	1,337
	Accruals	28,765	960
		<u>31,088</u>	<u>3,500</u>

8	ACCUMULATED FUNDS	Balance at		Balance at
	Year ended 31st August 2022	1st September		31st August
		2021	Income	2022
		£	£	£
	Unrestricted funds	<u>69,499</u>	<u>198,420</u>	<u>67,890</u>

ACCUMULATED FUNDS	Balance at		Balance at
Year ended 31st August 2021	1st September		31st August
	2020	Income	2021
	£	£	£
Unrestricted funds	<u>79,445</u>	<u>172,773</u>	<u>69,499</u>