

THE CYGNETS MILTON PRE-SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

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

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CHAIR: Lianne Stanford

TRUSTEES: Sue Williams (Treasurer)
Nick Jones
Simon Bradley
Sonali Saccaram
Lianne Stanford
Nicola Boak (appointed 18/12/2022)
Zoe Pattison (appointed 19/01/2023)
Fiona Pollard (appointed 24/01/2023)

SECRETARY: Anastasia Giagkoudi (resigned 18/10/2022)
Simon Bradley (appointed 18/10/2022)

PRINCIPAL OFFICE: Humphries Way
Milton
Cambridge
CB24 6DL

CHARITY NUMBER: 1155959

COMPANY NUMBER: CE000997

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 2023

TRUSTEES' ANNUAL REPORT

The Trustees present their annual report for The Cygnets Milton Pre-School for the year ended 31st August 2023.

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. We have maintained our committee members this year and there are new members that are currently in the process of joining the existing committee. This makes for a good number so that each committee member can have a portfolio of responsibility that is not too overwhelming.

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 plateaued over the past year. Once this was recognised, the management team and senior trustees worked to see where gaps have occurred. 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. The numbers of children and staff continue to put pressure on the physical spaces within the setting. This issue is continuously being considered and a solution will hopefully be found in the near future. We have expanded the committee with members who have specialist knowledge in the hopes that we can effectively evaluate the space and its use and work towards making positive changes for the 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. The committee now has a fundraising portfolio so that we can apply for suitable external funding schemes.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

TRUSTEES' ANNUAL REPORTcontinued

ACHIEVEMENTS AND PERFORMANCE

The setting has had a challenging year, largely due to a continued increase in costs. The number of children in attendance dropped slightly as there were not as many children born in COVID times. The continued support from Cambridgeshire County Council early years team has backed the setting by providing advice and continues to maintain the Nursery Education Funding. Despite a disappointing financial result this year, the Pre-School's longstanding good management practice will work to improve the recently depleted cash reserves and ensure that Cygnets returns to its strong financial position.

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 2023 show a deficit of £19,589 (2022: £1,609). Income continues to remain steady at £198,205 (2022: £198,420) and expenditure has increased to £217,794 (2022: £200,029).

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 £18k. This increase was due to a required pay rise implemented in April 2023 as well as additional costs arising from sickness cover and paid training days.

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

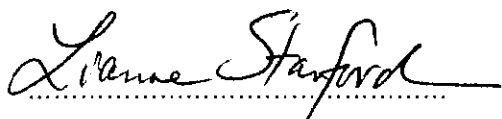
The Trustees are required by charity law to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that year. In preparing those financial statements, the Trustees are required to:

- (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.

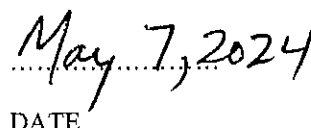
The Trustees are responsible for keeping proper records which disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act.

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 2023

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 2023.

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

115c Milton Road
Cambridge
CB4 1XE

28th May 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Total Unrestricted 2023 £	Total Unrestricted 2022 £
INCOME			
Charitable activities:			
Fees/Funding		193,881	196,273
Investment income		350	131
Other	2	3,974	2,016
TOTAL INCOME		<u>198,205</u>	<u>198,420</u>
EXPENDITURE			
Charitable activities	3	217,794	200,029
TOTAL EXPENDITURE		<u>217,794</u>	<u>200,029</u>
NET EXPENDITURE FOR THE YEAR		(19,589)	(1,609)
RECONCILIATION OF FUNDS			
Total fund balance brought forward		67,890	69,499
Total fund balance carried forward		<u>48,301</u>	<u>67,890</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 6 to 8 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

BALANCE SHEET

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	5		4,815		7,222
CURRENT ASSETS					
Prepayments	6	2,429		2,172	
Cash at bank and in hand		63,527		89,584	
TOTAL CURRENT ASSETS		<u>65,956</u>		<u>91,756</u>	
LIABILITIES					
Creditors: Amounts falling due within one year	7	<u>22,470</u>		<u>31,088</u>	
NET CURRENT ASSETS			43,486		60,668
TOTAL NET ASSETS			<u>48,301</u>		<u>67,890</u>
THE FUNDS OF THE CHARITY					
Unrestricted income funds	8		48,301		67,890
TOTAL CHARITY FUNDS			<u>48,301</u>		<u>67,890</u>

The financial statements were approved by the Trustees on *May 7, 2024*

Lianne Stanford

LIANNE STANFORD

Chair

The notes on pages 6 to 8 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

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 2023 £	Total Unrestricted 2022 £
Photograph commission	120	91
Sponsored Walk	919	1,038
Easy Fundraising	32	34
Christmas hamper	42	51
Children's uniform sales	510	219
School outing collections	325	186
Easter Fayre	1,329	-
Other fundraising	697	397
	<u>3,974</u>	<u>2,016</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

NOTES TO THE FINANCIAL STATEMENTS

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total Unrestricted 2023 £	Total Unrestricted 2022 £
Staff costs (note 4)	188,004	171,093
Training costs	511	975
Other staff costs	202	6
Payroll service	1,582	1,417
Materials and activity supplies	1,039	1,402
New equipment , Books, Toys	1,504	1,375
EYPP expenditure	1,802	1,379
Summer Fayre expenditure	90	-
Milk and snacks	15	48
Deprivation	563	311
Rent	999	999
Utility costs	2,683	1,334
Waste disposal	926	862
Cleaning costs	4,992	5,532
Repairs and maintenance	1,947	2,066
Other school running costs	2,693	2,341
Photocopying, stationery and postage	1,883	1,956
IT and website costs	156	1,284
Telephone and internet	618	266
Insurance and registration fees	859	981
Accountancy	1,050	990
School outing	384	414
Sports day	6	157
Uniform	470	-
Bank charges	262	260
Committee expenses	9	49
Entertainment costs	138	206
Depreciation of fixtures and fittings	2,407	2,407
Profit on disposal of fixed assets	-	(81)
	<u>217,794</u>	<u>200,029</u>

4. STAFF COSTS

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

	2023 £	2022 £
Salaries and wages	183,328	167,217
Employers pension	4,676	3,876
	<u>188,004</u>	<u>171,093</u>

The average number of employees during the year was 16 (2021: 15).

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 2023

NOTES TO THE FINANCIAL STATEMENTS

5.	TANGIBLE FIXED ASSETS				Fixtures and
	CURRENT YEAR				Fittings
	COST				£
	Balance at 1st September 2022 and at 31 August 2023				9,629
	DEPRECIATION				
	Balance at 1st September 2022				2,407
	Charge for the year				2,407
	Balance at 31st August 2023				4,814
	NET BOOK VALUE AT 31ST AUGUST 2023				4,815
	TANGIBLE FIXED ASSETS				Fixtures and
	PRIOR YEAR				Fittings
	COST				£
	Balance at 1st September 2021				8,366
	Additions				9,629
	Disposals				(8,366)
	Balance at 31st August 2022				9,629
	DEPRECIATION				
	Balance at 1st September 2021				523
	Charge for the year				2,407
	Eliminated on disposal				(523)
	Balance at 31st August 2022				2,407
	NET BOOK VALUE AT 31ST AUGUST 2022				7,222
6.	DEBTORS AND PREPAYMENTS		2023	2022	
			£	£	
	Prepayments		2,429	2,172	
7.	CREDITORS		2023	2022	
			£	£	
	Trade creditors		1,169	1,073	
	Taxation and social security		1,287	1,250	
	Accruals		20,014	28,765	
			22,470	31,088	
8	ACCUMULATED FUNDS	Balance at			Balance at
	Year ended 31st August 2023	1st September			31st August
		2022	Income	Expenditure	2023
		£	£	£	£
	Unrestricted funds	67,890	198,205	217,794	48,301
	ACCUMULATED FUNDS	Balance at			Balance at
	Year ended 31st August 2022	1st September			31st August
		2021	Income	Expenditure	2022
		£	£	£	£
	Unrestricted funds	69,499	198,420	200,029	67,890