

Blues Preschool Nursery

**Charity Number: 1156613
REPORT & ACCOUNTS
FOR THE YEAR ENDED 31/08/2021**

Blues Preschool Nursery
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FOR THE YEAR ENDED 31/08/2021

TRUSTEES

K Craythorne
S Day
J Patel
A Lahanmi
G Varnam

REGISTERED OFFICE

London Road
Bishop's Stortford
Hertfordshire
CM23 3LU

CHARITY NUMBER

1156613

INDEPENDENT EXAMINER

Ascott Blake
11 Ducketts Wharf
Bishop's Stortford
Hertfordshire
CM23 3AR

Blues Preschool Nursery
REPORT & ACCOUNTS
FOR THE YEAR ENDED 31/08/2021

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TRUSTEE'S REPORT FOR THE YEAR ENDED 31/08/2021

The trustees present their report and accounts for the period ended 31/08/2021:

STRUCTURE GOVERNANCE AND MANAGEMENT

The charity is registered as a CIO and our constitution is based on the Pre-school Learning Alliance Model CIO Constitution for Childcare Providers 2013.

Membership of the CIO is open to all parents of pre-school children but they are not automatically Members of the Charity. Parents sign a declaration if they wish to join. Affiliate membership is also open to anyone who is interested in furthering the purposes of the charity. The Trustees (min 3, max 12) are all Members of the Charity. Their function is to manage the affairs of the CIO and meet monthly to fulfil this function. They are appointed at the AGM and serve for 2 successive years. Every year one third of the trustees shall retire from office, but can be re-appointed for 5 successive terms. After a break of one year the trustee may re-stand.

Due to COVID, the monthly Management meetings had been conducted online, via Teams or Zoom.

At Blues, at the end of August 2021, there were 5 trustees - 4 affiliate members and one staff member. Along with 3 other staff members they form the Management Committee which oversees all business aspects of the CIO. However, 2 trustees will be leaving the Management Committee at the AGM and do not wish to re-stand. We would like to thank them both their hard work and support over the years and wish them well in the future.

As a result of COVID lockdown and restrictions, the Blues Parents and Friends Association (BPFA) has been unable to meet or organise fundraising and other events. This is an area that we will concentrate our efforts on over the coming year and encourage parents once again to get involved.

OBJECTIVES AND ACTIVITIES

The aims of the Pre-school are to enhance the development and education of children primarily under statutory school age and to encourage parents to understand and provide for the needs of their children by:

- offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, 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 in and recognition of such needs in the local area;
- instigating and adhering to and furthering the aims and objects of the Pre-school Learning Alliance.

The Pre-school is open for 9 sessions (5 morning and 4 afternoons) a week with the tenth session, a Thursday afternoon, being dedicated to a 'Play and Stay' group. The Pre-school can cater for up to 80 children and the toddler group for a further 20. The Blues offers the 15-hour Government free funded entitlement to 3- and 4-year-olds and the 'additional entitlement' of a further 15 hours to eligible children. We offer flexible attendance with five 3-hour sessions being popular. We also have provision for a limited number of children to stay for a full day (6 hours) by providing a lunch club. The limitation is due to the small size of the lunch room. Children may pay to attend additional hours. We also offer the 15-hour funded entitlement to eligible 2-year-olds who, mainly, attend the afternoon sessions. We receive funding for children eligible for Early Years Pupil Premium (EYPP). This money must be used to further the development of the child to which it relates and we ensure that all funding is spent while the child is in attendance at Blues.

The pre-school's 'yellow group' room is available to the group of children who stay at pre-school for their nursery year. This gives these children a sense of identity and is a place where they can focus on their activities.

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As a result of the ongoing COVID pandemic over the past year, various Government restrictions and guidelines continue to impact on the way in which The Blues has been able to operate. This has necessitated some changes to day-to-day practice.

The pre-school provides care and education as laid down by OFSTED - Office for Standards and Education - with children working in accordance with the Early Years Foundation Stage curriculum. The pre-school was last inspected in February 2018 by OFSTED and received an "outstanding" rating for 'Personal development, behaviour and welfare' and a "good" rating in all other areas.

Due to COVID 19 restrictions, the way that staff communicated with Parents/Carers continued to be adapted. This involved more telephone or online conversations, and face-to-face meetings were unable to be held.

Induction sessions and visits to look around the setting also had to be cancelled. However, the pre-school staff created an in-depth 'Welcome Pack' for new parents which contained information as well as photos of the setting. 2 new families requested an outdoor visit which was able to be facilitated at the end of the summer term.

During each half term every family received a call from the Key Worker for their child, in order to keep lines of communication open. The response has been very positive and this model will be taken forward. Tapestry is now fully in place across the preschool. Observations and photographic evidence are collated using this online learning journal. Evidence is used to moderate the Early Years Foundation Stage. Children's work was collated in their 'Special Book'. Each child's progress is recorded, monitored and accessed by staff and parents.

Key Workers have been unable to meet face to face with parents to discuss their child's two years progress check but this has been carried out via phone conversations. Termly progress reports were sent home and added to Tapestry online journals.

As a result of rises in the number of cases of COVID locally, the pre-school decided that parents could not be invited to help in any sessions. The pre-school also cancelled their open morning for prospective parents. The pre-school is well known throughout the town and has a good reputation. Many parents travel a considerable distance to Blues because of very positive verbal recommendations. This has helped greatly in maintaining the number of applications for places throughout the period of closure and restricted access for parents.

The pre-school has a website and the Facebook page which has been an invaluable information and communication platform during the past year.

Occupancy was average in the autumn term, being three quarters full. Increases in the spring and summer terms resulted in close to capacity for morning sessions and almost capacity in afternoon sessions. This is in line with the trend of past years. Lunch Club was at capacity in both spring and summer terms, with a waiting list in the spring term.

The 'Stay and Play' toddler group sadly remained closed for the year, again as a result of rises in the number of cases of COVID locally. The toddler group is important for the sustainability of the pre-school and directly impacts the occupancy in the autumn term as it provides continuity of a source of young children feeding in at the bottom of the register.

The pre-school keeps in touch with the Preschool Learning Alliance through its publications and can seek advice from Head Office when required.

PUBLIC BENEFIT

When planning Blues activities for the year, the Committee has considered the Charity Commission's guidance on public benefit and is satisfied that the pre-school's activities continue to meet the principles laid out in that guidance. This matter was very carefully reviewed as part of the process of applying for CIO status. The children who receive care and education are the main beneficiaries of our charity. We work closely with families, offering support and

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information regarding the developmental progress of their child and signposting/help with social and financial matters e.g., some families may need to pay fees by instalments.

ACHIEVEMENT AND PERFORMANCE

Despite ongoing restrictions and effects of COVID-19, the pre-school continued to be an effective provider of early years care and education, with positive feedback given by parents when restrictions eased.

In December 2020 the pre-school was forced to close early due to a number of reported COVID-19 cases. In January 2021, a further lockdown was imposed by the Government and the pre-school closed to all children and staff as there were no 'key worker' parents who required us to provide sessions for their children.

As previously agreed by the management committee, all staff continued to receive full pay during the closure and undertook alternative tasks and training from home.

The pre-school re-opened again in February. Most children returned, with the rest back by March 2021. All staff continued the intensive cleaning regime and the time taken for this had to be factored into the timetable, with Wednesday morning being used for this to take place.

All staff also continued carry out Lateral Flow Tests on a regular basis.

Unfortunately, it was decided that Stay and Play sessions remain suspended, as it was difficult to meet all COVID restrictions.

In the spring term, an existing member of staff moved from being a Lunchtime Supervisor to being a Practitioner at the pre-school. As a result, the Lunchtime Supervisor job was advertised and a new member of staff was appointed. This staff member also carried out some 1-1 work with a specific child.

Regular communication via email and half termly newsletters were sent to parents to keep them informed of any changes at the pre-school, as well as updates being posted on the website and Facebook page. This has been essential throughout the year for the staff to keep in touch with the children and their families.

The staff team have organised a few fundraising events during the year. However, the opportunity to fundraise continued to be limited due to the impact of COVID-19 and our usual events were unfortunately again unable to take place. The fundraising events that were held – a Christmas raffle and a sponsored event in half term - raised a modest amount.

Fundraising money is a vital part of our funding stream for the general running of the pre-school. A proportion of funds continued to have to be spent on essential cleaning equipment and PPE. We will need to concentrate our efforts next year on encouraging parents once again to get involved in order to boost funds.

The policies of the pre-school continue to be updated on a rolling basis or according to need, with the COVID-19 policy sent out to parents for their information regarding what would happen in the event of confirmed cases of COVID-19.

Maintenance of the building and grounds continues to be an on-going task. Some essential maintenance work was carried out during the year such as repairing toilets, fencing etc. The staff continued to work together to clean on a regular basis to ensure that safe measures were in place with regard to COVID-19.

We have again been actively seeking new Trustees and an advertisement was placed in a local community magazine and on our website. This is alongside the existing advert on the Do-it website. We had one interested party as a result of our advertising and this is being followed up.

Discussion concerning the proposed move to the new premises at Cox's Gardens has been ongoing over the past year. However, the project has been significantly delayed due to The Bishop's Stortford High School having to re-tender their new build and gain planning permission. Inevitably, this has had an impact on the expected date for the new pre-

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school building to be completed. Several meetings were held on-line between Herts County Project Managers and pre-school staff and trustees to discuss details and costings.

This project is now underway and we expect that the move into the new building could take place in June 2022.

Despite the ongoing constraints of COVID restrictions and Government guidelines, the pre-school continued to manage occupancy levels to ensure that there were sufficient younger children attending in the afternoon so that there could be continuity when the older children leave.

It is envisaged that the 'Stay & Play' session can be reinstated as soon as possible and this will be regularly reviewed at management meetings.

Once again, this year the Blues has seen a number of changes and developments due to the ongoing impact of COVID-19. The trustees and staff have worked hard to ensure the smooth running of the setting and the safety and development of the children, resulting in the pre-school being open for the majority of the academic year.

The Trustees would like to publicly express their thanks to all the staff for their commitment, dedication and hard work during what has been another very challenging and stressful time.

FINANCIAL REVIEW

The COVID-19 pandemic has continued to present some challenges this year, with a forced closure, many restrictions for safe re-opening, continued high expenditure on personal protective equipment and additional cleaning products. For the period we were forced to close, we were fortunate to be able to claim an amount of statutory sick pay back from HMRC to offset some of the loss incurred as a result of the closure. We have remained mindful that the surplus from the prior year would likely be required to assist in covering the additional expenses that have been incurred as a result of the COVID-19 pandemic.

During the year the Charity made a net loss of £4,804 (2020: surplus of £12,999). The Charity aims ordinarily to put aside 10% for the contingency fund but this has not been possible this year for the reasons outlined above. The Charity aims to keep its general reserves at a level equivalent to 3 to 6 months of running costs and at the year-end they were comfortably within these limits. As noted above, the Charity will be re-locating its operations (or, in the event of that doing so would not be financially viable, will need to meet redundancy costs) in the short term and may also continue to incur additional costs or higher costs as a result of the pandemic. The Charity has a contingency fund to meet the potential costs of the restructuring. The trustees consider that the balance of £157,674 at the year-end is reasonable amount to meet these potential costs.

This report was approved and authorised for issue by the Trustees on 8th November 2021 and signed on its behalf by:



.....
Anita Lahanmi
Trustee

Blues Preschool Nursery

Independent Examiner's Report to the Trustees of Blues Pre-School Nursery

I report to the trustees on my examination of the accounts of the Blues Pre-School Nursery for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity trustees 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 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 content 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.

Signed: 

Name: ADAM AZIZ

Date: 04/11/2021

Ascott Blake Limited
11 Ducketts Wharf
Bishop's Stortford
Hertfordshire
CM23 3AR

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31/08/2021

			2021	2020
	Unrestricted funds	Restricted funds	Total	Total
	£	£	£	£
Income				
Income from generated funds				
Donations and legacies	97,411	-	97,411	99,150
Income from investments	1,087	-	1,087	1,531
Total income and endowments	98,498	-	98,498	100,681
Expenses				
Costs of generating funds				
Expenditure on raised funds	7,112	-	7,112	4,668
Expenditure on charitable activities	95,922	268	96,190	83,014
Total Expenses	103,034	268	103,302	87,682
Net gains on investments				
Net income	(4,536)	(268)	(4,804)	12,999
Gains/(losses) on revaluation of fixed assets				
Net movement in funds:				
Net income for the year	(4,536)	(268)	(4,804)	12,999
Total funds brought forward	190,306	536	190,842	177,843
Net funds carried forward	185,770	268	186,038	190,842

This statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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BALANCE SHEET AT 31/08/2021

			2021 £	2020 £
FIXED ASSETS	<i>Note</i>			
Tangible fixed assets	2		641	909
CURRENT ASSETS				
Other debtors	3	321	-	
Cash at bank and in hand		187,817	191,608	
		<u>188,138</u>	<u>191,608</u>	
CREDITORS: Amounts falling due within one year	4	<u>2,677</u>	<u>1,675</u>	
NET CURRENT ASSETS			<u>185,461</u>	<u>189,933</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>186,102</u></u>	<u><u>190,842</u></u>
CAPITAL AND RESERVES				
Unrestricted funds	6			
General fund		28,095		33,719
General fund – prior year adjustment		64		
Designated funds		157,674		156,587
Restricted funds	7			
Restricted fund		<u>268</u>		<u>536</u>
		<u><u>186,102</u></u>		<u><u>190,842</u></u>

For the year ending 31/08/2021 the CIO was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board of trustees on 8th November 2021 and signed on their behalf by



.....
Anita Lahanmi - Trustee

Blues Preschool Nursery
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31/08/2021

1. ACCOUNTING POLICIES

1a. Basis of Accounting

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with FRS102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

1b. Incoming Resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1c. Resources Expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1d. Allocation and Apportionment of Costs

All costs relate to the single activity of the charitable company and are recognised accordingly.

1e. Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are funds set aside by the trustees out of unrestricted general funds for the specific future purposes or projects.

1f. Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Fixtures and Fittings straight line 15%
ICT equipment straight line 33%
Other equipment straight line 25%

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1g. Financial Instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset, and the net amount reported in the Balance Sheet when there is an 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.

2. TANGIBLE FIXED ASSETS

	Short leasehold Properties £	ICT grant funded equipment £	Total £
Cost			
At 01/09/2020	374	803	1,177
Additions	-	-	-
At 31/08/2021	374	803	1,177
Depreciation			
At 01/09/2020	-	268	268
For the period	-	268	268
At 31/08/2021	-	536	536
Net Book Amounts			
At 31/08/2021	374	267	641
At 31/08/2020	374	535	909

3. DEBTORS

	2021 £	2020 £
Prepayments and accrued income	321	-
	321	-

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4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Taxation and social security	1,059	682
Pension	196	143
Accruals	622	-
Other creditors	800	850
	<u>2,677</u>	<u>1,675</u>

5. LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum not exceeding £0, to the company should it be wound up. At 31/08/2021 there were 5 members.

6. UNRESTRICTED FUNDS

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
General fund	33,719	97,411	(103,035)	-	28,095
Contingency	156,213	1,087	-	-	157,300
Fixed Assets	374	-	-	-	374
	<u>190,306</u>	<u>98,498</u>	<u>(103,034)</u>	<u>-</u>	<u>185,769</u>

7. RESTRICTED FUNDS

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Grant funding	£	£	£	£	£
Tesco Bags of Help	536	-	(268)		268

8. RELATED PARTY TRANSACTIONS

During the year Kim Craythorne, a Trustee of the Blues Pre-School Nursery, received remuneration amounting to £25,011. This related solely to her salaried position as Manager of the pre-school. The role of Trustee is a voluntary one. Employer pension contributions of £563 were made into a defined contribution pension scheme during the year. Kim received no other benefits in the period.

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INCOMING RESOURCES FOR THE YEAR ENDED 31/08/2021

	2021 £	2020 £
Incoming resources		
Incoming resources from generated funds		
Grants		
Council & Government Funding	80,362	89,379
Tesco Bags of Help grant funding	<u>-</u>	<u>-</u>
	80,362	89,379
Donations		
Donations & Fundraising	<u>1,419</u>	<u>1,140</u>
	1,419	1,140
Other		
Session & Registration Fees	15,101	7,327
Toddler Group	-	497
Trips & Events	-	239
Other Income	<u>529</u>	<u>568</u>
	15,630	8,631
	<u>97,411</u>	<u>99,150</u>
Investment Income		
Deposit account interest	<u>1,087</u>	<u>1,531</u>
	1,087	1,531
	<u>1,087</u>	<u>1,531</u>
	<u>98,499</u>	<u>100,681</u>

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EXPENSES FOR THE YEAR EDED 31/08/2021

	2021 £	2020 £
Expenses		
Costs of generating funds		
Costs of generating voluntary income		
Fundraising costs	115	10
Playgroup supplies	6,565	4,108
Equipment rental	432	432
Events & trip costs	-	118
	<u>7,112</u>	<u>4,668</u>
	<u>7,112</u>	<u>4,668</u>
Charitable Activities		
Marketing & publicity	269	411
Rates	383	168
Waste removal	362	275
Heat & light	2,949	2,273
Repairs & renewals	1,230	968
General wages	81,659	71,654
Pension	2,074	1,600
Training	479	934
Insurance	1,162	1,155
Stationary & office supplies	665	351
Telephone	571	688
Subscriptions	888	523
Sundry expenses	2,000	703
Depreciation of fixed assets	268	315
	<u>94,959</u>	<u>82,018</u>
Governance Costs		
Accountancy	1,080	845
Professional fees	-	-
Bank charges	152	151
	<u>1,232</u>	<u>996</u>
	<u>103,303</u>	<u>87,682</u>