

REGISTERED COMPANY NUMBER: 09140875 (England and Wales)
REGISTERED CHARITY NUMBER: 1158321

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2021
for
Sherwood Preschool Limited
(A Company Limited by Guarantee)

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for the Year Ended 31 August 2021

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Sherwood Preschool Limited

Report of the Trustees
for the Year Ended 31 August 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

BACKGROUND AND HISTORY OF MULBERRY PRE-SCHOOL AT HOWARD

Mulberry Pre-School at Howard was established on 21st July 2014 as a company for the purpose of running an independent pre-school. This followed the decision by an existing pre-school, The Mulberry Bush, to cease trading at Howard Primary School.

Following detailed discussion and negotiation, supported by legal and professional advisers, the trustees, with some start-up funding from The Hive, Croydon, formally took over the premises and resources at the site, previously occupied by The Mulberry Bush on 27th March 2015. They managed the successful transfer of all the staff, through TUPE, to ensure as smooth a change-over as possible, with the minimum of disruption to the children and their families using the facility.

Since then, Mulberry Pre-School at Howard has continued to provide an excellent, early-years learning environment for children aged 2 to 4, for local families.

The primary activity of the trustees, in the period covered by this report, was to ensure that the routine operation of the pre-school was maintained to a high standard with financial stability and sustainability guaranteed. This was complicated by the emergence of the Covid-19 pandemic and the restrictions imposed by Government on opening and social interaction. However, despite these pressures, the pre-school continued to provide a welcome for local families who adapted willingly to new routines and environment.

FINANCES

Trustees monitored the financial profile of the pre-school during this period to ensure that running costs were predictable and providing value for money. The trustees worked on the principle that it was prudent to ensure a cushion, equating to six months' expenditure, was maintained.

It remained the case that opening on a normal basis was not going to be possible while active measures were in force to contain the spread of Covid-19. Nevertheless, staff continued to be paid their average salaries even when they were obliged to self-isolate or their hours were reduced for other reasons outside their control. Fees for the Lunch-Club were waived as staff had to use the period between morning and afternoon sessions to deep-clean. This inevitably meant it was impossible to operate with a profit during this period. Costs were cut as far as possible but an average monthly loss has meant drawing on reserves. It was only towards the summer months that strong signs emerged that most parents were keen to resume their former pattern of hours for their children. Applications for September exceeded vacancies. Trustees became increasingly confident that, during the next reporting period, the pre-school's finances would once again be buoyant making investment in resources and the environment, on hold during the pandemic, possible.

The systematic arrangement with Howard Primary School regarding the metering and regular payment of utilities' bills has continued.

The accountant continues to be invited to attend all trustees' meetings as a matter of routine so that the financial situation is closely monitored on a half-termly basis.

POLICIES

Report of the Trustees
for the Year Ended 31 August 2021

During this period, policies were not routinely reviewed as the manager was focussed entirely on maintaining a stable environment for the children when staff absenteeism, due to catching Covid or self-isolating because of exposure to the virus, was a significant disruption.

Practices changed on occasion, in response to ever-changing Government guidelines.

The pre-school continued to operate, on a day to day basis, in accordance with its policies and Covid-19 measures. In this way, the trustees were able to provide a high quality service to local children and their families and fulfil their responsibilities in terms of the well-being of their staff.

STAFFING

Throughout this period, the trustees ensured that the pre-school remained fully staffed with appropriately qualified practitioners appointed. Provision was made to support staff who needed to shield because of their own or dependents' vulnerabilities.

It became aware, as the reporting period continued, that many staff were under considerable emotional pressure not only because of having to cover for absentee colleagues but also because of the drain on their own emotional energy caused by the effects of Covid. Trustees recognized the need to support staff through these difficult times by investing resources in staff-wellbeing.

There was no part-time administrative assistant employed during this period. One childcare practitioner worked additional hours, often from home, to provide administrative support.

A handy-person continued to be employed during this period on an ad hoc basis, by the hour. However, there was little call for his skills during the lock-down period.

The annual appraisal scheme for pre-school practitioners, now well established, was adapted appropriately with targets for staff modified to reflect the lockdown. Targets focussing on development work and planning that could be done from home, replaced the targets, in line with the current development plan, which had been set.

The compulsory pension scheme continued to run efficiently with the employer's contribution at 5% to match the statutory increase imposed on employees.

Regrettably, regular visits to the pre-school by the Chair of Trustees and other trustees ceased during this period to avoid the risk of spreading infection. Trustees meetings were all conducted via Zoom and three trustees, including the Chair, moved away from the local area.

PREMISES

There was no significant work on the premises during this period. Repairs to the fabric of the building, the responsibility of Howard School, took longer to effect.

INCOME GENERATION

The generation of income, other than through the receipt of fees and Council funding, was not addressed during this period. Focus was given, once the pandemic had struck, of monitoring the financial situation made precarious by the drop in income.

Report of the Trustees
for the Year Ended 31 August 2021

Trustees were aware that income generation would be an area where time and resources needed to be channelled in the future, in the light of the national and local situation if the pandemic persisted or once it had passed.

MEMBERSHIP AND PARTNERSHIPS

Trustees continued to subscribe to local professional networks to ensure that the staff are aware of current developments.

The manager continued to work closely with Croydon Local Authority, particularly as far as children with special educational needs or disabilities were concerned, and to keep informed about appropriate work-practices during the pandemic.

The relationship with Howard Primary School was sound. Issues relating to the management of the site by the school and the costs of refurbishment were addressed professionally.

The manager and other senior staff continued to invest time, when a need arose, in supporting parents and carers both in their parenting skills and in other matters including applying to primary schools and acquiring passports. Support was also given relating to the experience of bereavement which affected a number of families as a result of Covid deaths. It was clear that many local families regarded the pre-school staff as a reliable source of advice and guidance. Particular attention was given, during this period, in raising parental awareness about the dangers of unsupervised access to the internet. During the pandemic, the manager and deputy manager maintained an on-line service to all families, encouraging exercise and other stimulating activities which parents could do with their children. The preschool also set up a bank for donations of food and essential toiletries. Donations went to families in need, most affected by the pandemic.

Communication with parents for whom English was not their first language continued to be monitored. Support was always given to the parents for whom English was their second language, in applying for either their 2 years old funding, 30 hrs or child-care vouchers. A 'Translator App' for the staff to be able to communicate with parents who did not speak English was used.

The trustees recognised that a successful pre-school was likely to be rooted in the local community. They were therefore pleased that the partnerships forged to date proved to be positive, helping to develop a sense of a wider community. It was this sense of being within an active community that many families found supportive especially during an extremely challenging second half to the reporting period.

DEVELOPMENT

At the start of this reporting period, trustees considered taking advantage of an opportunity to open a workplace nursery at the nearby former St Andrew's School, which was to be developed as multiple work units for artists. However, doing so when the situation was so volatile would have proved too risky.

There was therefore negligible development during this reporting period. A considerable amount of time and energy were expended responding to the restrictions and disruptions caused by the pandemic. This left insufficient capacity to focus on any development even had it been clear what the future environment would have been like.

Sherwood Preschool Limited

Report of the Trustees for the Year Ended 31 August 2021

However, it was clear by August 2021 that the staff had held together and that the pre-school was in reasonable shape to rebound after the pandemic had eased to begin planning.

SUMMARY

This reporting period was one of consolidation, coping with the challenges posed by the pandemic and ensuring that standards were not lowered. This was achieved through the hard work and determination of the staff team to put the well-being of the children first, despite having to cope with their own increased domestic pressures.

Ratified by trustees on-line, on 11TH May 2022, and signed on their behalf by the Chair of Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

09140875 (England and Wales)

Registered Charity number

1158321

Registered office

7 Nottingham Road
South Croydon
Surrey
CR2 6LN

Trustees

Ms M M C Jackson Teaching Assistant
D N Matthews Headteacher
Mrs R Ramakrishnan Teacher
Mrs M G Roberts Clerk
D B C Tooze Charity Administrator

Company Secretary

Independent Examiner

Maddox & Maddox Limited
9 Commercial Yard
Barnard Castle
Co. Durham
CR6 9LW

Approved by order of the board of trustees on 11 May 2022 and signed on its behalf by:

Sherwood Preschool Limited

Report of the Trustees
for the Year Ended 31 August 2021

D N Matthews - Trustee

Independent examiner's report to the trustees of Sherwood Preschool Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Simon Maddox
FCCA
Maddox & Maddox Limited
9 Commercial Yard
Barnard Castle
Co. Durham
CR6 9LW

12 May 2022

Sherwood Preschool Limited

Statement of Financial Activities
for the Year Ended 31 August 2021

		Year Ended 31.8.21 Unrestricted fund £	Period 1.8.19 to 31.8.20 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		203,810	207,579
Other trading activities	2	45,486	54,082
Total		249,296	261,661
 EXPENDITURE ON			
Raising funds		245,053	268,344
 NET INCOME/(EXPENDITURE)		4,243	(6,683)
 RECONCILIATION OF FUNDS			
Total funds brought forward		202,818	209,501
 TOTAL FUNDS CARRIED FORWARD		207,061	202,818

The notes form part of these financial statements

Sherwood Preschool Limited

Balance Sheet
31 August 2021

	Notes	31.8.21 Unrestricted fund £	31.8.20 Total funds £
FIXED ASSETS			
Tangible assets	7	638	1,925
CURRENT ASSETS			
Debtors	8	1,837	1,070
Cash at bank		225,348	203,786
		<u>227,185</u>	<u>204,856</u>
CREDITORS			
Amounts falling due within one year	9	(20,762)	(3,963)
NET CURRENT ASSETS		<u>206,423</u>	<u>200,893</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		207,061	202,818
NET ASSETS		<u>207,061</u>	<u>202,818</u>
FUNDS	10		
Unrestricted funds		207,061	202,818
TOTAL FUNDS		<u>207,061</u>	<u>202,818</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

Sherwood Preschool Limited

Balance Sheet - continued
31 August 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 11 May 2022 and were signed on its behalf by:

D N Matthews - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Computer equipment	- 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER TRADING ACTIVITIES

	Year Ended 31.8.21 £	Period 1.8.19 to 31.8.20 £
After school fees	34,214	33,652
Top up fees	11,272	20,430
	<u>45,486</u>	<u>54,082</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.8.21 £	Period 1.8.19 to 31.8.20 £
Depreciation - owned assets	1,287	3,225
Other operating leases	15,000	13,750
	<u>16,287</u>	<u>16,975</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the period ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the period ended 31 August 2020.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	Year Ended	Period
	31.8.21	1.8.19
	15	to
		31.8.20
		14
Staff	<u>15</u>	<u>14</u>

No employees received emoluments in excess of £60,000.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	207,579
Other trading activities	54,082
Total	<u>261,661</u>
EXPENDITURE ON	
Raising funds	268,344
NET INCOME/(EXPENDITURE)	<u>(6,683)</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	209,501
TOTAL FUNDS CARRIED FORWARD	<u><u>202,818</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 September 2020 and 31 August 2021	4,650	500	5,150
DEPRECIATION			
At 1 September 2020	3,100	125	3,225
Charge for year	1,162	125	1,287
At 31 August 2021	4,262	250	4,512
NET BOOK VALUE			
At 31 August 2021	388	250	638
At 31 August 2020	1,550	375	1,925

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21 £	31.8.20 £
Other debtors	1,837	1,070

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21 £	31.8.20 £
Social security and other taxes	13,871	2,171
Other creditors	641	542
Accrued expenses	6,250	1,250
	20,762	3,963

Notes to the Financial Statements - continued
for the Year Ended 31 August 2021

10. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	202,818	4,243	207,061
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>202,818</u>	<u>4,243</u>	<u>207,061</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	249,296	(245,053)	4,243
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>249,296</u>	<u>(245,053)</u>	<u>4,243</u>

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	209,501	(6,683)	202,818
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>209,501</u>	<u>(6,683)</u>	<u>202,818</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	261,661	(268,344)	(6,683)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>261,661</u>	<u>(268,344)</u>	<u>(6,683)</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

Detailed Statement of Financial Activities
for the Year Ended 31 August 2021

	Year Ended 31.8.21 £	Period 1.8.19 to 31.8.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Local authority funding	203,810	207,579
Other trading activities		
After school fees	34,214	33,652
Top up fees	11,272	20,430
	<hr/>	<hr/>
	45,486	54,082
Total incoming resources	<hr/>	<hr/>
	249,296	261,661
EXPENDITURE		
Other trading activities		
Resources	5,420	4,196
Food	3,413	4,045
	<hr/>	<hr/>
	8,833	8,241
Support costs		
Management		
Wages	189,563	207,140
Social security	4,053	2,602
Pensions	5,026	5,040
Advertising	149	-
	<hr/>	<hr/>
	198,791	214,782
Other		
Rent	15,000	13,750
Insurance	1,278	1,386
Light and heat	2,367	4,080
Telephone	810	653
Postage and stationery	777	608
Carried forward	20,232	20,477

Sherwood Preschool Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2021

	Year Ended 31.8.21 £	Period 1.8.19 to 31.8.20 £
Other		
Brought forward	20,232	20,477
Repairs and renewals	3,548	9,160
Cleaning	5,521	3,739
Professional fees	983	327
Staff Training	377	320
Sundries	400	880
Accountancy	2,880	3,180
Computer and IT costs	786	2,050
Uniforms	1,149	1,961
Charitable donations	40	-
Travel	34	2
Plant and machinery	1,162	3,100
Computer equipment	125	125
Interest on late payment	192	-
	<hr/> 37,429	<hr/> 45,321
Total resources expended	<hr/> 245,053	<hr/> 268,344
Net income/(expenditure)	<hr/> <hr/> 4,243	<hr/> <hr/> (6,683)

This page does not form part of the statutory financial statements