



LITTLE OWLS PRE-SCHOOL PLYMOUTH CIO

Unaudited Statement of Financial Activities

Year ended

31 August 2021



MCas Accounting & Tax Services
Association of Chartered Certified Accountants

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Highlights

The Board of Trustees of Little Owls Pre-School Plymouth (CIO) are pleased to present their annual report and accounts for the year ending 31st August 2021, and confirm they comply with the requirements of the Charity Commission.

Charitable Objects

To provide high quality childcare for children primarily under statutory school age and to work for the public benefit by having as its objects the development and education of children and young people by:

1. Promoting their care and safety.
2. Promoting their education and parental involvement.
3. Promoting their health and wellbeing.
4. Providing services to support them and their families and carers.

Little Owls

Little Owls has been established in the local community for over 30 years. The current setting provides childcare and education for approximately 45 children and employs circa 13 (2020 10) members of staff on both full-time and part-time contracts.

Financial Summary:

The financial year to 31 August 2021 generated total revenues of £171,222 which represents an increase of 21% compared to the previous year. The expenditure spent to deliver the revenues were £149,692 (2020 £129,205) in line with the revenue increase. This has resulted in a surplus of £21,530. There were a number of anticipated costs that the trustees have made allowances for, these are:

£5,500 repair & maintenance
£15,020 additional staffing resources

Thus ending with a bank balance & cash at hand of £95,887 on 31 August 2021.

Chair's Foreword

I provide my report for the year ended 31 August 2021.

During another somewhat challenging year, we are able to report and celebrate a solid year of trading despite continuing to battle with the difficulties associated with the pandemic. As a Board, we extend our thanks to the operations team who steadfastly remained open throughout, ensuring we continued to support our families in the local community during these challenging times.

With great sadness I report the loss of a key member of our team, our Deputy Manager, Kate Hard who unexpectedly passed away at the beginning of 2021. This left a huge gap at Little Owls and it was a difficult time to manage. Little Owls continues to miss her. We offer our thanks to Kate's family who donated a beautiful 'reading chair' to the setting in her memory, meaning Kate always remains in our thoughts.

At the beginning of 2021 we agreed to increase our fees for the first time in six years however we remained competitive and our child numbers remained high.

The setting is performing well and we continue to invest in the setting, having installed gas central heating as an alternative to our electric heating and astro turf in the garden area ensuring our children can use the space all year round.

The results for the year ended 31 August 2021, saw Little Owls with a bank balance of £69,810 which includes a small amount of covid support monies from the Local Authority which our local MP assisted us in securing. We formally thank Luke Pollard MP and his team.

In July 2021, we moved accountants from James Sowden to MCAS with the aim to further improve and strengthen our financial management, reporting and the support we offer to the team.

Links with local schools remain strong and the team works well to help ensure school transitions are a positive experience for our children.

Relationships with other educational institutions continued to develop although we were restricted in the number of placements, we were able to offer because of the pandemic. However, we did welcome two students from Achievement Training and one from City College. Unfortunately, we were unable to offer placements to our overseas colleagues but hope to do so in the future when circumstances allow.

Our Strategic Objectives for 2020/2021:

1. To carry out financial modelling to see if the charity has sufficient funds to purchase a permanent site to operate from. If this is a financially viable option, it would save the charity money.

The financial impact of the pandemic continues to affect organisations and we had insufficient funds to pursue the purchase of the site this year so this strategic objective will carry over into 2022.

2. To build on and retain talent within the current team, including consideration of other business structures.

We restructured the senior operations team at the beginning of 2021 and have considered some alternative structures but are still assessing others so this strategic objective will carry over into 2022.



Skye Godfrey, MSc, BSc (Hons), MCIPS
Chair, Little Owls Pre-School (Plymouth) CIO

The Board of Trustees

Skye Godfrey, MSc, BSc (Hons), MCIPS Chair

Skye Godfrey took over as Chair in January 2013 and has led most of the organizational changes. Skye enjoys helping charities/not for profit businesses become more commercially aware, competitive and sustainable. She has been instrumental in identifying and implementing key opportunities to improve the care and education of the children. She passionately believes children should have the best start in life and that quality Early Years education plays a key role in this.

Mark Pickersgill, MBA, CEng, FIMechE.
Treasurer

Mark joined the Board in 2017. During his 30-year career in the UK and international Rail industry, Mark held senior engineering, operations, commercial and customer management roles, including three Board positions for award winning companies within the privatised passenger and freight sectors. Mark ended his Rail career as the UK's senior director with the world's largest transportation company- Bombardier Transportation. He has a proven track record of improving the financial and operational performance of businesses, safely, which has been a common theme throughout his career, and which remains an area of particular interest and enjoyment for him today making him well-placed to act as Treasurer for Little Owls.

Caroline Hellings
Secretary

Caroline Hellings has been Little Owls' secretary for 12 years. Caroline has been instrumental in developing Little Owls into a sustainable business. It was Caroline who first identified the opportunity to develop the Mannamead setting. It was also Caroline's large network of local contacts that enabled us to establish the Mannamead setting at minimal cost with overwhelming support and donations from the local community.

Nick Hellings
MBA Trustee

Nick Hellings joined the Board in 2017 to assist with governance. Nick is a local businessman and was the Chair of Governors at a local school so brings with him a huge amount of relevant experience.

The Board members give their time and expertise freely and no remuneration or expenses are paid to the individuals as Trustees of the Charitable Incorporated Organisation.

Charity Information

Charity Number: 1159402

Setting information:

Little Owls Pre-School (Plymouth) CIO
82-84 Higher Compton Road
Higher Compton
Plymouth
PL3 5JD

Ofsted Number: EY2596605

Bank: Natwest

Registered Charity Address:

Little Owls Pre-School (Plymouth) CIO
82-84 Higher Compton Road
Higher Compton
Plymouth
PL3 5JD

Solicitors:

Wolferstans
North Hill
Plymouth

Trustee Report

Trustee Responsibilities

The Board of Trustees is responsible for ensuring the Charity demonstrates financial probity, is compliant with relevant legislation and encourages good practice,

Policies

Little Owls regularly reviews its policies to ensure compliance with legislation and to reflect good practice. Little Owls has a suite of approximately 40 policies including key policies such as Safeguarding and Child Protection, Whistleblowing, Equal Opportunities, SEN Provision, Making a Complaint.

New employees, student placements and volunteers are required to read and accept the policies as part of their induction. New or revised policies are briefed at staff meetings and cascaded appropriately.

Parents/Carers are briefed about the policies during the Child Registration process.

Skye Godfrey has Board responsibility for Safeguarding.

Fees

Fees are set at Board level and consideration is given to operational costs, market sustainability, competition. Fees are reviewed as/when appropriate.

Curriculum

Little Owls is fully compliant with the Early Years Foundation Stage curriculum.

Health and Safety

Little Owls has a member of staff dedicated to Health and Safety. The member of staff is responsible for carrying out fire drills, highlighting health and safety issues to the Board and for ensuring records are maintained.

The Little Owls Health and Safety and Fire Safety manuals and documentation were developed by external consultant, Health and Safety Matters.

Employees have received fire safety and fire warden training in accordance with their roles. Skye Godfrey has Board responsibility for Health and Safety.

Insurance

Our insurance is provided by Royal Sun Alliance via the Pre-School Learning Alliance. We hold £5m of Public Liability insurance and £10m Employers Liability insurance.

Strategic Objectives for 2022

1. To consider the long-term business structure and supporting strategy for Little Owls.
2. To progress plans with a view to expansion.
3. To progress the overhaul and development of the website.
4. To transition to new accountants with a view to improved, expertise to better support the charity.

Financial Accounting, Procedures and Governance

Legislation requires the Board to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the Charity as at the end of the financial year. The Accounts are independently examined as part of this process.

In preparing the accounts, the Board is required to:

- *select suitable accounting policies and apply these consistently;*
- *make judgements and estimates that are reasonable and prudent;*
- *state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and*
- *prepare the financial accounts*

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable to ensure the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval of financial accounts

The financial accounts were presented at the Annual General Meeting of the Charity held on 8th June 2022.

Corporate Governance

During the year the Board consisted of three First Charity Trustees and one Trustee. Details of these Board members are given on page 4 of this report.

The Board meets at least four times each year and more frequently as and when required.

INDEPENDENT EXAMINER'S REPORT

to the trustees of Little Owls Preschool Plymouth CIO

I report on the accounts of the Trust for the year ended 31 August 2021 which are set out on the following pages.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's independent examination is needed. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters that have come to my attention.

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements
 - (a) to keep accounting records in accordance with section 130 of the 2011 Act and
 - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mylien Verboom ACCA
MCas Accounting & Tax Services
63-66 Hatton Gardens, 5/F suite 23
London, EC1N 8LE

9th June 2022

LITTLE OWLS PRESCHOOL PLYMOUTH CIO
CHARITY NUMBER: 1159402

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2021

		Unrestricted Income Fund	Restricted Income Fund	Total Funds Year ended 31 August 2021	Total Funds Year ended 31 August 2020
INCOMING RESOURCES	Note	£	£	£	£
Grants & Donations		111,395		111,395	104,866
Charitable Activities:					
Pre-school fees		58,931		58,931	24,971
Other Income		896		896	3,709
Investment Income	2				
Total Incoming Resources		171,222		171,222	133,546
RESOURCES EXPENDED					
Charitable Activities:	3	141,240		141,240	124,464
Governance Costs					
Audit, Accountancy & Payroll	5	4,973		4,973	3,468
Legal & Professional fees		3,479		3,479	1,273
Total Resources Expended		149,692		149,692	129,205
NET INCOMING RESOURCES		21,530		21,530	4,341
Transfers between Funds					
Total Funds Brought Forward		50,208	13,920	64,128	59,787
TOTAL FUNDS CARRIED FORWARD		71,738	13,920	85,658	64,128

The notes that follow form part of the financial statements

BALANCE SHEET **FOR THE YEAR ENDED 31ST AUGUST 2021**

		2021	2020
	Note	£	£
Current Assets			
Debtors	4	(1,388)	(2,483)
Cash and bank		95,886	69,810
		94,498	67,327
Current Liabilities			
Creditors		296	607
Social security & other taxes		2,319	546
Other creditors	5	6,225	2,046
		8,840	3,199
Net Current Assets/(Liabilities)		85,658	64,128
TOTAL ASSETS		85,658	64,128
Represented by			
Restricted Funds	6	13,920	13,920
Unrestricted Funds	6	71,738	50,208
		85,658	64,128

Signed on behalf of the Trustees



Skye Godfrey, MSc, BSc (Hons), MCIPS
Chair, Little Owls Pre-School (Plymouth) CIO

9th June 2022

The notes that follow form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 STATEMENT OF ACCOUNTING

POLICIES Basis of accounting

The financial statements have been drawn up in accordance with the Charities Act 2011, the Statement of Recommended Practice on Accounting and Reporting by Charities, of March 2005, accounting standards and the historic cost basis of accounting.

Incoming resources

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

Donations and grants are recognised when the charity has been notified of both the amount and settlement date.

Interest on funds held on deposit is included when receivable and the amount can be reliably measured by the charity.

Resources expended

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual's basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are to be used in accordance with specific restrictions imposed by the donor.

2 INVESTMENT INCOME

All of the charity's investment income arises from money held in interest bearing deposits and other bank accounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

3 CHARITABLE ACTIVITIES

	2021	2020
	£	£
Food & Drink	1,240	713
Activity supplies	726	356
Advertising & Marketing	45	607
Bank Fees		
Cleaning Services	5,123	4,791
General Expenses	3,454	2,585
Insurance	898	896
IT Software and Consumables	351	493
Postage, Freight & Courier	790	897
Rates		395
Rent	14,400	12,200
Repairs & Maintenance	8,602	6,902
Salaries	101,279	86,259
Staff Training	507	760
Telephone & Internet	354	501
Travel - National		(2)
Light & Heat, utilities	3,471	5,990
Uniform		
Staff Welfare		118
	<u>141,240</u>	<u>124,464</u>

4 DEBTORS

	2021	2020
	£	£
Credits issued due to Covid lockdown	(1,388)	(2,483)
	<u>(1,388)</u>	<u>(2,483)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

5 OTHER CREDITORS

	2021 £	2020 £
Pension costs		259
Accruals	6,225	1,015
PAYE & NI		772
	<u>6,225</u>	<u>2,046</u>

6 FUNDS

	Unrestricted Fund £	Restricted Fund £	Total Fund £
Current Assets	80,579	13,920	94,499
Current Liabilities	(8,840)		(8,840)
	<u>71,739</u>	<u>13,920</u>	<u>85,659</u>