



LITTLE OWLS PRE-SCHOOL PLYMOUTH CIO

Unaudited Statement of Financial Activities

Year To

31 August 2022

## Contents:

	Page No.
Highlights	2
Chair's Foreword	3
The Board of Trustees	4
Charity Information	5
Trustee Report	6
Strategic Objectives for 2023	7
Financial Governance & Financial Accounts	8 - 15

## 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 2022, and confirm they comply with the requirements of the Charities 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 40 years. The current setting provides childcare and education for approximately 45 children and employs circa 7 members of staff on both full-time and part-time contracts.

### Financial Summary:

The financial year to 31 August 2022 generated total revenues of £184,365 which represents an increase of £13,143 compared to the previous year (2021 £171,222). The total cost, including administrative expenses, to deliver the revenues was £145,857 (2021 £149,692). This resulted in an operational surplus of £38,508 (2021 £21,530).

Trustees Funds as at the 31 August 2022 was £124,167 (2021 £85,659).

## Chair's Foreword

I provide my report for the year ended 31 August 2022.

Another challenging year which saw us overcome the tail-end of the pandemic and survive the departure of the Manager and Deputy Manager in a short period of time who both left Little Owls to pursue careers in different industries. We welcomed our new Manager, Mia, who led the team through an Ofsted inspection only six weeks after she started with us and helped secure a 'Good' rating and we formally congratulate the team on pulling together to achieve this success!

From a governance perspective, we changed the Charity's Accountants to a local supplier, TS Partners to help us improve the level of day-to-day operational support with the aim to strengthen financial knowledge and ownership.

Staffing remains difficult as many qualified practitioners left the industry during the pandemic. However, we remain hopeful that the industry will benefit from the government's initiatives and incentives that are on offer to encourage suitably qualified workers back to Early Years.

The Board agreed to increase parent fees for the second year running to keep up with rising costs in particular utilities and national minimum wage increases. However, our fees remain competitive.

The setting is performing well, and we continue to invest in staff facilities and educational resources. We closed for three weeks during the Summer to create a new staff room and this has been well received and made lunchtimes easier to manage.

Despite the many challenges throughout the year, effective cost management helped to deliver strong financial results for the 12 months to 31 August 2022 and saw Trustee's Funds increase to £124,167.

Links with local schools remain strong and the team work well to help ensure school transitions are a positive experience for all our children and relationships with other educational institutions continued to develop in a positive manner. Despite being restricted at the beginning of the academic year, we were able to accommodate five new students with two existing students continuing their placements with us. We were delighted to recruit one of those continuing students who won student of the year.

### **Our Strategic Objectives for 2021/2022:**

1. To consider the long-term business structure and supporting strategy for Little Owls.

We have a high number of funded children leaving in the Summer with insufficient non-funded child numbers to bridge this gap. It is believed this is largely due to the financial impact of COVID so we have put this objective on hold.

2. To progress plans with a view to expansion of the setting.

See above point.

3. To progress the development of a new website.

Completed.

4. To transition to new accountants to help increase fiscal competence within the operational team and so better support the charity.

Completed.

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 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 of Little Owls 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 in 2012 as the UK's senior director with Bombardier Transportation, then the world's largest transportation company. He has a proven track record of improving the financial and operational performance of businesses safely and is currently a Trustee and Director of Devonport High School for Boys, a local Grammar school.

Caroline Hellings  
Secretary

Caroline Hellings has been Little Owls' secretary for 13 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 many years ago when we made our first move from a church hall 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, and 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. This 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 training in accordance with their roles. Skye Godfrey has Board responsibility for Health and Safety.

### Insurance

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

## **Strategic Objectives for 2023**

1. With rising costs our cost base remains a challenge and with this in mind, a review of operational efficiency to identify improved methods of working will be undertaken.
2. To consider, and implement if appropriate, childcare management software.



## 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 10<sup>th</sup> May 2023.

### 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.

Board members and the Manager meet monthly with the Charity's Accountants, TS Partners to discuss the Charity's accounts and also meet as a Board to discuss and agree key strategic issues.

Registered number  
CE003352

Little Owls Preschool CIO

Report and Accounts

31 August 2022

**Little Owls Preschool CIO**  
**Income and Expenditure Account**  
**for the year ended 31 August 2022**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Turnover</b>	184,365	171,222
Cost of sales	(4,168)	(1,966)
<b>Gross surplus</b>	<u>180,197</u>	<u>169,256</u>
Administrative expenses	(141,689)	(147,726)
<b>Operating surplus</b>	<u>38,508</u>	<u>21,530</u>
<b>Surplus before taxation</b>	<u>38,508</u>	<u>21,530</u>
Tax on profit	-	-
<b>Surplus for the financial year</b>	<u>38,508</u>	<u>21,530</u>

**Little Owls Preschool CIO****Registered number:** CE003352**Balance Sheet****as at 31 August 2022**

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	3	195	-
<b>Current assets</b>			
Debtors	4	102,017	(1,388)
Cash at bank and in hand		31,480	95,887
		<u>133,497</u>	<u>94,499</u>
<b>Creditors: amounts falling due within one year</b>	5	(9,525)	(8,840)
<b>Net current assets</b>		<u>123,972</u>	<u>85,659</u>
<b>Net assets</b>		<u>124,167</u>	<u>85,659</u>
<b>Capital and reserves</b>			
Profit and loss account		124,167	85,659
<b>Trustees' funds</b>		<u>124,167</u>	<u>85,659</u>

The trustees are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

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

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Mark Pickersgill

Trustee

Approved by the board on 12 January 2023

**Little Owls Preschool CIO**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

**1 Accounting policies**

***Turnover***

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

**Little Owls Preschool CIO**  
**Notes to the Accounts**  
**for the year ended 31 August 2022**

***Pensions***

Contributions to defined contribution plans are expensed in the period to which they relate.

<b>2 Employees</b>	<b>2022 Number</b>	<b>2021 Number</b>
Average number of persons employed by the company	<u>12</u>	<u>12</u>
<b>3 Tangible fixed assets</b>		<b>Plant and machinery etc £</b>
<b>Cost</b>		
Additions		<u>195</u>
At 31 August 2022		<u>195</u>
<b>Depreciation</b>		
At 31 August 2022		<u>-</u>
<b>Net book value</b>		
At 31 August 2022		<u>195</u>
<b>4 Debtors</b>	<b>2022 £</b>	<b>2021 £</b>
Trade debtors	6,842	(1,388)
Other debtors	95,175	-
	<u>102,017</u>	<u>(1,388)</u>
<b>5 Creditors: amounts falling due within one year</b>	<b>2022 £</b>	<b>2021 £</b>
Obligations under finance lease and hire purchase contracts	1,055	-
Trade creditors	170	296
Taxation and social security costs	-	2,319
Other creditors	-	6,225
	<u>9,525</u>	<u>8,840</u>

**6 Other information**

Little Owls Preschool CIO is a Charitable incorporated organisation registered in England. Its registered office is:

Allard House  
82-84 Higher Compton Road  
Plymouth  
Devon  
PL3 5JD

**Little Owls Preschool CIO**  
**Detailed Income and Expenditure Account**  
**for the year ended 31 August 2022**

*This schedule does not form part of the statutory accounts*

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Sales</b>	184,365	171,222
Cost of sales	(4,168)	(1,966)
<b>Gross surplus</b>	<hr/> 180,197	<hr/> 169,256
Administrative expenses	(141,689)	(147,726)
<b>Operating surplus</b>	<hr/> 38,508	<hr/> 21,530
<b>Surplus before tax</b>	<hr/> <hr/> 38,508	<hr/> <hr/> 21,530

**Little Owls Preschool CIO**  
**Detailed Income and Expenditure Account**  
**for the year ended 31 August 2022**

*This schedule does not form part of the statutory accounts*

	2022 £	2021 £
<b>Sales</b>		
Pre school fees	78,364	58,931
Other income	681	896
Grant Income	105,320	111,395
	<u>184,365</u>	<u>171,222</u>
<b>Cost of sales</b>		
Consultancy fees	2,564	-
Refreshments	1,235	1,240
Crafts and activities	369	405
Other direct costs	-	321
	<u>4,168</u>	<u>1,966</u>
<b>Administrative expenses</b>		
Employee costs:		
Wages and salaries	110,446	96,466
Pensions	1,454	1,343
Employer's NI	(8,586)	3,470
Staff training and welfare	1,829	472
Entertaining	131	-
	<u>105,274</u>	<u>101,751</u>
Premises costs:		
Rent	14,400	14,400
Rates	2,471	1,218
Light and heat	2,088	2,253
Cleaning	5,921	6,497
	<u>24,880</u>	<u>24,368</u>
General administrative expenses:		
Telephone and internet	361	354
Postage, printing and stationary	779	790
Information and publications	401	351
Subscriptions	173	154
Bank charges	(45)	-
Insurance	915	898
Equipment expensed	280	477
Bad debts	1,056	-
Repairs and maintenance	182	8,125
Cleaning materials	1,446	1,363
Sundry expenses	471	504
	<u>6,019</u>	<u>13,016</u>
Legal and professional costs:		
Payroll costs	725	612
Accountancy fees	2,951	4,361
Solicitors fees	-	3,086
Consultancy fees	810	393
Advertising and PR	850	-
Other legal and professional	180	139
	<u>5,516</u>	<u>8,591</u>
	<u>141,689</u>	<u>147,726</u>



Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

**Give here brief details of any items that the examiner wishes to disclose.**



Section A

Independent Examiner's Report

Report to the trustees

Charity Name  
Little Owls Pre-School Plymouth CIO

On accounts for the year  
ended

31/08/22

Charity no  
(if any)

1159402

Set out on pages

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 / 08 / 2022.

Responsibilities and  
basis of report

As the charity's 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 Trust'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 which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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:

*D. Cross*

Date:

05/06/23

Name:

DANIEL CROSS

Relevant professional  
qualification(s) or body  
(if any):

MAAT ATT

Address:

4-5 Russell Court

Palace Street

Plymouth PL1 2AS