



LITTLE OWLS PRE-SCHOOL PLYMOUTH CIO
Unaudited Statement of Financial Activities
Year to 31 August 2023

Contents:

	Page No.
Highlights	3
Chair's Foreword	4
The Board of Trustees	5
Charity Information	6
Trustee Report	7
Strategic Objectives 2023	8
Financial Governance & Financial Accounts	9

Highlights

The Board of Trustees of Little Owls Pre-School (Plymouth) CIO is pleased to present their annual report and accounts for the year ending 31 August 2023 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 seven members of staff full-time on both all year round and term-time contracts.

Financial Summary

The financial year to 31 August 2023 generated total revenues of £179,664 which represents a decrease of £4701 compared to the previous financial year.

The total cost, including administrative expenses, to deliver the revenues was £165,166. This resulted in an operational surplus, including £959 investment interest received, of £15457.

Trustee's funds as at the 31st August 2023 was £139,624 (2022 £124,167).

Chair's Foreword

I provide my report for the year ended 31 August 2023.

A year which sadly saw two long-standing Little Owls staff leave us. Pauline took her well-deserved retirement and Caroline, our Administrator and Secretary, stepped down to pursue a career with Plymouth City Council. We formally thank them for all their hard work over the years and wish them all the very best for the future.

During recent times, the childcare industry has suffered a recruitment crisis and, in line with nurseries nationwide, retaining and attracting new staff is very difficult. We remain hopeful that the industry will benefit from central government's initiatives and incentives currently available to encourage suitably qualified workers back to Early Years and, as a Board, we will look to develop innovative market-leading methods to recruit and retain staff to ensure Little Owls is recognised as a workplace of choice.

The Board agreed to increase fees for the third year running to keep pace 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.

Despite the staffing challenges throughout the year, effective cost management helped to deliver strong financial results for the 12 months to 31 August 2023 and saw Trustee's Funds increase to £139,624.

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

Relationships with other educational institutions remain positive and, we are advised, Little Owls is one of the only settings that continues to provide work experience placements for school age children. Links with colleges also remain positive and we welcomed several childcare and speech and language student placements over the course of the year.

Our Strategic Objectives for 2022/2023

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.
Completed. The Manager has looked at optimising staffing given the challenges with recruitment. The setting works with mixed ratios wherever possible to alleviate the pressure on staffing and provide fun and challenging learning opportunities for the children. This works well with this cohort of children as there are a few siblings in the setting however, it is in constant review.
2. To consider, and implement if appropriate, childcare management software.
Completed. The Manager selected IConnect which was sourced and implemented and has been well-received by both our families and staff.
3. To develop and issue a parent/carer questionnaire with a view to using the outputs in marketing activities which will be agreed by the Board.
Completed. Returns were low with the key request relating to information on up-and-coming events and curriculum which the Manager now has in hand.

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

The Board of Trustees

Skye Godfrey, MSc, BSc (Hons), CIPS – Chair

Skye Godfrey took over as Chair of the charity in January 2013 after being on the committee for a period of time. Skye has senior level commercial experience and has led most of the key organizational changes over the years and thus 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 for our children and passionately believes children should have the best start in life with Early Years education playing a vital 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. Mark is currently a Trustee and Director of Devonport High School for Boys, a local Grammar school.

Nick Hellings, MBA – Secretary

Nick Hellings originally joined the Board in 2017 to assist with governance. Nick is a local businessman and was the Chair of Governors at a local school prior to his role with us; bringing a huge amount of relevant experience.

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

Charity Information

Charity Number: 1159402

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

Ofsted Number: EY2596605

Bank: Natwest

Registered Charity Address:

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

Solicitors:

Wolferstans
North Hill
Plymouth

Accountants:

TS Partners Limited
4-5 Russell Court
Palace Street
Plymouth
PL1 2AS

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, Complaints.

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 and are available to them.

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 EYFS and 'Development Matters'.

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.

Skye Godfrey has Board responsibility for Health and Safety.

The Little Owls Fire Safety documentation was developed by external consultant 'Fire Safety Matters'.

Employees have received fire safety training in accordance with their roles.

Insurance

Our insurance is provided by Royal Sun Alliance via the Early Years Alliance. We hold £5m of Public Liability insurance and £10m Employers Liability insurance.

Strategic Objectives for 2023/2024

Identify and apply for appropriate grants to improve the facilities and learning opportunities for our children and families.

Explore the possibility of expanding the premises with our landlord.

Identify additional, affordable benefits to attract and retain staff, for example:

- Develop and implement a staff performance-related bonus scheme
- Evaluate business healthcare schemes for all staff.

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 a 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 records which disclose with reasonable accuracy at any time the financial position of the Charity and to ensure the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence 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 24th June 2024.

Corporate Governance

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

The Board members and the Manager meet monthly with the Charity's Accountants, TS Partners Limited, 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 2023

Little Owls Preschool CIO
Income and Expenditure Account
for the year ended 31 August 2023

	2023 £	2022 £
Turnover	179,664	184,365
Cost of sales	(3,011)	(4,168)
Gross surplus	<u>176,653</u>	<u>180,197</u>
Administrative expenses	(162,155)	(141,689)
Operating surplus	<u>14,498</u>	<u>38,508</u>
Interest payable	959	-
Surplus before taxation	<u>15,457</u>	<u>38,508</u>
Tax on surplus	-	-
Surplus for the financial year	<u>15,457</u>	<u>38,508</u>

Little Owls Preschool CIO**Registered number:** CE003352**Balance Sheet****as at 31 August 2023**

	Notes	2023	2022
		£	£
Fixed assets			
Tangible assets	3	1,425	195
Current assets			
Debtors	4	91,663	102,017
Cash at bank and in hand		62,425	31,480
		<u>154,088</u>	<u>133,497</u>
Creditors: amounts falling due within one year	5	(15,889)	(9,525)
Net current assets		<u>138,199</u>	<u>123,972</u>
Net assets		<u>139,624</u>	<u>124,167</u>
Capital and reserves			
Profit and loss account		139,624	124,167
Trustees' funds		<u>139,624</u>	<u>124,167</u>

The directors 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 directors 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

Director

Approved by the board on 14 June 2024

Little Owls Preschool CIO
Notes to the Accounts
for the year ended 31 August 2023

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.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Pensions

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

2 Employees

	2023 Number	2022 Number
Average number of persons employed by the company	<u>8</u>	<u>12</u>

Little Owls Preschool CIO
Notes to the Accounts
for the year ended 31 August 2023

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 September 2022	195
Additions	1,230
At 31 August 2023	<u>1,425</u>
Depreciation	
At 31 August 2023	<u>-</u>
Net book value	
At 31 August 2023	<u>1,425</u>
At 31 August 2022	<u>195</u>

4 Debtors	2023 £	2022 £
Trade debtors	6,663	6,842
Other debtors	85,000	95,175
	<u>91,663</u>	<u>102,017</u>

5 Creditors: amounts falling due within one year	2023 £	2022 £
Non-equity preference shares	-	8,300
Obligations under finance lease and hire purchase contracts	(1,056)	1,055
Trade creditors	-	170
Taxation and social security costs	(4,726)	-
Other creditors	21,671	-
	<u>15,889</u>	<u>9,525</u>

6 Other information

Little Owls Preschool CIO is a private company limited by shares and incorporated 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 2023

This schedule does not form part of the statutory accounts

	2023 £	2022 £
Sales	179,664	184,365
Cost of sales	(3,011)	(4,168)
Gross surplus	<hr/> 176,653	<hr/> 180,197
Administrative expenses	(162,155)	(141,689)
Operating surplus	<hr/> 14,498	<hr/> 38,508
Interest payable	959	-
Surplus before tax	<hr/> 15,457 <hr/>	<hr/> 38,508 <hr/>

Little Owls Preschool CIO
Detailed Income and Expenditure Account
for the year ended 31 August 2023

This schedule does not form part of the statutory accounts

	2023	2022
	£	£
Sales		
Fee income	87,547	78,364
Other income	-	681
Grant income	92,117	105,320
	<u>179,664</u>	<u>184,365</u>
Cost of sales		
Consultancy fees	150	2,564
Direct labour	766	-
Refreshments	1,089	1,235
Crafts and activities	496	369
Other direct costs	510	-
	<u>3,011</u>	<u>4,168</u>
Administrative expenses		
Employee costs:		
Wages and salaries	115,430	110,446
Pensions	1,597	1,454
Employer's NI	4,336	(8,586)
Staff training and welfare	820	1,829
Entertaining	-	131
	<u>122,183</u>	<u>105,274</u>
Premises costs:		
Rent	14,400	14,400
Rates	1,247	2,471
Service charges	237	-
Light and heat	397	2,088
Cleaning & waste	4,515	5,921
	<u>20,796</u>	<u>24,880</u>
General administrative expenses:		
Telephone and internet	557	361
Printing, postage and stationary	480	779
Office expenses	531	-
Information and publications	-	401
Subscriptions	438	173
Bank charges	354	(45)
Insurance	392	915
Equipment expensed	3,137	280
Software	1,087	-
Bad debts	-	1,056
Repairs and maintenance	5,320	182
Cleaning materials	1,090	1,446
Sundry expenses	115	471
	<u>13,501</u>	<u>6,019</u>
Legal and professional costs:		
Audit fees	-	725
Accountancy fees	4,601	2,951
Payroll fees	855	810
Advertising and PR	219	850

Little Owls Preschool CIO
Detailed Income and Expenditure Account
for the year ended 31 August 2023

This schedule does not form part of the statutory accounts

	2023	2022
	£	£
Other legal and professional	-	180
	<u>5,675</u>	<u>5,516</u>
	<u>162,155</u>	<u>141,689</u>



Section A

Independent Examiner's Report

Report to the trustees

Little Owls PreSchool Plymouth CIO

On accounts for the year
ended

31/08/2023

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 / 2023.

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 (other than that disclosed below *) 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:

Date:

30/06/2024

Name:

Daniel Cross

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

MAAT & ATT

Address:

4-5 Russell Court, Palace Street

Plymouth

PL1 2AS

Section B**Disclosure**

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.

NA